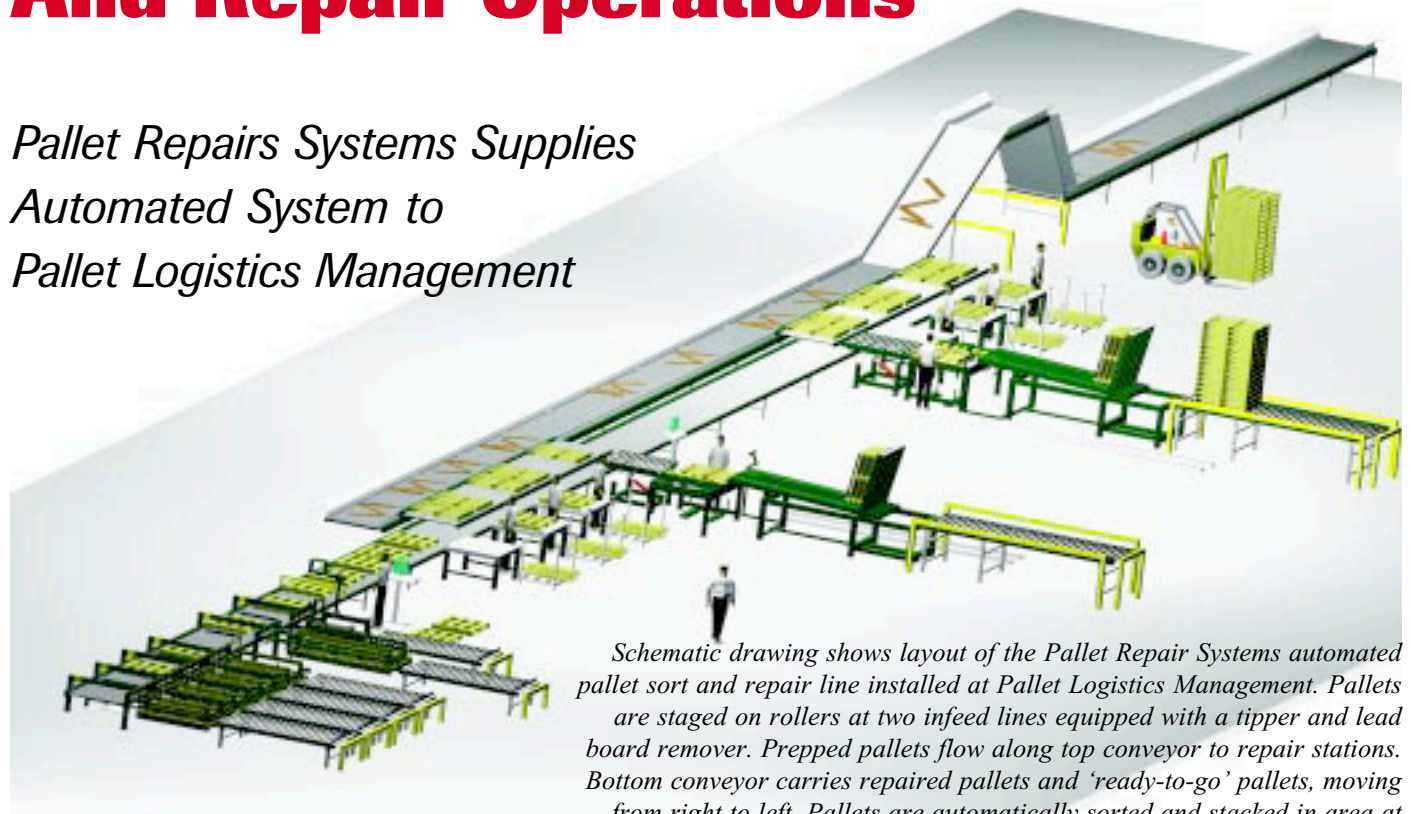


# St. Louis Recycler Rebuilds From Fire, Automates Sort And Repair Operations

*Pallet Repairs Systems Supplies Automated System to Pallet Logistics Management*



*Schematic drawing shows layout of the Pallet Repair Systems automated pallet sort and repair line installed at Pallet Logistics Management. Pallets are staged on rollers at two infeed lines equipped with a tipper and lead board remover. Prepped pallets flow along top conveyor to repair stations. Bottom conveyor carries repaired pallets and 'ready-to-go' pallets, moving from right to left. Pallets are automatically sorted and stacked in area at lower left. Other conveyor carries scrap from various locations throughout plant. Design includes space for future growth and expansion.*

By Donna Gordon Blankinship  
Contributing Author

ST. LOUIS — It may be a bit of a cliché to say a company 'rose from the ashes' after a fire, but dramatic events like a catastrophic fire have a tendency to prompt such language because it's so accurate. Those who are not destroyed by such tragedies usually come out of them stronger.

