



March 3, 2020

Yusen Logistics Co., Ltd.
Cinnamon, Inc.

Yusen Logistics and Cinnamon AI collaborate to improve logistics operations - Started system development using AI-

Yusen Logistics Co., Ltd. (Kenji Mizushima, President; hereinafter "Yusen Logistics") and Cinnamon, Inc. (Miku Hirano, CEO; hereinafter "Cinnamon AI") announced that they have signed a basic agreement on collaboration using AI to provide solution for improving logistics operations.

We aim to develop a case mark⁽¹⁾ matching system for air export by utilizing AI-OCR "Flax Scanner"⁽²⁾ of Cinnamon AIs, and the technology.

1. Background

There is a large number of manual tasks involving warehouse workers in the incoming and outgoing of air cargo.

Given the challenge of transforming warehousing operations, including improving operational efficiencies, Yusen Logistics and Cinnamon AI have verified the applicability of AI-OCR through demonstration experiments on warehousing collation work at the time of outgoing export shipments.

As a result of these efforts, we anticipate a significant improvement in business operations, and we will start full-fledged system development with the aim of commercializing the system and expanding its introduction to the logistics industry.

2. Image of Case Mark Matching System

When outgoing export cargo from a warehouse, Yusen Logistics checks the cargo information received from the customer and the case mark on the cargo with a view to verify the cargo that should be shipped.

We aim to reduce the number of visual checking tasks and prevent misidentification by reading and checking case marks using Flax Scanner, which is the AI technology of Cinnamon AI.

In addition, by reviewing the work flow from collation to attachment of cargo labels⁽³⁾, we will change the conventional work style, and use this collaboration as an opportunity to realize a new and efficient way of working in warehouses.

3. Future Development

First, we are aiming to introduce the system at the Narita Logistics Center of Yusen Logistics.

We also plan to introduce the system to other domestic warehouses and overseas warehouses.

4. Company Profile

Company name: Yusen Logistics Co., Ltd.

Head office: Sumitomo Fudosan Shiba-Koen Tower 2-11-1, Shiba-Koen Minato-ku Tokyo 105-0011,
Japan

Founded: February 28, 1955

Representative: Kenji Mizushima, President

Business Functions: Freight forwarding business, Custom house brokerage, Warehousing,
Logistics consultancy business, etc.

URL: <https://www.yusen-logistics.com>

Company name: Cinnamon, Inc.

Head office: 3-19-13 Toranomom, 6F Spirit Building, Minato, Tokyo. 105-0001, Japan

Founded: October 5, 2016

Representative: Miku Hirano, CEO

Business Functions: Artificial intelligence product business, Artificial intelligence consulting business

URL: <https://cinnamon.is/>

⁽¹⁾case mark: A symbol, number, or letter to identify the cargo. Shipping mark.

⁽²⁾ AI-OCR: Optical character recognition function incorporating AI-technology

Flax Scanner: Even if the layout of each project varies, and the location of the acquired items changes countless in non-standard forms, this AI-OCR also enables automatic reading of target items without pre-registration or form definitions by learning the characteristics of each item. The text to be read can be printed, hand written, and other documents.

⁽³⁾Cargo label: Label with airline name, forwarder name, air waybill number, arrival airport, and quantity.