

How Melon 1 turned pallets into a competitive edge

A partnership and logistics success story



Environmental Sustainability

The Opportunity

Help America's largest watermelon provider create a streamlined supply chain for greater efficiency, availability and sustainability.

The Solution

Partner with CHEP to use pooled (shared) pallets throughout operations and to store pallets throughout the supply chain for immediate accessibility when needed.



"In farming, sustainability is everything. Our partnership with CHEP makes an enormous environmental difference for us and everyone we work with."

Rich Chastain
Co-Owner
Melon 1

The founders of Melon 1, America's largest watermelon shipper, built this company on the strength of generations of family history in farming, buying and selling watermelons. A respected industry leader, Melon 1 ships its watermelons nationwide from packing sheds and other distribution points on the East Coast.

"The quality of our watermelons is attributable to our farmers. We work with some of the best watermelon farmers in the country," says Rachel Syngo, Director of New Business Development, Melon 1. "We have relationships that go back over 20 years."



Maintaining longstanding relationships with trusted partners is part of the watermelon shipper's "always do what's right" approach to business. Melon 1 and CHEP have worked together nearly 20 years. Rich Chastain, Co-Owner, Melon 1, says the partnership plays an essential role in simplifying the supply chain: CHEP's comprehensive network and pooled (shared) pallets create time and cost savings while supporting sustainability. Removing the need for disposable pallets also allows Melon 1 to be more efficient and more sustainable.

For example, in terms of efficiency, the Melon 1 team packed almost 440,000 CHEP pallets full of delicious watermelons in 2017 and only required one person to track the shipments.

Since 1999, Melon 1 has achieved remarkable sustainability success by using CHEP's pooled pallets. Recent results, from 2009-2017, include:

- + Avoidance of nearly 1.7 million pounds of solid waste going to landfills.
- + Reduction of nearly 1.3 million pounds of carbon emissions, that's like taking 1.3 million passenger cars off the road for one year!
- + Additional transportation efficiencies through on-site pallet storage (2017) for reduced carbon emissions.

Another tremendous supply chain advantage for Melon 1 has been CHEP's on-site pallet storage program. This supply chain innovation allows customers to store CHEP pallets at their locations for immediate accessibility.

For a company like Melon 1 – where harvest dates depend on Mother Nature, and freshness is vital – the on-site storage does more than streamline the supply chain: It delivers peace of mind. Operations managers at Melon 1 know pallets are available whenever they need them. In fiscal year 2018, Melon 1 plans to store more than 100,000 CHEP pallets at eight East Coast locations.



Watermelons are known as the “happy fruit,” and this longstanding, collaborative partnership has created happy results:

- Honest communication and excellent customer service ensure consistent success.
- Melon 1 has CHEP pallets readily available and can get more when needed for a bumper crop.
- New opportunities are easily explored; CHEP recently began providing pallets for Melon 1 for shipments from Central America to the U.S.

Best of all, the streamlined supply chain cuts carbon and costs. As Chastain says, “Our partnership with CHEP is a win for everybody.”

To learn how CHEP's Environmental Sustainability can help you optimize your global supply chain, please contact us at:

www.chep.com

1-800-243-7255

goblue@chep.com

This is the Supply Change.™

Benefits customers have received from CHEP's Supply Chain Solutions:

A major beverage company filled 850,000 empty miles, reduced its CO₂ emissions by 3.2 million pounds and generated \$1.6 million in additional revenue.

Testing at CHEP's Innovation Center helped a tissue manufacturer save \$320,000 by switching its secondary packaging to recycled corrugate.

A paper company reduced its product damage by 75% during handling inside its facilities resulting in a savings of \$500,000.