



AVs Help Amazon Smash Holiday Season Sales Record

Insights

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Before your Christmas leftovers were even close to being eaten up, Amazon had already released a press release touting record-breaking sales figures for the holiday season—and autonomous vehicles played a critical role in the retail giant smashing its own holiday record. The December 26 release doesn't mention AVs or robotics in any way (except a brief mention about a record number of iRobot Roomba vacuums being sold to consumers), but rest assured, the company relied on its increasingly large complement of autonomous vehicles to reach its lofty numbers.

Gizmodo reported that a series of autonomous vehicle endeavors put into place by Amazon helped the company carry out its business this holiday season. Among them:

- for a good part of 2018, the company experimented with autonomous delivery vehicles (see our blog post from November 2018 written by Samantha Saltzman on this subject);
- after an acquisition of a robotics company in 2012, Amazon has been “integrating automation into its supply chain;” and
- the use of palletizer robots in the company's fulfillment centers.

It might be no surprise, then, to learn that this automation initiative took a toll on workers being hired. As reported by Quartz at the beginning of the holiday season, Amazon's growing AV-dependence meant that it hired 20,000 fewer seasonal workers than it did last year. In fact, according to a Citi analyst, this was “the first time on record” that Amazon retained fewer seasonal workers over the holidays than the prior year.

This shift in work development—from people carrying out all tasks to increasing automation handling a portion of the work—will require the company to invest in a new kind of workforce, one that can develop and support the AV systems put into place to carry out the work. However, transitions like these can be turbulent and can lead to labor unrest, especially if the changes are not carefully managed. If you have questions about integrating autonomous elements into your workplace, reach out to any of the attorneys in our Autonomous Vehicles Practice Group.

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