

EasyPost Enterprise Case Study

Boxed for Success: How FabFitFun Saved Millions With EasyPost Enterprise + MagicLogic

Wins

80%

of overboxing eliminated

30% to 35%

reduction in carton material usage

Millions

saved in shipping each quarter

Retailer at a Glance

2010

Founded

1+ million

Subscribers

4x annually

Peak Shipping

Scaling for growth

FabFitFun is a leading lifestyle membership platform. The company is best known for its flagship product, the FabFitFun Box, a quarterly subscription box filled with a curated selection of full-size products. The company's focus on providing value and unique experiences has helped it grow to serve over one million members, primarily in the U.S. and Canada.

As FabFitFun's membership numbers soared in recent years, the company transitioned from offering curated to fully customizable boxes, which introduced a new set of logistical hurdles. The increase in box sizes and the complexity of handling both subscription and ecommerce items in the same shipment led to rising shipping costs and inefficiencies. Additionally, relying on a single carrier network exposed FabFitFun to financial risks and potential service disruptions, especially as they made the shift to become a 3PL (third-party logistics provider).

Recognizing the need for a solution that could address these multifaceted challenges, FabFitFun turned to EasyPost Enterprise and MagicLogic, an EasyPost company. These partnerships would prove crucial in optimizing the company's logistics operations, reducing costs and enhancing the overall customer experience.

Finding a solution to fit their needs

Increasing logistical complexities threatened FabFitFun's operational efficiency and cost-effectiveness. The introduction of fully customized boxes, coupled with the company's growing role as a 3PL, brought several challenges to the forefront that EasyPost Enterprise and MagicLogic's Cube-IQ could help with:

• Increased shipping costs due to larger boxes: Evolving from a curated to a fully customized box meant FabFitFun saw a significant increase in the size of

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Julian Van Erlach SVP of Supply Chain, FabFitFun

- their shipping boxes—which led to higher shipping costs. They partnered with Cube-IQ to identify the right size boxes for each order (smaller boxes = lower shipping costs).
- Single-carrier network limitations: Relying on a single carrier network exposed FabFitFun to risks, such as potential service disruptions and increased costs. As the company's order volume grew, so did the complexity of managing these risks. Partnering with EasyPost Enterprise gave them access to a multi-carrier network that provided more flexibility and introduced rate shopping, reducing their shipping costs dramatically.
- The environmental impact of overboxing: The company had been using a larger, oversized box for shipments that included both the basic subscription box and additional ecommerce items. The overboxing increased freight costs but also negatively impacted the environment with all those extra packing materials. Cube-IQ used custom logic to determine the smallest size box to fit each individual order, minimizing packaging waste, reducing their environmental footprint, and helping them stay true to their sustainability goals.
- Need for speed and efficiency: With the need to process tens of thousands
 of orders daily, FabFitFun required a solution that could deliver sub-second
 processing speeds to keep up with their high order volume. EasyPost
 Enterprise became a crucial component by ensuring timely deliveries and
 maintaining customer satisfaction.

Julian Van Erlach, FabFitFun SVP of supply chain, has been more than pleased with their partnerships with EasyPost Enterprise and MagicLogic. "Having a technology partner that is willing to sit down and work with you when you have creative ideas is a huge advantage," he said. "Every encounter we had with EasyPost, facing the increasing complexities of customizations, has been very, very satisfactory. Much better than our expectations."

Fabulous results

Mark Gavin, FabFitFun senior director of global IT, describes how the solutions work together: "MagicLogic picks the right box for the items that you're going to ship, and EasyPost Enterprise finds the right carrier for your solution." The combined technology has helped FabFitFun achieve some amazing results.

• Several million dollars saved per quarter. The combination of MagicLogic's cartonization capabilities and EasyPost Enterprise's rate shopping led to savings of several million dollars per quarter through reduced shipping costs and optimized packaging. The use of EasyPost Enterprise also enabled FabFitFun to implement zone skipping. This lowered shipping costs by reducing the distance packages need to travel within carrier networks.

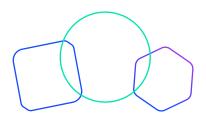
"MagicLogic picks the right box for the items that you're going to ship, and EasyPost Enterprise finds the right carrier for your solution."

Mark Gavin, Senior Director of Global IT, FabFitFun

- 80% of overboxing eliminated. Using right-sized boxes dramatically reduced overboxing—which had previously been happening on every shipment—and the savings were nearly instantaneous. "MagicLogic plays Tetris with the items and the boxes... so you're not shipping a lot of air," explained Gavin. "It was the first project that I have ever done that had an ROI in less than one week."
- **30% to 35% reduction in carton material usage.** Smaller boxes and less packaging material meant fewer trees were hurt in the process. Optimal package sizes minimized their environmental impact and contributed to the company's sustainability goals.

In addition to these incredible results, the integration of both technologies improved the customer experience by ensuring timely deliveries and sending the smallest size box to fit the order. FabFitFun also enhanced their operational efficiencies by streamlining carrier integrations and processing shipments in milliseconds.

The team at FabFitFun couldn't be more pleased with the results. "FabFitFun has achieved very, very material savings that we could measure in the tens of millions of dollars a year stemming from cartonization and freight savings," Van Erlach said. The partnership between FabFitFun, EasyPost Enterprise, and MagicLogic works like magic, delivering value to its members while maintaining a commitment to sustainability.





EasyPost is a single integration software solution that helps businesses streamline, automate, and gain end-to-end control of their shipping processes.