Supply Chain
Effect

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TEMA: AI, MACHINE LEARNING AND AUTOMATION

Interview with Lars Pedersen, CEO nShift:
"Became a global leader overnight"

This is how AI sharpens supply chains

Bring automates the Nordic region with Swisslog

Electrification of the transport system

Successful collaboration on AI-based, intelligent video analysis

The Swedish logistics technology company SiB Solutions is gaining ever more clarity in its vision of error-free logistics. With new investments in the company, SiB Solutions is now determined to continue its global expansion and is investing in continued development of its AI-based SaaS platform, which uses video technology to prevent supply chain errors.

Over the autumn, an agreement was signed with logistics company 1337 Logistics to collaborate on the development of a new concept that combines artificial intelligence and intelligent video analysis of logistics processes. The collaboration is taking place at the 1337 Logistics warehouse in Värnamo, Sweden. It is a warehouse with both manual processes and an AutoStore – automated storage and retrieval system.

"The simplest, most cost-effective thing, of course, is to do everything correctly, but in reality, there are always mistakes that can be minimised and corrected using modern technology," says Robert Johansson, CIO of 1337 Logistics.

By combining video and AI, a smart assistant has been developed that notifies and guides the warehouse staff in real time if something goes wrong.

"The solution that we are now testing together will help us to pick the right number of items by verifying that the quantity is correct using artificial intelligence. We are currently pilot testing the solution at a packing table, where it is integrated with our WMS. In the long term, the idea is that the solution will be used widely," says Robert.

The system identifies in real time different objects and calculates, based on variations and changes on what's observed, whether the number of products picked corresponds to the number of products ordered.

"Solves many problems in the warehouse"
Arianna Benigno, Chief Product Officer at SiB Solutions, emphasises that it is important not to talk too much about the technology behind artificial intel-

Arianna Benigno, Chief Product Officer at SiB Solutions.

ligence, but rather to focus on how many different processes can benefit of technology.

"Technically, the big challenge is using the technology correctly, which is why we focus on what can be done with the technology, which problems we can solve in terms of warehouse processes such as packing, loading, picking, and placing items, and much more", she explains.

She also highlights that AI is the perfect tool to help warehouse staff perform their activities more accurately, for example, to fill a package with the right quantity of items and receive an alert if something is not correct. The proprietary AI-enabled platform processes video data with edge computing from selected locations in the goods flow, and it analyses the information together with logistics data retrieved from other systems. This makes it possible to notify warehouse staff in real time about activities that are about to go wrong, which prevents costly errors from occurring.

"When our camera technology analyses a warehouse process, it can observe different objects that are verified by the AI, like for example, that the objects are correctly positioned or that an entire image, a view, is recognised. One example is a customer who uses our AI solution to ensure that the bins that are used in the automated robot warehouse system return empty," says Arianna.

Lowers costs and increases customer experience

"With cutting-edge technologies such as artificial intelligence and intelligent video analysis, there is a huge potential to reduce costs in different parts of a company due to the increased accuracy and quality of logistics," says Staffan Persson, who is one of SiB

Robert Johansson, CIO at 1337 Logistics.

Solutions' three founders and a passionate logistics and business developer.

Robert agrees and explains that an error in 1337 Logistics' warehouse operations costs at least three times as much as getting things right from the start.

"Everyone knows what an error costs, so there is a lot to gain, especially for those of us who deliver all over the world. In addition, errors will have negative consequences for the customer's experience if it results in returns, calls to customer service and so on," says Robert and notes that the logistics industry is generally quite conservative.

"In this respect, SiB Solutions is a real innovator and a refreshing exception. I think many suppliers of warehouse technical solutions are often very traditional. As a next step, we are also evaluating a solution from SiB Solutions that logs all events in a warehouse using video technology."

ABOUT 1337 LOGISTICS

1337 Logistics is a 7PL company, which means that the company is both a third-party logistics operator, 3PL, that manages its customers' physical flows and a 4PL partner who also takes more extensive responsibility for coordinating, analysing and developing the supply flow. 3PL + 4PL = 7PL.

ABOUT SIB SOLUTIONS

The Swedish company SiB Solutions is developing a logistics technology platform and offers services that help companies solve logistics problems by for example filming goods handling and making it searchable. The company currently has approximately 30 employees, is part of both IBM's and ABB's accelerator programs, and its head office is at Ideon Science Park in Lund. Bileko Car Parts, Bauhaus, PostNord TPL, Scania, GDL, Hillebrand and Nowaste Logistics are some of the customers.