When Pallet Logistics Management (PLM) of St. Louis, Missouri, burned almost to the ground on Feb. 17, 2003, the company lost 75% of its 30,000 square-foot plant, most of its equipment and nearly its entire inventory.

"That's the catastrophe I think no one in the pallet industry wants to have happen," said Steve Snodsmith, president of the pallet recycling company.

Steve and the company's employees didn't take time to mourn their loss. The employees got right back to work. Two days after the fire they began repairing



*Three computer kiosks from Innovative Data Systems are used with its Pallet Track® program to receive pallets and track pallets through repair and sorting operations.*



*Each repair worker attaches a bar code to the pallet identifying the employee, work station, and grade of the pallet.*

pallets in a makeshift shop with no walls in the middle of a Midwest winter. Meanwhile, Steve spent much of the next year and a half working with his insurance company, deciding whether to relocate or rebuild and planning PLM's next big move: an automated pallet repair line.

Steve, a 1987 business school grad with a long family history in the pallet business, already had been looking at installing an automated line and was ready to sign a purchase agreement any day before the fire struck. The fire gave him a little more time to explore his options, and he ended up making a different decision.

"We were running the type of volume through here that we knew we needed to do something," Steve recalled, "but the fire hit, and everything was put on hold."

It took nearly 11 months to get ready to install the pallet repair system. The delay was in no way a negative reflection on his insurance company. His insurance agency and an adjuster from Pennsylvania Lumberman's Insurance were both extremely helpful.

"Two days after the fire, the adjuster sat down at my desk and said, 'What do you need?'" said Steve. "He wrote me a check, and it wasn't long after that he was following up with another check."

The fire did not put anyone out of a job, and PLM never lost a customer during the recovery period. "We owe that to

our dedicated employees and the understanding from our customers and suppliers," said Steve.

The cause of the fire was officially undetermined, although Steve said that fire inspectors believed it was an electrical problem.

### **Personal Connections**

PLM works with a variety of pallet sizes, anything from 32x32 to 48x48. The company recycles a large volume of GMA pallets as well as 36x36, 42x42 and 45x42. PLM serves a variety of customers, including manufacturing companies in the automotive, pharmaceutical, food and consumer products industries. The

company is not over reliant on any one industry, according to Steve.

Pallet Logistics Management is an off-shoot of Madison County Wood Products, which is owned by Steve's uncle, Jim Kesting, and his long-time business partner, Doug Gaines. Working with people you know, including buying from companies with whom you have a personal relationship, has always been an important value at the family-owned business. That's where Steve got his start in the business at about age 16. Jim and Doug are Steve's partners, and the companies continue to share some office space and certainly a mentoring relationship.

Because Steve values doing business with people he knows, he decided to give his old friend, Jeff Williams, who owns Pallet Repair Systems (PRS) of Jacksonville, Illinois, an opportunity to sell him an automated pallet repair line after the fire — even though he had already planned to work with a different supplier.

"Our philosophy was: buy the best," said Steve. "When we bought equipment, we bought what we thought was the best and the most heavy duty," Steve said. "We'd rather pay more up front than have a piece of equipment that would break down all the time."

Steve thought Jeff focused on smaller companies, but he didn't want to say that to his old friend, so he kept putting him off without saying why. When Steve finally shared his concerns, Jeff offered the answers Steve wanted to hear.

"He said, 'I'll build whatever you want. If you want me to beef it up, I'll beef



*New shed building at Pallet Logistics Management; company was the site of a recent NWPCA recycling plant tour.*

it up.’” Steve recalled. “That opened the door to a whole new discussion.”

Steve and Jeff sat down, and Steve told him what he was looking for after traveling around the country to see how other PRS automated systems worked. Steve appreciated Jeff’s enthusiasm to work with him, his willingness to incorporate some used equipment and the close proximity of PRS to his plant so that service technicians would only be a short drive away.

“Jeff has done everything I’ve asked him to do and went above and beyond the call of duty to make this thing work,” Steve said. The selection of an equipment supplier was “extremely difficult,” he added.

Pallet Repair Systems installed a two-tier sort and repair line as soon as PLM’s new building was constructed in 2004. The system was designed to allow for future growth and expansion.

The PRS system at PLM features two infeed lines. Stacks of unsorted pallets are staged on rollers so that tippers can feed the individual pallets into the system. As the pallets come off the tipper, a worker at a lead board remover inspects the pallet. If it has a damaged lead board, he removes it with the machine, and then pushes the pallet along rollers to the top conveyor, which carries the pallet past a line of repair stations. If the pallet does not need repairs, he attaches a bar code label and pushes the pallet along the rollers – which can tilt up or down – to the bottom conveyor, which carries it to the stacking area.

