



Active Ants benefits from extra certainty when purchasing AutoStore

An interview with Jeroen Dekker, Managing Partner of Active Ants, by Marcel te Lindert



The market for e-commerce may be growing rapidly, but Active Ants' turnover is growing even faster. To enable the company to cope with the rising stream of online orders, both now and in the future, the fulfillment specialist needed to purchase a new warehouse management and order picking system. The compact, efficient and scalable AutoStore system immediately caught the eye of the directors of Active

Ants. Groenewout acted as a sounding board for the business case and provided the extra certainty that made investment in this unique system possible.

Since being acquired by Jean Lahaye and Jeroen Dekker four years ago, the turnover of Active Ants has quadrupled. Much of that success is undoubtedly due to the enthusiasm and innovative spirit of the entrepreneurs. They try to approach as many situations as possible from the perspective of an online retailer rather than a logistics manager who has been brought in to keep an eye on the inventory. That has resulted in some surprising innovations, such as the Basketpic: a photo of the order that can be emailed to consumers and shared with friends on social media. "We take the photo just as the order is being packed. It's a unique service in our market," says Jeroen Dekker, who together with Lahaye won a *Gouden Gazelle* ('Golden Gazelle') award from Dutch financial newspaper *FD* in November 2015 for being the fastest-growing SME in the province of Utrecht.



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No wasted space

The rapid growth meant that Active Ants had to move from its 6,000m² warehouse in Lopik to a 13,000m² facility in Nieuwegein. At the same time, Lahaye and Dekker went in search of an automated warehouse management and order picking system to further increase the order-processing capacity. They were immediately impressed by AutoStore, a system comprising an aluminum grid containing goods in storage bins which are moved to one or more order picking stations by robots. "We were looking for an efficient storage system that would allow us to fulfill orders quickly. In effect, AutoStore is a large matrix of storage containers in which absolutely no space is wasted. The concept sounds very logical, and to be honest it looks fantastic too," states Dekker.

Objective assessment

Needless to say, the entrepreneurs from Active Ants did not make any hasty decisions. Despite their interest in AutoStore, they decided to explore other warehouse management and order picking options such as mini load and shuttle systems. Logistics consultancy firm Groenewout acted as a sounding board for them. Dekker: "We prepared the business case ourselves but the specialists at Groenewout reviewed it and asked critical questions. They double-checked our assumptions about the expected performance, for example. Could AutoStore really handle 300 order lines per hour per order picking station, or was that overly optimistic? And how many man-hours would we ultimately save? Groenewout provided an objective and realistic assessment of the situation."



AutoStore storage system (Image © Hatteland®)

Scalability

This thorough analysis proved that the initial decision for AutoStore had been the right one, not least because of the scalability of the system. "We wanted to purchase a system which not only offers sufficient capacity for the current situation but can also be expanded if the number of stock keeping units or orders increases. That's pretty difficult with most systems, but we could easily add ten thousand storage bins to AutoStore without having to take the system offline for a couple of days. In addition, AutoStore's purchase price is realistic. Some other systems are twice as expensive to buy which makes it a lot more difficult to make a feasible business case for them. Plus all the other systems take up more space, and space is money – especially here in the heart of the Netherlands where there is such a high density of parcel hubs."

Ergonomic aspects

Groenewout also contributed to discussions on the exact design of the AutoStore system and the design of the pick and pack processes. How many bins should the system comprise? Which type of order picking stations would be needed? And how should the infeed and outfeed of the bins and parcels be organized? "Among other things, Groenewout highlighted the ergonomic aspects to us. For example, it's far from ideal if an order picker has to twist through 180° 300 times an hour to place the picked items in the relevant customer bins. If our employees couldn't work anymore because of back pain after two days, we'd have a big problem on our hands," continues Dekker. They ultimately signed up for a system comprising 13,000 bins, 16 robots, 2 order picking stations and 2 infeed stations. "The order picking stations have been specially designed for us and enable the goods from the AutoStore system to be placed into six customer bins based on a put-to-light system. Thanks to an integrated weight control system, we can reduce the number of picking errors to virtually zero."

Theft prevention and a dust-free environment

System integrator Egemin is currently implementing the AutoStore system at the new warehouse in Nieuwegein. Once that is operational, in spring this year, Dekker expects to be able to offer even better service to Active Ants' 70 webshop clients. "The key advantages are the shorter lead times and the higher order picking productivity. But let's not forget the added benefit of theft prevention. We work for a number of webshops that sell expensive watches and smartphones.

They will soon be stored in bins that can't be accessed by anyone without the right authorization, so those clients won't need to pay for extra-secure storage for their goods any longer. Furthermore, in our sector, where products are stored individually, dust can often pose a problem but now we can also store items dust-free," adds Dekker. He goes on to praise the collaboration with Groenewout: "The consultants are very competent and – equally importantly – pleasant to work with. That resulted in enjoyable informal sessions, but the specialists didn't hesitate to provide constructive criticism whenever necessary. Hence we definitely benefited from enlisting Groenewout's help. At the end of the day, good advice pays for itself."

Extra certainty

Lahaye and Dekker are extremely enthusiastic about AutoStore, and their enthusiasm can also be seen in the [Rabobank commercial](#) which prominently features both the Active Ants directors. The Dutch bank has been instrumental in financing the system, which required a total investment of EUR2.5 million. "We would never have been able to purchase AutoStore without a loan. After all, we need to be able to use our working capital to keep pace with the rapidly growing volumes," says Dekker. He adds that Groenewout also played an important role: "One of Rabobank's financing conditions was that the business case would be verified by an independent and objective third party. As that trusted third party, Groenewout has provided the extra certainty that was needed to turn this project into reality."

Text by Marcel te Lindert

Marcel te Lindert is a journalist with over ten years of experience in logistics. He was editor-in-chief of the Dutch magazines Transport+Opslag and Logistiek. Nowadays he works freelance for trade magazines including Supply Chain Magazine and Logistiek Totaal.

More information

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