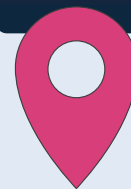
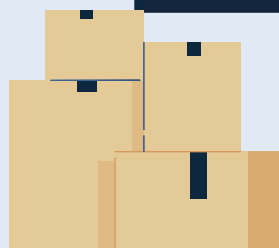


## The Product Returns Challenge: Secure & Sustainable Solutions

How Retailers Can Reduce Costs,  
Protect Their Brand, and Achieve  
100% Landfill Diversion



In 2024, retailers handled \$890 billion in product returns – yet the majority of those items never go back on shelves. Whether due to damage, expiration, or brand protection concerns, managing large volumes of returned goods is a growing retail challenge. Without the right strategy, many returns end up in landfills, liquidation channels, or unauthorized resale markets, leading to waste, lost value, and brand risk.

**\$890 billion in product returns– yet the majority of those items never go back on shelves.**

–Source: NRF 2024 Returns Report

Returns don't just impact logistics – they affect costs, sustainability goals, and brand integrity. Landfill diversion mandates are tightening, and ESG reporting pressures are increasing. At the same time, 66% of consumers now consider sustainability when making a purchase. To stay ahead, you need a secure, scalable solution that minimizes waste, maximizes value, and provides detailed data on your diversion efforts.

## **Retail Returns: The Challenges Hurting Your Brand and Bottom Line**

From rising processing costs to brand protection risks and the need for specialized recycling options, the roadblocks can make finding sustainable returns processes seem overwhelmingly difficult. Keeping returns out of landfills can become a financial drain instead of a value recovery opportunity, unless you have the right system and processes in place.

## Reverse Logistics is Complex and Costly

Returns don't follow the same streamlined process as outbound shipments – varying product conditions, mixed materials, and labor-intensive sorting make reverse logistics far more costly.

Returns don't follow the same streamlined process as outbound shipments. Products come back in varying conditions – some are damaged, expired, or missing packaging – while others require inspection before you can determine their next step. Many also contain mixed materials, like plastic and metal components, which must be separated before they can be properly recycled, adding another layer of complexity.

These same challenges apply to overstock and excess inventory, which also require careful sorting and processing to ensure sustainable recovery. Without an efficient system, surplus products can pile up, adding to operational strain and increasing costs.

The complexity drives up expenses. Managing returns and surplus inventory requires time and labor, and bottlenecks in processing can slow decision-making. Any inefficiencies in the system leave you with higher labor, storage, and disposal costs – while limiting the value you're able to recover.

## Brand Protection is a Major Concern

Without a controlled process, unsellable inventory can end up in gray markets or unauthorized resale channels – damaging brand reputation and customer trust.

Brand integrity, safety, and regulatory requirements make it critical to have a controlled process for handling unsellable inventory. Otherwise, your products could end up in unauthorized resale channels, gray markets, or other unintended places – impacting your brand reputation.

Liquidation may seem like an easy solution, but it comes with downsides. Deep discounts erode brand value, and once your products enter secondary markets, you lose control over how and where they're sold. And these secondary markets can also cannibalize primary-channel sales, cutting into your revenue.

Liquidation programs might seem like a quick fix, but they come with risks. Deep discounts **dilute brand value**, and once your products enter secondary markets, you **lose control** over how and where they're sold

Secure debranding and certified destruction processes protect your brand and ensure responsible diversion. Without a trusted, scalable solution, you're left with both financial and reputational risks – which can lead to customer confusion, warranty fraud, and brand dilution.

Many returned products contain plastics, mixed-material packaging, or specialized formulations that can't be processed through standard recycling programs.

## Lack of Established Sustainable Disposal Pathways

Keeping returns out of landfills isn't always simple. Many products have mixed-material packaging, damaged components, or specialized formulations that standard recycling can't process. From textiles and e-waste to plastics – including flexible films, rigid containers, and multi-layer packaging – and beauty products with hazardous formulations, hard-to-recycle items require specialized handling and processing to avoid landfill dependency.

Even when recycling is an option, minimum volume requirements can be a roadblock. If you don't generate enough of a specific material type at each site or region, recycling providers may reject it – forcing you to default to landfill disposal, or collect and store materials until you reach the minimum threshold for recycling.

Retailers must now comply with a patchwork of evolving regulations, from landfill diversion mandates to EPR laws – making compliance more complex than ever.

## Regulations are Expanding, But Compliance is a Challenge

Landfill diversion mandates and Extended Producer Responsibility (EPR) laws are increasing, making you more accountable for sustainably managing returned products. But navigating compliance across multi-site operations is complex – especially when laws vary by municipality, state, and material type.

