



GROCERY RETAILERS NEED TO STOP BEING GUINEA PIGS WHEN SELECTING A MICRO-FULFILLMENT CENTER

Making the Right Decision

Interest in micro-fulfillment center technology (MFC) continues to grow within the grocery industry. Unfortunately, confusion among grocery retailers regarding which MFC is the best is also growing. ***The cold hard truth about most companies offering micro-fulfillment center solutions, is that they're startups with unproven hardware and software.*** For example, several well-known MFC startups have only been in business since 2017. As startups, they continue to raise capital with a focus on marketing and in order to generate business, they're very aggressive on price.

The grocery industry is notoriously risk averse. Case in point: Amazon has the least amount of grocery experience of any grocery retailer operating today. However, Amazon has been the leader in reimagining the grocery experience through technology and innovative store designs; including stores that contain built-in MFCs. Why? Because Amazon isn't afraid to think big and be innovative. The same cannot be said of most grocery retailers.

For example, several grocery retailers have selected a startup to install their MFC, even though there are much better MFC options on the market. Instead of conducting thorough due diligence, being risk averse has resulted in grocery retailers foolishly falling into the trap of choosing an MFC because a startup offers a massive discount off the price of their solution. In some cases, startups offer their MFC for free in exchange for a grocery retailer signing a contract and allowing the MFC to market that they have made another "sale."

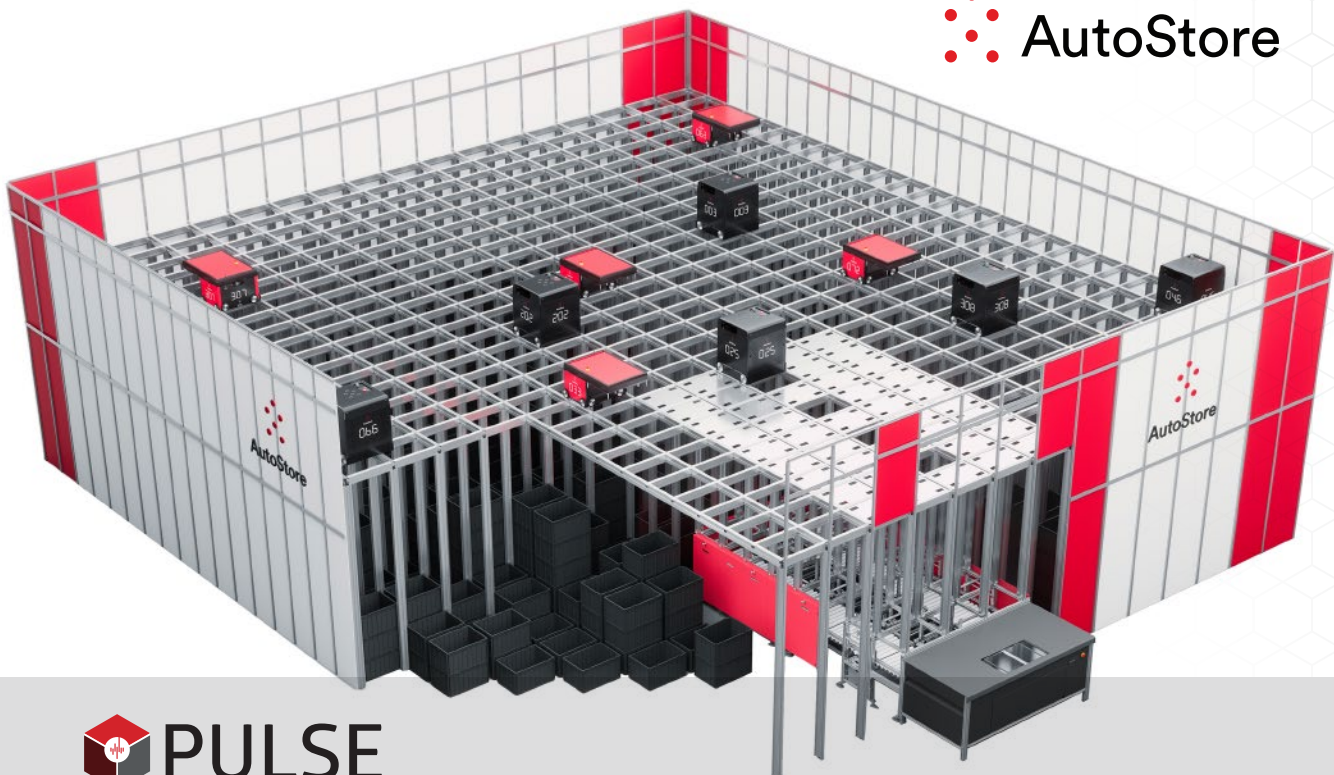
Selecting an MFC from a startup based on the number of sales or installations claimed, or on price, is arguably the worst decision criteria a retailer can use.

