



A white paper by Element Logic



# Think of it like subscribing to speed, accuracy and efficiency"

The "as-a-service" approach has reshaped how businesses adopt technology. Automation-as-a-Service (AaaS) applies the same idea to warehousing. Think of it like ridesharing: you pay for the ride, not the car. So, you are not responsible for maintenance, repairs, or long-term ownership.

Element Logic's AaaS is a subscription where we implement your system and stay on to monitor, manage, and continuously optimize performance throughout the contract. In short, you get the benefits of automation faster, with predictable monthly costs and less operational burden.

Instead of tying up capital in equipment and software, you subscribe to a complete solution with the AutoStore hardware, Element Logic's Software Suite, and expert support and monitoring. You can stay focused on your core business. Over the last forty years, Element Logic has always strived to be our customers' best possible automation partner as technology evolves. Drawing on our experience, we have built our AaaS model over the last few years.

I am proud to finally introduce AaaS from Element Logic as a practical path to modern warehousing that balances performance with financial clarity. And with the current economic climate, what better time to offer a way to stay competitive without the usual risks and commitments, nor any upfront investments?

In this white paper, you will learn what AaaS entails for your operations. By the end, I hope you will be as excited as I am about the future of warehousing and intralogistics.

It is time to revolutionize warehouses worldwide with AaaS.



Håvard Hallås, Group CCO at Element Logic





## **How it works**

Warehouse automation requires considerable investment and commitment – or at least it used to. Now, there is an easier way for you to automate with less complexity and long-term commitment.

Automation-as-a-Service sounds excellent, but how does it work? Let us explain.

#### **Element Logic takes the risk for you**

As the leading global AutoStore distributor, we know the system exceptionally well. We have developed several software solutions dedicated to utilizing the power of the AutoStore hardware to optimize and enhance your warehouse performance even further.

This expertise is why we are comfortable enough to take responsibility for the outcome - and offer you automation as a subscription.

Element Logic takes the lifecycle risk on the system. If you cancel your subscription after the minimum contract term, we will uninstall your solutions and redeploy it elsewhere.

"You buy the results, not the hardware and software," Kristian Rosseland says. He is the Vice President of Element Logic Financial Services and has been working hard the last year to make this product viable and low risk for customers.

"What differentiates our subscription from others, is that we don't just deliver



a service, we take responsibility for its success and ongoing optimization throughout the contract. That accountability is unique, and it fills a clear gap for warehouses that want the best automation solution to grow and stay competitive, without becoming an automation expert themselves."

"I am proud to fill this gap in the market for all warehouses who want an easier way into automation."

#### **Everything is included as a service**

The Element Logic experts will help you every step of the way, from implementing and integrating with your existing WMS and other systems to managing operations, maintenance, and upgrades – all included in the subscription fee, with no extra costs.

Software and hardware are always kept up to date, and through continuous system monitoring we proactively optimize your operations using warehouse analytics and the latest industry insights. This enables us to guarantee throughput and uptime, with Element Logic sharing accountability for your performance KPIs.

In other words, with AaaS, you do not need to invest time and money to become an automation expert yourself.

#### **Predictable costs**

When the solution needs maintenance, spare parts, upgrades, or any other services while you subscribe, the Element Logic experts fix it immediately – at no extra cost. This secures a solution that is always up to date with the latest technological improvements and is continuously maintained by the leading experts on warehouse optimization. All while keeping predictable costs.

As you never have to worry about additional or unexpected costs, Automation as a Service is the most predictable form of warehouse automation. This is especially true if your goal is to grow fast, and you don't want to pour all your capital into one warehouse.

The average ROI for an investment in warehouse automation is three to five years. With Automation-as-a-Service, you can see financial gain from year one.

#### You don't own the solution

It is essential to understand that with Automation-as-a-Service, you will not own the solution. That means Element Logic controls the equipment and software, and we handle maintenance, upgrades, and lifecycle management under a service contract.

In exchange, you gain predictable OpEx, reduced operational risk, and continuous optimization – but you give up the opportunity to capture potential long-term cost savings that ownership can deliver.



