

# AMR deployment at super-site speeds operation by 400%

**CEVA Logistics:** Leading the way with best-in-class picking productivity.



**After running a successful AMR pilot that led to a 400 per cent boost in picking rates for one of its largest e-commerce customers, CEVA Logistics Australia is leading the way with best-in-class picking productivity through the introduction of robots.**

**Ceva has a reputation as one of the world's best logistics providers.**

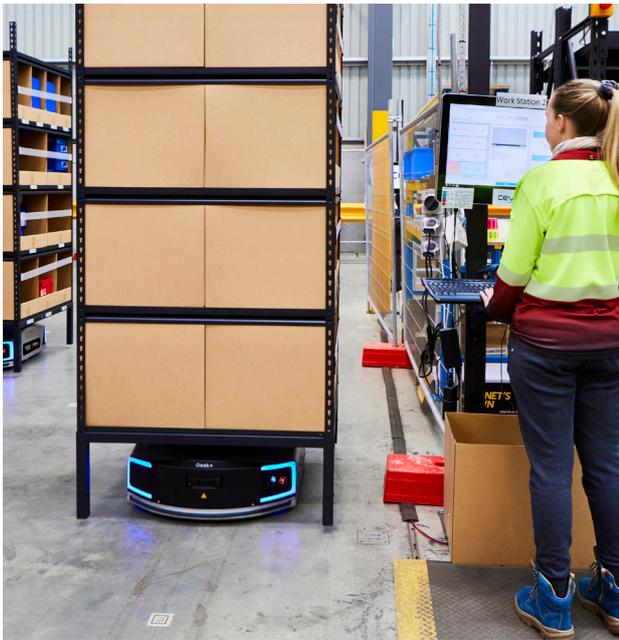
A subsidiary of the CMA CGM Group, a world leader in shipping and logistics, CEVA is one of the world's leading supply chain management companies with more than 78,000 employees working across ten regional clusters around the world, and it has a reputation as one of the world's best logistics providers.

Operating across the automotive, consumer and retail, energy, healthcare, industrial and aerospace and technology sectors, CEVA Logistics Australia

is one of the top five logistics providers in Australia. Here the company operates a 250,000 sqm of warehouse, hardstand and breezeways for contract logistics and car carrying operations, and is home to many of its clients, including a range of e-commerce, industrial and automotive customers. This site in Truganina, Victoria is one of the largest warehouses in the southern hemisphere. Australia-wide, the business employs more than 1,350 employees and operates upwards of 500,000 square metres of warehouse space. Committed to its customers, CEVA takes pride in being flexible, agile and creative when it comes to custom solutions.

The company is currently engaged in a global push towards new and innovative solutions that will improve efficiency and productivity for its customers, with a particular focus on automation.





### Meeting the e-commerce challenge

In Australia, e-commerce is booming. According to research by Australia Post, in 2019 the national year-on-year average growth was 17.2 per cent, with Victoria leading the way with 19.9 per cent growth.

Fashion and apparel was the second highest growing category with 21 per cent growth in 2019. Mirroring this, next business day deliveries grew above average in 2019, up 21.1 per cent. Within that growth, fashion and apparel purchases accounted for more than half of all next business day deliveries.

Among Australia Post's recommendations for 2020 are for retailers to look at their choice of delivery options, make speed a point of difference and look in the required technology to make that happen.

CEVA Logistics Australia understands the importance of speed of delivery and flexible delivery options for its newest e-commerce customer, a leading online shoe store.

This e-commerce provider's business was growing at a rapid pace, and CEVA wanted to look at ways it could meet this growth in an efficient and productive way.

Meeting consumer demands on speed and cost of delivery is at the top of the agenda for any e-commerce retailer and CEVA recognised that they needed a faster and more cost-effective solution for this customer.

### Proving the case

CEVA was first introduced to Körber at a logistics trade show in Australia. Körber Supply Chain is a leading integrator and developer of tech solutions that enable rapid optimisation of workflows and processes. As a result of seeing the solutions that Körber offered, the team at CEVA decided to explore Autonomous Mobile Robots (AMR) for one of its newest e-commerce clients.

To complete an order for this customer, CEVA was required to deploy 12 to 15 people using radio-frequency (RF) devices for picking, and because of the customer's rapid growth, CEVA was required to add more and more staff to fulfil orders.

The team at Körber worked out a data workflow and environmental analysis for CEVA and after seeing the predicted efficiency and productivity gains, CEVA proceeded with the project.

**“With Körber’s AMR solution, which is based on Geek+ technology, we immediately saw a very fast and efficient picking productivity and throughput solution”**

**Milton Pimenta**

Managing Director AU and NZ  
CEVA Logistics

It was critical that Körber could deliver on its promise of improved picking rates and efficiencies in this first pilot as CEVA Logistics Australia was the first region to introduce AMRs.

**“CEVA has a number of clients globally that they feel AMR technology could be suitable for. As this was the first pilot for the business it was extremely important that we delivered on our predictions”**

**Ravi Nath**

Head of Automated Solutions  
Körber Supply Chain ANZ

### Challenging timelines

The project was signed off in October 2019 and went live in early January 2020. During this time, Körber integrated its solution into CEVA's Warehouse Management System (WMS), shipped all AMR devices and trained all of CEVA's staff who would be working with the AMRs.





One of the main requirements was to ensure that the solution was introduced with as little disruption as possible, while also meeting CEVA's challenging timeline of four months from sign off to go-live.

**“This was CEVA’s first step into AMR solutions, so it was a great opportunity for them to see how they could implement AMR in different areas of the business,” Ravi says.**

The project took a matter of weeks to go-live and includes eight robots working across 400 sqm of warehouse space.

As with every pilot, key performance indicators were established around productivity, time of implementation and integration.

“These were key focuses for us, and we’ve achieved all of that in terms of future growth. We now have a continuous improvement plan to see what this solution can offer outside of this e-commerce provider,” Ravi says.

#### **From test case to full solution**

In January 2020, the first pick in the system was completed and proved very successful for CEVA. The initial project was considered a proof of concept, and it’s now become a fully integrated solution for the company. “This is the perfect solution for e-commerce. The beauty of Körber’s AMR solution is that nothing is bolted to the ground. Therefore, it is flexible, scalable and easy to set up anywhere in the

warehouse”, Pimenta says. For CEVA, this pilot has demonstrated that this solution could work across a range of clients in Australia as well as worldwide.

This pilot was a test case for CEVA Logistics Australia to demonstrate that AMR enabled the business to meet the increased demand for its client in a cost-effective manner, positioning it as a first-rate logistics provider. “This was a great opportunity to show CEVA worldwide how AMR implementation works with a custom partner as well as show that the key performance indicators could be met so soon after implementation,” Ravi says.

According to Pimenta, the e-commerce customer is thrilled with the results of the project. “They are impressed that we have made this investment. They came to see the site a month ago and are thrilled that we’ve taken this next step in innovation and made the investment to improve our offering,” he concludes.