Beyond regulatory pressures, investors, corporate ESG initiatives, and sustainability commitments require you to track and verify where your returned products go. Without transparent data and reporting, meeting compliance requirements – and backing up sustainability claims – is a challenge. And failing to do so can lead to fines, brand damage, and lost business opportunities.

## Zero Point Facilities: A Scalable Approach to Diverting Product Returns

An efficient returns strategy takes more than simple logistics. It demands secure handling, cost optimization, and landfill diversion at scale. With the right infrastructure and processes, achieving 100% landfill diversion is an attainable goal – where every returned product is repurposed, recycled, or redirected toward sustainable recovery.

Zero Point Facilities centralize material aggregation and minimize transportation emissions, ensuring secure processing, brand protection, and maximum landfill diversion.

## Nationwide, Scalable Infrastructure

When you manage returns across multiple retail sites, you need a solution that matches your operational footprint. Whether returns originate from brick-and-mortar stores, e-commerce fulfillment centers, or both, you need a streamlined, scalable infrastructure that's able to process products securely, sustainably, and cost-effectively.

CheckSammy's Zero Point Facilities create a nationwide network of processing centers that handle returns closer to their origin – minimizing transportation, emissions, and logistical complexity. A distributed network also simplifies compliance. With built-in expertise on local and state diversion mandates, EPR laws, and recycling requirements, you stay ahead of evolving regulations and avoid costly violations.

And scalability isn't just about geography – it's about creating efficiency at every level. Whether you need to process high seasonal return volumes, specialized products requiring unique recycling methods, or manage multi-site operations, a distributed infrastructure ensures that no returns get landfilled simply due to location-based obstacles.

Secure debranding and certified destruction are essential to a responsible returns strategy.

## Secure Debranding, Brand Protection & Product Destruction

Brand protection doesn't end at the point of return. It's critical that your unsellable products never reach unauthorized resale channels. Secure debranding and certified destruction are essential to a responsible returns strategy.

CheckSammy's debranding services remove all logos, labels, and proprietary markings before your materials are processed for diversion, this ensures that returned products don't end up in places that could damage your reputation.

For items that can't be repurposed, our certified destruction provides a documented process to permanently remove them from circulation. With verified tracking and compliance documentation, you get full transparency – so you always have confidence that your unsellable inventory won't end up in unintended resale markets.

## Multi-Path Diversion Strategies

Not all returns can – or should – follow the same end-of-life path. A sustainable returns strategy prioritizes landfill diversion through a variety of recovery options, ensuring that each product is handled in the most responsible and efficient way possible.

At our Zero Point Facilities, we match each product to the most appropriate diversion option based on product type, material, condition, and your specific needs and goals.

## Recycling

When materials can be reclaimed, they're processed through verified recycling streams, ensuring compliance with sustainability goals.

## Donation

Eligible products can be directed to nonprofits and community organizations, turning excess inventory into social impact.

