

First of all I would like to thank Bob Russell for presenting this for me/us at McCracken Motor Freight. I was unable to get away from the office. Over the years we have delivered many different commodities on pallets. They are awkward to load into the back of trailers or containers, heavy and expensive as well as hard to get rid of when they are old and worn. We spent over 20 years delivering school lunch to all of the school districts in Oregon. I personally have witnessed the dangerous handling and waste of pallets.



Pallets outside a power plant.

According to a study on ODOT’s website, freight dependant industries provided 700,000 jobs in 2008 and \$29 billion in personal income. According to the study, Oregon businesses and industries will grow by 121% by 2035. (Population is expected to grow by 34 %.)

A key goal is to reduce freight and carbon emissions that are affecting the environment.

The below statics demonstrate the state could save millions in freight costs and carbon emissions simply by converting to cardboard pallets. This simple step, switching from wood to cardboard would be a major push in helping the state become “greener”. Oregon is currently #9 on the greenest states within the United States

| Cardboard Pallet       | Wood Pallet                |
|------------------------|----------------------------|
| Costs \$8 new          | Costs \$15 new – 4.00 used |
| Weights 10 – 15 pounds | Weights 45 pounds          |

|                              |  |
|------------------------------|--|
| Receive \$1.20 to recycle    | Costs \$2.60 to recycle                  |
| No bugs or mold infestations | Susceptible to mold and wood boring bugs |
| Meets all export regulations | Does not meet export regulations         |

- Can be manufactured to be dry, partial or 100% water resistant.
- Can be manufactured to any specifications in size, and printed with UPC codes or RFID on pallets.
- 100% recyclable product, 100% green
- No nails or splinters – we can end up paying drivers for extra hours to remove nails so that pallets can be reused.
- No workman’s Comp claims from back injuries from lifting lightweight pallets. – We have had multiple workers compensation claims due to pallet jacking heavy loads.
- Can be flash frozen without damage
- Absorbs vibrations
- Significantly reduces freight costs because of less weight
- Each gallon of fuel saved reduces carbon emissions 22 pounds
- Recycling 1 ton of mixed paper saves the energy of 185 gallons of gasoline
- The amount of wood and mixed paper thrown away each year is enough to heat 50,000,000 homes for 20 years
- Eliminates the need for slip sheets
- Reduces the landfill impact, which is 120 – 150 million wood pallets going into the landfill annually, which takes many years to rot and become compost.
- Ikea states they will save \$193 million per year from this switch, 10% savings on transportation costs

I personally think it is a great idea to have the State of Oregon test the use of cardboard pallets. Majority of us in the trucking industry do want to help lower carbon emissions and lower our industry costs. As the fourth generation of an Oregon based trucking company, I would like to see what we can do to give transportation a better image and get it out that we are doing what we can do to improve our environment.

Thank you,  
Myke Lake, CEO  
McCracken Motor Freight, Inc  
And  
President of Oregon Trucking Association Safety Council