Case Study

FST LOGISTICS

FST Logistics & Lully AI Partnership: Driving Warehouse Efficiency

Introduction

Introducing Lully AI into FST's warehouse operations did not require significant process changes. Instead, it refined existing workflows by finding optimal order release timing and groupings, reducing the number of locations visited and distance traveled, while ensuring on-time shipping was maintained, resulting in a more efficient operation.

Who is Lully AI?

Lully AI specializes in warehouse and e-commerce efficiency. It focuses on identifying the most efficient methods for picking orders, ultimately improving overall operational flow.

Efficiency Gains

Notable efficiency metrics include:

- Order Picking: A time savings of 6 to 8 seconds per order line.
- Packing: Improved labor utilization due to reduced trip time, achieving an ideal labor balance.

Warehouse Impact

Introducing Lully AI into FST's warehouse operations, in collaboration with FST's WMS partner Cadre. Instead, it refined existing workflows by reducing the number of locations visited, resulting in a more efficient operation.

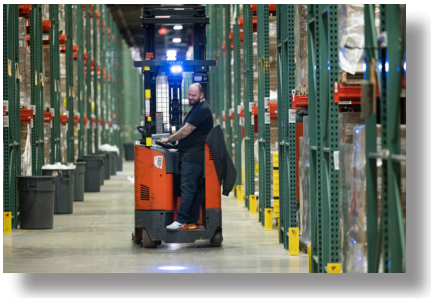
	Carts Per Hour	Locations Per Cart	Pick to Pick Seconds
Jan – Feb (Pre Lully)	1.96	34.5	31.7
June – July (Post Lully Integration)	2.05	24.3	24.8
Change	105%	142%	128%

This remarkable boost in efficiency has enabled FST to handle more orders with fewer resources, as seen above. Lully AI's ability to enhance workflow without the need for complex or costly changes has proven to be an essential asset, driving the success and scalability of FST's business.

We treat your products like the precious cargo it is.

Handled with Care

Integration Process



The integration of Lully AI into FST's systems was completed within a month. Notably, there was no disruption to operations, with all back-office work continuing smoothly. The integration also simplified certain network content, further enhancing efficiency.

AI and Labor Impact

Contrary to concerns about AI reducing job opportunities, Lully AI has positively impacted labor planning. By making processes more efficient, FST has been able to handle more orders with fewer people, regardless of peak or non-peak seasons. This means FST can cover more ground without increasing resources for picking and packing.

Administrative Efficiency

Automating order flow through FST's facilities has reduced headcount in administrative roles, leading to a more predictable and efficient workflow.

Onboarding New Customers

Thanks to Lully AI, onboarding new e-commerce customers will become less chaotic. The enhanced efficiency and feature functionality—such as streamlined picking-to-shipper processes—ensure that we can meet SLA agreements and order type efficiencies without incurring financial penalties.

Key Takeaways

- Rapid Deployment: Lully AI can be deployed quickly and integrated seamlessly, as evidenced by the successful implementation compared to previous experiences FST endured.
- Cost-Effective: Unlike heavy capital expenditures typically associated with robotics, Lully AI offers a more cost-effective solution with significant efficiency gains.

Conclusion

The partnership between FST Logistics and Lully AI has proven to be a strategic success. By improving warehouse operations and allowing efficient scalability, FST is better positioned to meet the growing demands of the e-commerce sector.