# Why AaaS changes the game

Automation-as-a-Service lowers the threshold for leaping to warehouse automation from a manual warehouse. There are several benefits to AaaS over the traditional procurement process.

These are the most important benefits you should know about.

#### Eliminate the risk

When choosing Automation-as-a-Service, you are not just gaining access to cutting-edge technology but also mitigating risk in ways that traditional purchasing models cannot match.

With AaaS, you can adjust and scale your automation solutions according to demand to avoid falling behind your competitors.

The technology developed for the intralogistics industry evolves rapidly.

Subscribing to automation services ensures that you are always equipped with the latest advancements and stay ahead of the curve.

#### No upfront investment

By freeing up capital that would otherwise be tied up to initial investment in warehouse automation, you can use the funds on other growth-related activities instead.

You can diversify your capital and prioritize what is necessary to grow, such as market expansion, research and development,



talent acquisition, or enhancing customer experiences in other ways.

The flexibility that comes with AaaS enables you to seize new opportunities, enter new markets, and stay agile in an evolving industry for long-term success.

#### You do not have to be an expert

When you do not own the solution, you do not need extensive knowledge of robotics, optimized AutoStore tuning, software integration, or system maintenance.

This simplicity means that you do not need specialized staff to analyze how your warehouse performs or to identify improvements. We will handle that for you.

We at Element Logic have already spent years perfecting our automation expertise. There is no need for you to do the same to

reap the benefits of increased efficiency and productivity.

#### Do not worry about maintenance

If you subscribe to automation services from Element Logic, you are relieved of managing complex systems and troubleshooting issues as we take care of maintenance, updates, and support, allowing you to focus on core business operations with peace of mind.

### You will never have outdated software or hardware

A significant advantage of AaaS is that both hardware and software components will remain up-to-date and relevant.

Element Logic is responsible for maintaining and updating the software and integrating new features into your AaaS solution as soon as they become available.



#### CapEx-free scaling

Predictable monthly costs free up capital for growth.



#### Joint responsibility

Throughput and uptime are guaranteed as Element Logic shares responsibility for KPIs. Monitoring, software, maintenance, spare parts and optimization are included.



#### **Operational flexibility**

Scale the solution as your needs change.



#### Fast ROI

Lower short-term costs and financial risk.



#### Expert support

Get started quickly with help from our experts. We ensure a smooth transition to automation across your team and keep operations running as efficiently as possible.



#### Lifecycle care

We finance, manage, redeploy, upgrade, and responsibly recycle your equipment to strengthen your sustainability profile and reduce compliance risk.





## A sustainable step for modern intralogistics

As you can see, there are plenty of reasons why AaaS is a smart choice for businesses of all sizes and in all industries.

Another benefit of AaaS is its contribution to a more sustainable intralogistics industry. The whole concept builds on reusing and repurposing hardware and other components in the warehouse automation ecosystem.

By reusing existing infrastructure and equipment, AaaS minimizes waste and reduces our industry's demand for raw materials.

The modular nature of warehouse automation from Element Logic allows for scalability and integration of additional hardware or functionalities as needed without unnecessary waste.



"Automation-as-a-Service has a circular economy mindset at its core where resources are optimized and reused rather than discarded after a single use," Rosseland from Element Logic explains.



Kristian Rosseland, Vice President, Element Logic Financial Services





## Meet the Architect behind AaaS

Stian Hagen is a veteran of subscription-based business models. He has a proven track record of building and scaling successful XaaS solutions and was contracted to develop our Automationas-a-Service concept. This work included designing the concept and securing the partners and internal expertise needed to bring it to market.



"Developing a subscription model for warehouse automation required learning with customers and internal experts on real pains, and how to deliver value. It also meant building an internal understanding of how we define success and take responsibility for the performance together with the customer," Stian explains.



Stian Hagen, Business Manager at Element Logic

Stian and the team tried different approaches, kept what worked, and scrapped what did not work. They also ensured that the leadership was aligned with the vision as they refined the model step by step until it was ready.

