

Case Study: Leading athletic apparel company



Fortune 100 athletic brand and manufacturer leverages Ricoh's robotics for warehouse automation, increasing efficiency by 100%, cutting costs by \$485K and boosting sustainability initiatives

About our customer

A global athletic apparel brand is the world's leading designer, marketer and distributor of athletic footwear, apparel, equipment and accessories for a variety of sports and fitness activities. The company is committed to corporate responsibility, sustainability and development goals, community programs, and building more equitable and inclusive practices to empower its 80,000 employees and create a workforce of the future.

“We asked Ricoh for a game-changing innovation and they delivered with a leap forward in mail and pack processing that delivered great efficiencies and tangible savings to our account.”

— Sr. Procurement Manager, Global Integrated Facilities Management Company

Challenge

- Limited historic investment in mail and package innovation, modernization and sustainability
- Labor-intensive, inflexible mail and package sorting processes with 45 human touchpoints
- Underutilized on-site print center, high outsourcing costs and workforce challenges
- Potential for workforce injuries due to heavy lifting

At the athletic brand's world headquarters, which covers over 300 acres and 75 buildings, there were antiquated processes with its mail and package services. Those processes had not been holistically evaluated in over a decade and were mostly manual in a system that could not be tracked and was unpredictable. Delivery and pick up of packages relied on large gas and diesel delivery trucks.

The print center, tasked with producing complex marketing pieces, storing collateral, training and HR materials, was not well advertised to the athletic brand's staff — who continued sending work to off-site printers. The athletic brand used a global integrated facilities management partner, who brought in Ricoh to help solve their challenges and improve efficiency.

Solutions

- Leveraged integrated facilities management–Ricoh strategic partnership
- Automated mail and package delivery and tracking with robotics, electric vehicles and carts
- Transformed print center, added online order portal and pop-up shops
- Modernized mailroom and payment system
- Implemented a modular system of interconnected robots that autonomously sort parcels

Within six months, the athletic brand's mail and package services personnel transitioned into Ricoh employees. New tracking software for mail and packages added visibility into inbound and outbound mail. They implemented a web-to-print digital portal for online ordering and added a wide-format printer to expand the center's in-house color printing capabilities, in addition to a free toner recycling program to sustainability goals. To increase business, pop-up shops were strategically set up around campus to showcase samples and assist with digital submission.

Robotics were installed in the mailroom to mitigate complexity and accommodate a fluctuating volume of packages through automation. The robots individually route to an induction point, pick up and transport parcels to staging areas, distribution containers, or other sort points, and then return to the induction point to repeat the process. The installation of portable, scalable and self-charging robots enables a flexible system to accommodate order peaks and lulls. The new system removes human error from sortation and increases visibility and reporting into package drop locations preventing lost packages.

Results

- Saved \$485,000 while scaling production up to 25,000 packages monthly
- Optimized mail and package routes, saving 40,889 metric tons per year of CO2 emissions
- Eliminated 2,400 sq/ft of landfill from toner cartridge recycling each month
- Robotics enabled 75% of mailroom staff to move into more strategic roles, reducing 3,528 people-hours annually and increasing efficiency by 100%
- 50% decrease in package handling, by simplifying and reducing 22 of 45 human touchpoints

Through marketing and cost savings achievements — \$485,000 in one year — more of the athletic brand's employees are now turning to the print center for high-quality, quick-turn printing. The route optimization innovations implemented for mail and package services dramatically improved delivery and shipping times. In addition to 25,000 incoming packages a month, the service level agreements (SLAs) continue to be met. Implementing robotics and an analytics dashboard also reduced safety risks, human errors and lost packages, creating a continuous delivery flow with 100% efficiency gains.

The athletic brand has also achieved significant sustainability benefits from the program. Having internal staff handle mail and package services delivery has saved nearly 15,000 driving miles compared to using off-site vendors, translating to more than 40,889 metric tons of carbon emission saved. Furthermore, recycling more than 340 bottles of toner each month has saved 2,400 square feet of landfill space, 200 pounds of carbon emissions and 20,000 gallons of oil.

The athletic brand also reduced its vehicle fleet from ten box trucks and five vans to four electric vehicles. These strides toward their sustainability goals are helping save the planet.

Together, Ricoh and the global integrated facilities management partner teams continue building momentum to help the athletic brand explore the next steps toward efficiency, productivity and sustainability. Learn more about Ricoh's [mail and package services](#), [robotics](#), [enterprise print solutions](#) and commitment to [sustainability](#).