

Logistics News: Interest in Automatic Case Picking is High among Large Volume DCs, SCDigest Survey Shows

In-depth Report on New Automatic Case Picking Technologies to be Released Soon

Cliff Holste, Materials Handling Editor

While the economic slowdown has clearly caused most companies to be more cautious with investments, overall there is a significant amount of interest in automated case picking systems, according to new research from Supply Chain Digest and Distribution Digest.

The research was performed for a new report on **Next Generation Automated Case Picking Systems for Distribution** which will be released in the next two weeks. To request a copy of this report in advance to be emailed to you, go here: <u>Automated Case Picking Report.</u>

As shown in the chart on page 2, one of many that will be in the full report, interest among higher volume DCs in automated case picking solutions is quite high. 76% of DCs with peak volumes over 40,000 cases per day had either a very high (32%) or fairly high (44%) interest in automated case picking solutions. For DCs handling 20,000 to 40,000 cases at peak, there was slightly less but still strong interest, with 57% in total having either very high (26%) or fairly high (31%) interest.

What's driving that interest?

As discussed in the report, in general, distribution managers are always looking for ways to reduce costs, and to consider additional automation to get that job done.

However, a variety of factors are in play right now, according to our survey and one-on-one interviews, to specifically increase the interest in automated case picking right now: Interest among higher volume DCs in automated case picking solutions is quite high. 76% of DCs with peak volumes over 40,000 cases per day had either a very high (32%) or fairly high (44%) interest in automated case picking solutions.

- Increasing percent of case picks for many companies
- Improving price-performance curve of available case picking solutions
- Growing general concern about DC labor issues (availability, aging labor base)
- Card Check/Unionization Potential
- Total labor costs growth often exceeding growth in system costs, which in some cases are falling, changing ROI environment over time
- Interest in reducing variability in DC operational performance
- Concern about physical demands on operators/ safety/workmen's compensation issue
- General trend towards larger DCs, which can more easily justify automation

Again, the full report will be released in approximately two weeks, and you can <u>register now</u> to receive it via email the day it is published on our site.



Logistics News: Interest in Automatic Case Picking is High among Large Volume DCs, SCDigest Survey Shows (Con't)



Source: SCDigest and Distribution Digest, Automatic Case Picking Report