

Sky-high ambitions

As new micro-fulfillment systems emerge on the market, some are being built on the back of existing stores and others as standalone intelligent warehouses. One towers above them all – the eye-catching vertical solution from Urbx Logistics.

The Boston-based startup has designed a vertical automated store targeted at retailers eager to expand in densely populated urban neighborhoods but often face exorbitant real estate costs. While offering automated grocery fulfillment in big cities isn't entirely new, stacking merchandise high in a multi-level complex is and could help mitigate some of the cost pressure that makes urban e-commerce challenging. The stores feature an automated micro-fulfillment system that can extend as high as 150 feet (46 meters) and squeeze into as little as 1,800 square feet (167 square meters). They provide click-and-collect indoor service, as well as curbside and e-bike delivery.

Foregoing in-person shopping

The "store" part of the Urbx market has no conventional product aisles for shoppers to roam but an area where they can either place their orders at a series of kiosks or by mobile phone. When it comes to shopping for items like groceries, the strategy bucks traditional thinking – namely that consumers need to see, touch and smell various items like produce. But the company's CEO, Lincoln Cavalieri, believes that many will gladly forego in-person shopping when offered quickly delivered quality goods at competitive prices. Urbx robots can pack orders of 50 items in just over two minutes and deliver them directly to the kiosk. The system uses two sets of robots; one set travels vertically and the other horizontally, with both racing along fixed tracks – aided by predictive picking software to optimize routes. While the horizontal robots max out at 13 feet per second, the vertical robots are twice as fast.

Higher E-Commerce productivity

The initial focus will be grocery chains, a target group traditionally slow to improve the customer shopping experience. Urbx aims to have its first grocery store up and running early next year. Cavalieri estimates construction costs between \$5 million (€ 4.1 million) and \$7 million, or about the same as those to build a supermarket. But the key advantages of the Urbx market, he emphasizes, are lower real estate costs and higher e-commerce productivity. Now it's up to Urbx to see whether the rollout of the company's e-commerce towers meets its lofty goals.



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