Router Bit Storage...

 $\frac{1}{2} \sim 1$ " wide by 1.5 ~ 2" thick strips vertically laid tightly in a drawer... butt joints are fine... bed them w a notch troweled film of mastic on the bottom of the drawer... WeldBond is just the ticket...

there's no holes to drill... just put the bits in between the strips... - any diameter shank w/ infinite spacing...

This system kills two birds with one stone.

First is a spacing issue. It always seems that the uniform holes are either too close or too far apart, which eats up the space...

Second, is using a "hard" holder (wood, MDF, etc). The holes always seem to be too loose or too tight.

drilling all those holes is labor and material intensive... not to mention expensive...

This way you have way better flexibility with infinite spacing...

my strips were the waste produced by an in town foam rubber supplier...

if you manage to get thin sheets of foam rubber, cut it into strips w/ am Olfa Rotary Cutter...

Note...

closed cell foam like the better pipe insulation jackets will serve you better...