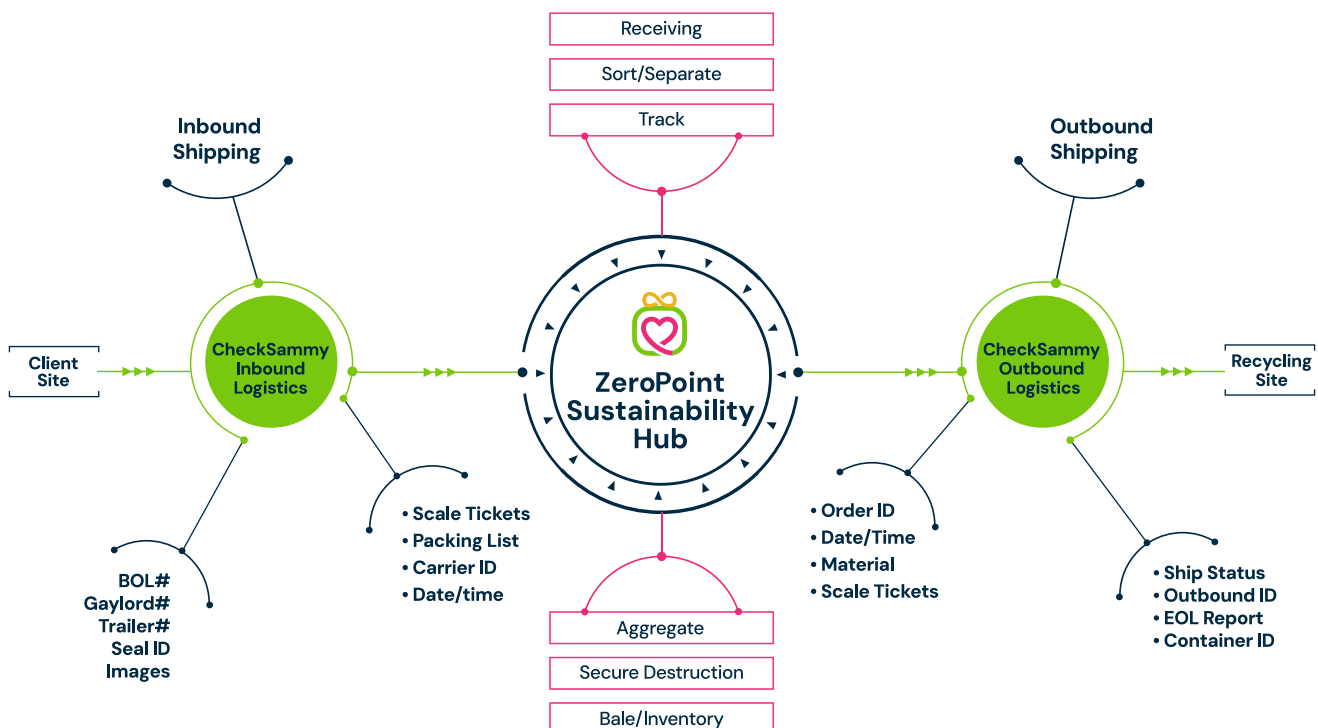
## Resale & Secondary Markets

Where appropriate, returned goods can be re-marketed in controlled channels, helping to recapture value while maintaining brand integrity.

## Waste-to-Energy (WTE)

For non-recyclable items, WTE provides an alternative to landfill, converting waste into usable energy.

Customizing your diversion strategy to align with your sustainability targets and operational goals allows you to maximize landfill diversion, optimize cost recovery, and improve ESG performance – all while maintaining control over your returned products.





## Material Sorting & Aggregation

One of the biggest obstacles to sustainable returns isn't intent – it's logistics. Returns come in all conditions, packaging types, and material compositions. Without a structured sorting process, valuable materials get discarded, and diversion opportunities are lost.

At our Zero Point Facilities, your returns are sorted, categorized, and processed to optimize your diversion outcomes. We specialize in handling hard-to-recycle items – including products with mixed materials, proprietary formulations, and complex packaging – ensuring successful diversion. Each item is directed to the most suitable end-of-life option – whether it's recycling, resale/reuse, donation, or waste-to-energy.

Verified data is the foundation of ESG compliance, landfill diversion tracking, and proving sustainability impact.

By centralizing materials from multiple sources, even lower volume returns can be processed sustainably. Our solution ensures that more materials are kept out of the landfill without burdening you with complex waste stream logistics.

## End-to-End Data & Diversion Reporting

Tracking and verifying landfill diversion is just as important as achieving it. Investors, regulators, corporate ESG initiatives, and a growing number of eco-conscious consumers expect data-backed proof of sustainability efforts, yet many retailers lack full visibility into how their returned products are processed.

**End-to-end data  
transparency streamlines  
operations and improves  
diversion efforts over time.**

At our Zero Point Facilities, every material is tracked from intake through final processing, giving you auditable, real-time reporting on landfill diversion, carbon impact reduction, and compliance metrics.

Our Certificates of Diversion and Destruction ensure that you always have verifiable documentation for internal tracking, investor relations, and ESG compliance.

With end-to-end data transparency, you'll streamline operations and have the insight needed to continuously improve your diversion efforts over time – all while making more informed business decisions.

## **Maximizing Value & Sustainability in Product Returns**

Managing returns sustainably doesn't have to be complicated. With the right infrastructure, secure handling, and data transparency, you can reduce landfill waste, protect your brand, and ensure responsible diversion.

A scalable, data-driven approach to returns management ensures landfill diversion, compliance, and measurable sustainability impact – while improving efficiency and cost recovery. Zero Point Facilities provide the infrastructure and insights needed to transform your returns strategy.

Our scalable, data-backed solutions help you maximize landfill diversion, protect your brand, and reduce operational costs.

**Discover how we can help.**



CheckSammy is a leader in bulk waste and sustainability logistics, mobilizing a vast network of recycling and reverse logistics facilities across North America. Our proprietary technology, data-backed techniques, and exclusive partnerships divert materials away from landfills, reducing your waste expenses and improving your ESG scores. Our flexible, on-demand approach provides efficient, scalable solutions for even the most complex recycling and bulk waste needs. **Visit [checksammy.com](https://www.checksammy.com) to explore our solutions.**