

Do We Need Standard Shipping Containers for Domestic Logistics?

Ocean Containers Have Ushered in Dramatic Efficiencies in Global Logistics, While we Still Handle Myriad Load Types in Domestic Operations; In Search of "Easy, Open and Efficient"

SCDigest Editorial Staff

Most of logistics professionals understand the benefits of the simple ocean shipping container, created in the 1950s by SeaLand and its legendary CEO Malcolm McLean. That invention, which standardized the handling unit for sea transportation of cargo, was actually a critical factor in the growth in global trade for the next half century, as recently captured in the book *The Box: How the Shipping Container Made the World Smaller and the World Economy Bigger*, by **Marc Levinson**.

Is it way past time for a domestic equivalent?

Yes, according to **Benoit Montreuil**, current *President* of the *College Industry Council on Material Handling Education*.

"Even the container paradigm switch has not yet succeeded to have pervasive penetration within facilities or in smaller size transportation," Montreuil writes in a recent column on the Material Handling Industry of America (MHIA) web site. "Most handling, storage and transportation is still stuck with the huge complexity of dealing with general merchandises or a myriad of unit loads, instead of standardized modular containers designed for ease of handling and transportation."

He adds that "Even though MHIA has an industry group for returnable containers, we are still far from the equivalent of the world standardized shipping container. In 1993, I voiced this move toward modular transportation and handling, with very limited success."

Of course, there are some examples, such as the CHEP type pallets required by many retailers for full

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pallet shipments from consumer goods companies. Still, in general these steps towards more universal standards have been very limited.

Montreuil thinks universal domestic container standards could revolutionize supply chain and logistics.

"I am making a stand here that the greatest achievement yet to be made in handling, logistics and transportation is really to enable *easy, open and efficient* access to, deployment of, and interaction with objects throughout the world," he states.

He sees a combination of RFID and connection to the Internet as one component of this revolution, enabling a standard and efficient way of communicating information about goods as they are transported and received, but that a lot more than that is required.

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He notes that to some extent, material handling vendors may be one barrier to such a standardized approach, as many prosper as a result of logistics complexity, and may be concerned such standardization might commoditize material handling systems.