As leaders in system integration, we engage in discussions with grocery retailers weekly. We have seen a disturbing increase in the number of grocery retailers who selected a startup to provide them with an MFC, only to discover that the software is incredibly limited and flawed, and the technology and hardware doesn't work as promised. This results in the grocery retailer losing precious time and money and requires the retailer to start the MFC search over.

We believe the time has come for grocery retailers to stop making bad decisions, and stop being guinea pigs for startups with dubious claims and even worse technology.

AUTOSTORE: THE RISK-FREE MICRO-FULFILLMENT CENTER SOLUTION

Unlike startups who lack anything close to a best-in-class MFC, AutoStore is a 22-year-old global company with 450 installations of their industry-leading solutions. We want to reinforce this point: Several MFC startups are claiming that they have installed their solutions in as many as 50 locations. This is blatantly false. Startups are woefully inflating their numbers with the hope of convincing retailers to select their MFC solution. We strongly recommend that grocery retailers DO NOT enter into an agreement with any startup MFC provider. ***We can prove that no startup operating today offers an MFC that can come close to the functionality of AutoStore.***





AutoStore has been making robots for so long that they're on their sixth generation of robots and other technology. Everything sold and installed by AutoStore is proven to work as designed, flawlessly.

The AutoStore MFC is comprised of the following five modules:

- Robot
- Grid
- Controller (The sophisticated and industry-leading brain behind the MFC)
- Workstation
- Bin



***With 450+ implementations globally,
there is no risk when selecting an MFC from AutoStore.***

Regardless of the retail or manufacturing vertical (apparel, sporting goods, electronics, health and beauty, pharmaceutical, medical devices, automotive, industrial, etc.) AutoStore uses the exact same modules that have been implemented 450 times globally!! Compare and contrast this fact with startups that have bolted together solutions from different suppliers, and/or created their own highly untested and limited software/hardware.

Everything that AutoStore manufactures and sells is proven and in use at companies globally. There is no risk when selecting an MFC from AutoStore.

When AutoStore was asked by one of the largest grocery retailers in the world to design a micro-fulfillment solution for their needs, AutoStore replied, "We don't need to design a new solution. Our robots, grid, software, workstation and bins can easily meet the needs of any grocery retailer regardless of their size or SKU count." AutoStore proved what they stated was true by installing their MFC and far exceeding the expectations of the grocery retailer. AutoStore has a growing relationship with the grocery retailer and multiple installations are nearly complete, and more installations are scheduled in 2020.

As the grocery industry learns about AutoStore, they're quickly forgetting about the unproven startups. Of all the MFC providers, AutoStore is the fastest growing.

THE BOTTOM LINE

When it comes to selecting an MFC, there are only two decisions grocery executives can make: a bad decision or a good decision. Grocery executives who decide to utilize an MFC from a startup using unproven technology with limited software functionality, are making a bad decision regardless if the MFC provider offered their solution for free. Thankfully, an increasing number of grocery executives have come to realize they made a mistake in considering or selecting a startup hence the growing success of AutoStore.

The only logical choice when selecting an MFC is to select the MFC that leads the industry in technology, software and across every conceivable measure of success.

The Only Choice is AutoStore.

