

Amazon Fulfilment Centre in Hemel Hempstead

June 2017

On 28 June, a party of just under 30 ACU3A members toured the Amazon Fulfilment Centre at Hemel Hempstead. We were welcomed with tea and coffee by Beth, our tour guide, and her team of 'Tour Ambassadors' and there followed a short video presentation about the company and a broad outline of its ethos and objectives. One thousand employees are based at the Hemel Hempstead site who work 40 hours per week in 10-hour shifts— either during the day or night –with four days on and three days off. A 'Career Choice' programme is offered to permanent staff, who have been with the company for a year, entitling them to 95% pre-paid tuition for courses related to in-demand fields, regardless of whether the skills are relevant to a career at Amazon. In addition, after one year, all permanent associates receive stock grants which could enhance their employment package by up to 12%. Other benefits for permanent employees include private medical insurance, a company pension plan, life assurance, income protection and an employee discount. In the current commercial climate, such a generous employment package must be very rare indeed.

The company was founded in July 1994 by Jeff Bezos in Seattle, Washington, who started his commercial career by trading from his garage with an online bookstore. He later diversified into selling DVDs, Blu-rays, CDs, audiobook downloads/streaming, software, video games, electronics, apparel, furniture, food, toys, and jewelry. The concept took off and Amazon is now the largest internet-based retailer in the world, selling a limitless variety of non-perishable products. Local businesses also sell through Amazon, taking advantage of its world-wide marketing strength. Entry into the market for perishable goods is currently being considered.

Kitted out with high-vis 'Visitor' vests and audio head-sets, we then began the tour.

The building itself covered an area the size of about four football pitches (with the site still capable of further expansion!). Inside this vast space, the extent to which automation controlled the whole sequence of receiving, storing, selecting, packing, labelling and despatching goods to customers was truly astonishing. Apart from huge racks of storage for individual items spread around the perimeter of the building on four floors, the central area was alive with packing stations, moving belts and pulleys transporting boxes, large and small, towards the despatch point. Human intervention had obviously been reduced to a minimum in this highly automated process, but it was striking that the 500 day staff of the 1000 workforce were lost in this vast arena. Bar coding was 'king' of the whole operation. It nonetheless seemed surprising that goods were stored quite randomly throughout the building rather than in dedicated areas of, say, books, toys, electronic goods, etc. However, Beth assured us that experience had shown random distribution to be the most efficient way for staff to select goods for a customer order. Future plans envisaged an automated selection system for doing even this part of the operation so the arrangement could change. The accuracy with which 'errors' of content, packaging, labelling or postage were identified by the bar coding system was extremely impressive. When this occurred, goods were sent to a special collection area for dispatch to local charities, as appropriate. In addition, Amazon obviously supports a number of community projects as evidenced by posters and 'thank-you' cards in Reception.

The interface between mechanization and computer technology was fascinating. My guess is that it is constrained only by the speed with which it is possible to move a physical object from A to B!

Thank you to Colin for organizing this most interesting visit.

Janet Cato

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