

December 2018, Issue 44



### SafeSourcing e-Newsletter

Have comments, questions, or suggestions about the SafeSourcing e-Newsletter? Let us know what you think by emailing us at the following address. We look forward to hearing from you!

[events@safesourcing.com](mailto:events@safesourcing.com)

#### Trivia!

What does EIPP mean?

[www.safesourcing.com](http://www.safesourcing.com)

## Industry News

### *New Technology Making Life Easier*

#### **Robots Deliver this Holiday Season**

Reindeer and elves have been traditionally thought of as delivering goodies during the holidays, but this year robots will be helping with deliveries. Gap Inc. will be using automated arms and artificial intelligence to sort the retailer's clothing orders. Walmart is testing robots that will roam aisles to check inventory. Logistics providers are sending mobile step-stools mounted with shelves through fulfillment centers to help pull merchandise to fill online orders for toys, clothing and Walt Disney products. Much of this technology is being used in distribution facilities where people are pulling carts or operating forklifts side-by-side with robots in order to keep up with fast pace of moving merchandise.

Robotics, and other automated technology, is growing in industrial operations; although the majority of warehouse work is still done manually. "About 16.5% of organizations across several industries including warehouses are now using commercial service robots, and 21.5% have them in pilot programs, according to a 2018 survey of 600 respondents by research firm IDC." Fulfillment centers used by companies such as Amazon to pick, pack, and ship orders require two to three times as many workers as traditional warehouses. It is anticipated online sales will grow 17-22% this holiday season over last year, generating \$134 billion. Robots can more than double the speed in which orders are processed and help with keeping track of inventory. ■

*Jennifer Smith, WSJ, 10/4/2018*

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### Recent Savings

#### **Office Supplies**

Savings were over 30% of total spend. ■

#### **Disposable Cups**

Savings were over 12% of total spend. ■

\*Please [contact SafeSourcing](#) to schedule your RISK FREE event today.

## Robots Have A Light Touch

Americans enjoy their berries. In fact, they consume more than 8 pounds of strawberries each year, almost twice as much as 15 years ago, according to the US Department of Agriculture's Economic Service. This has led to big problems in the agricultural community due a labor shortage. Fruit that could be harvested is rotting on the vine. Technologists believe automation could help producers pick specialty crops such as berries, apples, and snacking tomatoes. Several startups are working on next-generation picking machines, but it is years away from commercialization. It appears robotics and people would have to have a symbiotic relationship, each doing a job it's best suited for.

Driscoll's Inc., the world's largest berry farmer, has been testing robotic strawberry picking systems on plots that are less than a tenth of an acre. That is a fraction of the 35,000 acres of strawberry fields. Thus far, the robots have difficulty recognizing ripe and unripe fruit. Driscoll is now starting to change the way it grows berries, in part to make them more robot-friendly. Some robots work better with raised beds. Typically, the fruit is grown low to the ground. Raising the beds to tabletops can cost \$80,000 an acre to plant - \$50,000 more than traditional structures. This investment, however, will also make it easier on human pickers! ■

Jennifer Strong and Daniela Hernandez, WSJ, 10/32018

## 7-Eleven to Launch Scan-and-Go

In an effort to make 7-Eleven convenience stores more "convenient", a scan-and-go option has been launched at 14 Dallas stores, with plans to expand to other US cities in 2019. By using the Scan & Pay feature on the 7-Eleven app, customers can scan the merchandise they would like to purchase with their smartphones as they walk through the store. The app also connects with the 7Rewards loyalty program so customers can see deals and promotions. Although a lot of products contain bar codes, some products such as alcohol, tobacco, and lottery tickets still require human assistance.

Gurmeet Singh, Chief Digital Officer said this "convenience play" will lure in more customers during peak hours as they can be in and out of the store faster. This prototype was built in 5 weeks; however it took months of testing at the chain's headquarters before it was launched. "Ryan Hamilton, an associate professor of marketing at Emory University, said adding scan-and-go technology is a 'major branding advantage' that could translate into more customers choosing 7-Eleven over other convenience stores, despite the limited amount of time they'll save." 7-Eleven has 66,000-plus stores in 17 countries, including 11,800 in North America. ■

Slating Meyer, USA Today, 11/6/2018

### QUESTIONS AND ANSWERS

**Q:** How can I subscribe or unsubscribe to these newsletters?

**A:** You can subscribe or unsubscribe to these free newsletters by simply going to our [website](#), and clicking the option "e-Newsletter" or by contacting us directly at [events@safesourcing.com](mailto:events@safesourcing.com)

**Q:** I have run events in the past, is there any chance I could be saving more?

**A:** Yes. No matter when your past event ran, the team at SafeSourcing can find ways for your company to save.

**Q:** I want to know more about what SafeSourcing does. Who can I talk to about this?

**A:** You can contact a customer services representative by calling us at 1-888-261-9070 or by going to our [website](#) and trying our "Risk Free Trial" offer.

### Trivia! From November 2018 Issue

What does CALS mean?

CALS (Continuous Acquisition and Life-cycle Support, formerly known as Computer-aided Acquisition and Logistic Support) is based on protocols from the United States Department of Defense for electronically acquiring documentation and connecting associated information.

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