

## Case Study:

# Newegg Tackles Peak Demand with OPEX® Goods-to-Person Solution

Perfect Pick® technology allows their distribution center to fulfill orders within 30 minutes of placement and achieve same-day shipping goals.

“We did our due diligence before choosing Perfect Pick®. We selected Perfect Pick® for multiple reasons, but the most important reason was **scalability**. Because we are a top-notch technology company, **we invest in innovative and advanced solutions** that allow us to **process orders as effectively and efficiently as possible.**”

Chuck Cornwell

GM and Senior Operations Manager, Newegg



**OPEX®**

# Key Challenges:

01

Orders at Newegg's new distribution center would need to be picked with higher throughput while keeping **labor costs** low.

03

Same-day shipping goals increased Newegg's need for **order accuracy and speed**.

02

Newegg needed a system that could accommodate **volume fluctuations** during peak seasons.

04

**High-dollar SKUs** required a secure storage environment.

## The Background

Newegg is a leading eCommerce company that boasts over 25 million registered users. They sell over 17 million products, mostly consumer electronics, although more recently, Newegg has expanded its product line to include toys, jewelry, home appliances, sporting goods, and pet supplies.

Operating multiple fulfillment centers globally across four strategic locations in the U.S., Newegg's primary goals are to provide seamless order fulfillment, deliver the highest level of efficiency, and provide maximum productivity while controlling operational costs.

## The Challenge

Newegg needed to build a new distribution center where orders could be picked with higher throughput, greater accuracy, and with fewer people. They required a scalable system that could keep up with Newegg's exponential growth. Additionally, Newegg needed the system to meet its same-day shipping goals while also handling the significant spike in holiday order demand — up to 18,000 orders per day. Because Newegg sells high-end electronics, they also require a secure storage environment.

# The Solution

Newegg built a new 400,000 square-foot distribution center in Indianapolis, Indiana. After researching several automated order fulfillment systems, Newegg decided to implement a two-aisle Perfect Pick® system. Perfect Pick® was the innovative and advanced solution that Newegg wanted and was flexible enough to handle their spikes in demand during peak seasons.

The Perfect Pick® robotic picking technology was explicitly engineered to simplify order fulfillment automation with increased throughput, reliability, and cost-effectiveness. For Newegg, the Perfect Pick® was the self-contained, standalone point solution that answered their needs with modular, high-density racking and autonomous iBOT® robotic delivery vehicles, which can access every storage location within their aisle.

## Key Results:

**17M**

High-end products secured inside the Perfect Pick® storage racks

**18k**

Orders per day during peak season

**25M**

Registered Newegg customers

**20**

Cycle time in minutes



“Everything in the system is a **high-value item** that could easily be worth \$1,000 or more. Once an item goes into the Perfect Pick®, we know it’s not coming out unless we need it to **fill an order.**”

**Chuck Cornwell**

GM and Senior Operations Manager, Newegg



**Have questions?**  
Contact us.

 [warehouseautomation.com/](https://warehouseautomation.com/)  
 [info@opex.com](mailto:info@opex.com)

**OPEX**