"It was a relief to hear positive feedback from potential and existing customers. The AaaS concept lowers the barrier to adopting automation, and continuous monitoring of

solution performance enables customers to fully leverage Element Logic's know-how," he says.

"It has been fantastic to see the internal team come together, and I am excited to tell the world about Element Logic's latest achievement, setting a new standard on how to approach modern intralogistics."





# **Stay Competitive,**While Focusing on Core Business

Element Logic is a technology company at its core. We develop new software and data solutions to meet your customers' ever-changing demands. As a subscriber to our AaaS model, you get access to all our latest technological achievements – without the hassle of managing software updates or investing in new releases.

The Element Logic Software Suite is made up of several software solutions tailored to optimize your warehouse automation solution. The Suite includes our warehouse execution software that manages your entire operation from goods-in to shipping, coordinates automated equipment, and optimizes workflows in real time.

We tailor each solution and include the software you need to reach your goals.

The Software Suite also collects data from conveyor speeds, order patterns, equipment performance, and other warehouse systems.

This data is turned into insights that help us spot potential bottlenecks before they slow you down, predict when maintenance is needed, and identify opportunities to optimize throughput.

Simply put, Element Logic continuously monitors how your solution performs, identifies ways to make it work better, and quietly rolls out improvements, so your warehouse keeps getting more efficient. Your system simply evolves alongside your business, staying current and competitive while you focus on what matters most.





# **Do you still need convincing** about warehouse automation?

Warehouse automation is a cornerstone strategy for businesses aiming to gain and maintain a competitive edge. Automating your warehouse operations can significantly enhance your capacity to handle peaks and order influxes during heightened demand.

Automated systems can scale operations seamlessly, accommodating order surges without compromising efficiency or accuracy.

It minimizes delays and maximizes customer satisfaction.

Adding advanced software systems enables faster order processing and reduces picking errors. Additionally, warehouse automation allows the human

labor force to focus on value-adding activities such as customer service, product innovation, or process optimization rather than doing the same repetitive tasks day after day that puts too much strain on the human body.

Warehouse automation enables you to navigate a highly competitive market, adapt to evolving customer expectations, and grow your business.

# The only question is - do you want to buy or subscribe?



## Summary

#### The Goal is Momentum, not Ownership

If you have been on the fence about automation, AaaS is a straightforward way to start. You subscribe, and we deliver, monitor, and improve the system with you so your team can stay focused on the work that creates value.

For businesses that cannot wait for longterm returns, subscribing to Element Logic's warehouse automation services can deliver financial impact quickly.

With ongoing advancements in software, robotics, and artificial intelligence, it is impossible to predict how the intralogistics industry will look in the coming years.

One thing is certain: with Automation-as-

a-Service, you are guaranteed access to the latest technology and equipment. No matter where the future takes intralogistics, you will be equipped to meet it and to handle ever-changing customer demands.

Automation-as-a-Service will be fully available in Europe in 2025. After a learning period, we will expand the concept to other markets before it is available worldwide.

Curious how AaaS could work in your warehouse? Do not wait for the next peak to decide. Contact me and we will map a plan to capture the benefits of automation without the financial risk of ownership.



Contact Element Logic to find out how your warehouse can lead, not follow.

Contact us today



# For over 40 years Element Logic has been optimizing warehouse performance

through cutting-edge technology, Al-driven software, and tailored solutions that enhance efficiency, accuracy, and scalability. We are a global technology company founded in 1985, with more than 1000 employees across 30 countries specializing in intelligent warehouse automation, and the world's first and largest AutoStore $^{\text{TM}}$  partner.

With a strong heritage rooted in innovation, we empower businesses across industries to maximize success by automating workflows and improving logistics operations.

Our unique combination of expertise, proven track record, and commitment to both our people and technology make us the preferred partner for warehouses aiming to gain a competitive edge.

At Element Logic®, our people are our greatest resource. It is their bravery, passion, and reliability that enable us to deliver smarter solutions for our customers to succeed. Optimizing warehouse performance is not just our slogan

- it is our mission.

Learn more at www.elementlogic.net and follow us on LinkedIn and YouTube.

