

WHAT IS THE COST OF NOT AUTOMATING YOUR WAREHOUSE?

- Inability to Capitalize on Growth Strategy
- Distinct Competitive Disadvantage
- Financial Considerations
- Labor Considerations

A LOOK AT THE CURRENT LANDSCAPE

Labor comprises 60 to 65% of the total cost of warehouse fulfillment, excluding shipping.



Industry headcount has increased by 14% over the previous year, but productivity levels have not kept the same pace.



Human error in warehouse picking hovers between 1% and 3%, with the average cost of an error ranging from \$50 to \$300. This equates to an 11 to 13% drain on profitability.



The rising cost of warehouse space, and underutilized vertical space, is of significant concern.

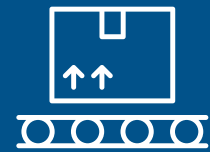


THE COST OF NOT AUTOMATING



INABILITY TO CAPITALIZE ON GROWTH STRATEGY

- Unparalleled cubic storage capacity, resulting in smaller warehouses and reduced leasing prices
- Applicable in both urban and rural areas
- Increased capacity and throughput requirements in a market where labor is difficult to find
- Ability to quickly train new staff, creating a more reliable and stable environment



Increasingly more companies are recognizing that the cost of NOT automating far exceeds the cost of implementing a warehouse automation strategy.



DISTINCT COMPETITIVE DISADVANTAGE

- Faster order cycle times, which allow more orders to be processed and the ability to expedite orders
- Same-day shipping achieved through faster pick times
- Higher efficiency and accuracy with returns and associated processing costs
- Increased product control
- Ability to closely track inventory across the cycle

ROI on automation can be met in as little as two years, even with a multi-million dollar spend.

Is it time to assess your needs and determine what solution will work best for your company in meeting rising consumer expectations?



FINANCIAL CONSIDERATIONS

- Direct savings in real estate, utilities and labor
- Increased revenue due to enhanced service levels
- Reduced risk of absence, unpaid leave, comp claims, turnover and training costs
- Greater bandwidth for more business
- Amplified storage to accommodate additional products
- Ability to capture greater market share



LABOR CONSIDERATIONS

- Predictable costing model for equipment, labor and maintenance
- Retention of high quality labor
- Ability to train new labor quickly and efficiently
- Up to 50% reduction in labor, addressing limited workforce, absence and low productivity
- Exciting, innovative environment employees take pride in
- Increased engagement that allows employees to thrive

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