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## Staxxon, a Delaware Firm Seeks to Solve the Shipping Container Conundrum



Staxxon Foldable Containers Loaded at Port

The global supply chain is reaching its boiling point and we are starting to feel more and more of its effects with every passing day. With thousands of shipping containers lying idle at ports around the United States and empty shelves in stores across the nation, it's no wonder tensions are high. The effect of the supply chain backup is being felt in a variety of industries, affecting small businesses and larger corporations alike.

Beth Garbow, Principal of Dexter Sales Inc, an importer, and distributor of metal products, related that with the "uncertainty at ports worldwide and rising shipping container costs" her company is looking for alternative ways to transport inventory around the world. "Many of our customers need their materials within a certain time frame" she related. "Some are willing to pay

the hefty price to air freight their orders to avoid the jammed ports and to get a head start on their projects."

Dealmed CEO, Michael Einhorn, is no stranger to the vulnerable supply chain that holds together the medical supplies industry. Operating the largest independent medical supply distribution company in New York, New Jersey, Connecticut, and Pennsylvania, Einhorn needs to keep his company's best interests in mind. He relates how the medical supply industry "operates with a JIT (Just in Time) model" and that it is "dominated by several very large firms who mostly import products – just enough from Asia and often from the same source."

As a means to combat this problem, Dealmed has been "aggressively pursuing diversifying the supply chain by producing in several countries including the USA" as well as "focusing on the JIC (Just in Case) model" which would result in having extra supplies if and when necessary.

One big player in the global shipping industry is the <u>Israeli company</u>, <u>ZIM</u>. Founded in 1945, ZIM's early years were focused on transporting refugees from Europe and aiding with the War of Independence. By 1970, ZIM had 77 ships, traveled on 19 major cargo lines and transported 4.3 million tons a year.

Interestingly, ZIM was a pioneer when it came to shipping containers, being one of the first to adopt the new technology. Shipping containers would soon become the norm for shipping companies around the globe. Although the current state of shipping containers is playing its share in the global supply chain epidemic, there is one company that may be the solution we've been waiting for.



<u>Staxxon</u>, is the first environmentally friendly, 100 percent interchangeable folding shipping container. The Delaware company operates as a technology and intellectual property licensing company, partnering with certified container manufacturers and parts suppliers to build their one-of-a-kind folding containers.

"Containers travel empty over half the time. In fact, the shipping industry spends over \$20 billion annually repositioning empties. The current crisis exacerbated the imbalance, causing a severe shortage of empties in places where they are needed most" says Staxxon CSO, Santtu Seppälä.

Staxxon CFO, Richard Danderline, relates how their revolutionary containers can "bundle five containers together in the same space as a regular container." The result will be advanced "efficiencies up and down the supply chain."

The results of implementing Staxxon's folding containers can be staggering. "Fewer trucks needed to transport empty containers to ports, less space needed at ports to store empties before they get loaded onto ships and less space needed on ships transporting the empties back to where they'll be filled again with goods," said Seppälä.

Staxxon's folding containers are also going to benefit the environment in a number of ways. As much as 80% of trucks delivering empty containers to and from ports could be cut out, massively reducing carbon emissions. The same goes for ships and reducing carbon emissions at sea.

Staxxon "is getting ready to conduct field trials in 2022 with a consortium of shipping companies eager to test out our new patented folding technology," said Danderline. Be sure to look out for their eye-catching yellow containers on the road and on the water.

## **ABOUT THE AUTHOR**

Carl Thiese is a CPA by academics, who has served as a business consultant at the United Nations and several European embassies. He has studied the growth of the Jewish communities around the world, and consults on management audits for fortune 500 companies. My expertise lies in helping bridge business opportunities with local communities to help governments help people become more self sufficient.