Each infeed line feeds three repair stations. The repair stations are equipped with pneumatic nailing tools as well as PRS platers. The repair worker slides the pallet off the conveyor onto the repair table. Once the pallet has been rebuilt, the worker attaches a bar code label and slides the pallet onto the bottom conveyor.

At the scanner area, a quality control inspector examines each pallet to ensure it was repaired properly. The pallets are conveyed past a scanner that reads the bar code label, which contains information about the type of pallet, the grade, and identifies the person who performed the repair, and the data is captured by a computerized system. The system also automatically feeds the pallet into the appropriate stacker; there are six auto-

matic stackers.

Pallet Logistics Management has a pay system for repair workers that includes rewards and penalties. They are paid a piece rate, so the more pallets they repair, the more money they earn. However, they can be penalized for such actions as failing to repair a pallet or not repairing it to the highest possible grade.

The bar code tracking system was designed and supplied by Innovative Data Systems Inc. of Sayville, N.Y. The company was quite willing to modify its off-the-shelf Pallet Track® software program for Pallet Logistics Management, said Steve. “Being the accountant I am, I had a lot of details I was looking for,” he said.

The Innovative Data Systems tracking system brings great accountability and management control over PLM’s operations. It can inventory pallets by type and grade. The bar code labels and system also track the origin of the pallet – which trailer it came from – so the company can evaluate the pallets it received from every customer.

Innovative Data Systems also supplied three touch-screen computer kiosks that are used in conjunction with Pallet Track® for receiving pallets and paying vendors and the pallet recycling operations. Hand-held Palm Pilots from Innovative Data Systems are used for tracking odd-size pallets. The technology is integrated — it ‘talks to each other’ — so that management has access to all data collected with the Pallet Track® program.

All scrap material is collected on a conveyor that runs through the entire building and feeds to a West Salem Machinery 2852BH horizontal hog in used condition after a West Salem Machinery technician evaluated the machine. The grinder was refurbished by West Salem Machinery at its facility in Oregon.

The PRS automated repair line has increased pal-

let production, improved pallet quality, and reduced labor costs. Before automating, PLM was producing about 6,000 GMA pallets daily with 24 repair workers. The company lost a sizeable account about the time the PRS line was installed, reducing volume to about 4,000 pallets daily. Now, with the PRS system, it only takes nine workers to produce those 4,000 pallets.

The project presented a number of different challenges to PRS, noted Jeff. PLM worked with a variety of different types and sizes of pallets, it needed to integrate its grinding function with the pallet recycling operations, the company wanted to utilize some existing stackers and conveyors, and it also wanted to allow for future expansion.

The system provides a number of additional benefits, Jeff said. It saves on forklift use, which reduces forklift fuel, labor and maintenance costs. The company no longer has 13-14 dump hoppers for scrap wood throughout the plant, and no one has to dump them twice a day. Ready-to-go pallets are quickly and easily diverted to inventory. Repair workers are more accountable, and the information gathered



*In the stacking area, a scanner reads the bar code label, and the pallet is automatically sorted and stacked by the PRS equipment.*

by the tracking system can help management in many ways.

In the lumber recovery area, PLM has two Industrial Resources bandsaw dismantling machines to disassemble pallets. The two machines produce 100% of the used lumber the company requires for repairs, so PLM does not need to buy new lumber. A Industrial Resources trim saw cuts the used lumber to the correct length.

The West Salem Machinery grinder processes the scrap material into mulch. PLM uses Exterior Designs, a traveling mulch coloring service, to color mulch. "We are just not selling enough volume at this point to justify a capital investment in coloring equipment," said Steve. "Also, Chris Brown with Exterior Designs has been extremely accommodating to our needs." About 65% of PLM's mulch is colored; the remaining grindings are sold for boiler fuel. PLM also recovers and recycles scrap nails and corrugated slip sheets.

PLM buys power nailing tools and collated nails from a Duo-Fast distributorship in St. Louis. PRS supplies band blades for the dismantling




*Integration of PRS equipment and Innovative Data Systems technology automates pallet recycling operations at Pallet Logistics Management.*

machines, and circular saw blades for cutting recycled material are supplied by Profile Technology, which is also based in St. Louis.

Steve buys from suppliers that are local and others that he has dealt with for a long time. There is a reason.

"I like to develop relationships and trust in people," he said. "It's impor-

tant for me to know who I'm doing business with."

"There are a lot of good suppliers in our industry, many I know personally," Steve added, "and they're all making a lot of advances and changes to the equipment. It just came down to PRS being close to us and being willing to do what I wanted." 

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