

Kroger Delivery Arrives in Greater Detroit

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Kroger national fulfillment network expands with addition of Romulus, Customer Fulfillment Center

ROMULUS, Mich., Oct. 18, 2022 /PRNewswire/ -- The Kroger Co. (NYSE: KR), America's largest grocery retailer, today announced the official opening of its newest Customer Fulfillment Center (CFC) in Romulus, Michigan. Powered by the Ocado Group (LSE: OCDO), the CFC will leverage advanced robotics technology and creative solutions to redefine the customer experience for customers in the greater Detroit area.



"Kroger has served customers in the state of Michigan for more than a century and we are thrilled to bring Kroger Delivery to greater Detroit," said Bill Bennett, Kroger Vice President, and Head of E-commerce. "We are passionate about delivering a fresh, convenient customer shopping experience with zero compromise on quality, selection, and affordability. From the refrigerated trucks, to the trained and uniformed drivers, to the white glove delivery experience at the door, Kroger Delivery brings that same zero compromise experience to a new delivery option for customers. This new offering builds on all the other benefits of shopping Kroger online, including an entirely

personalized shopping experience, easy digital coupons, valuable fuel points, and fresh, high-quality products, shoppable on the Kroger app or on Kroger.com"

The approximately 135,000-square-foot facility, situated on Wahrman Road in Romulus, will reach customers up to 90 minutes from the site. Establishing an unmatched standard for grocery delivery, Kroger Delivery utilizes cutting-edge technology to shop and transport groceries. From temperature-controlled vans and machine learning algorithms that optimize delivery routes, orders are delivered to customers' doorsteps by trained Kroger associates ensuring a best-in-class delivery experience.

Local shoppers also have access to the newly launched [Boost by Kroger](#) annual membership program. For either \$59 or \$99 per year, Boost provides customers with benefits like unlimited free delivery on orders of \$35 or more and two Fuel Points for every \$1 spent on groceries and general merchandise purchases through Delivery, Pickup and in-stores. Kroger estimates the membership can save customers more than \$1,000 per year on fuel and grocery delivery.

"Wayne County is proud to be a leader in defining the future of grocery shopping," said Warren C. Evans, Wayne County Executive. "The Kroger Fulfillment Center, the first in Michigan, will be a tremendous service for our residents to help them manage their busy lives."

The new customer fulfillment center will employ more than 700 associates as Kroger Delivery continues to expand its services throughout southeast Michigan.

"This was a true public-private collaboration that connects millions of residents with healthy foods in new and innovative ways," said Christopher Girdwood, Detroit Region Aerotropolis Development Corporation CEO.

Kroger Delivery CFCs, powered by Ocado Group have achieved a significant step up in geographical penetration and in customer satisfaction. Kroger is bringing these benefits to the Greater Detroit Area with the Romulus CFC, and to more U.S. markets.

"Ocado's world-leading technology is already powering CFCs with Kroger across six states and supporting Kroger Delivery to bring a world-leading service to multiple new and existing Kroger markets around the country," said Luke Jensen, CEO of Ocado Solutions. "Our CFC in Romulus is already bringing a game-changing online grocery experience to customers in the greater Detroit area, and we look forward to bringing this to Kroger customers from coast to coast across the U.S. as our partnership continues to grow."

Kroger Delivery Explained

The expansion to Romulus represents an extension of a partnership between Kroger and Ocado Group, a world leader in technology for grocery e-commerce. In 2018, the companies announced a collaboration to establish a delivery network that combines artificial intelligence, advanced robotics, and automation in a bold new way, bringing first-of-its-kind technology to America.

The delivery network relies on highly automated fulfillment centers. At the hub sites, more than 1,000 bots move around giant 3D grids, orchestrated by proprietary control systems. The grid, known as The Hive, contains totes filled with products and ready-to-deliver customer orders. As customers' orders near delivery times, bots retrieve products from The Hive and present them at pick stations for items to be sorted for delivery, a process governed by algorithms that ensure items are intelligently packed. For example, fragile items are placed on top, bags are evenly weighted, and each order is optimized to fit into the lowest number of bags, reducing plastic use. Bags are also

recyclable, reflecting Kroger's commitment to its Zero Hunger | Zero Waste commitment to rid its communities of hunger and waste.

Kroger's end-to-end cold solutions keep groceries fresh once loaded into a customized refrigerated delivery van, which can store up to 20 orders. Powerful machine learning algorithms optimize delivery routes, considering factors such as road conditions and optimal fuel efficiency. Vans may travel up to 90 miles with orders from the hub and spoke facilities to make deliveries. Associates at the spoke facility will deliver orders within their service area, adding ZIP codes as demand grows.

Kroger currently operates customer fulfillment centers in Monroe, OH, Groveland, FL, Forest Park, GA (Atlanta), Pleasant Prairie, WI, Dallas, TX and Romulus, MI (Detroit), with additional customer fulfillment centers slated for California, Frederick, MD, Phoenix, AZ, Cleveland, OH, Charlotte, NC, Aurora, CO (Denver), as well as South Florida and the Northeast.

Media Assets

To download Kroger Delivery photography and video, visit [here](#).

About Kroger

At The [Kroger](#) Co. (NYSE: KR), we are Fresh for Everyone™ and dedicated to our Purpose: To Feed the Human Spirit®. We are, across our family of companies, nearly half a million associates who serve over 11 million customers daily through a seamless shopping experience under a variety of [banner names](#). We are committed to creating #ZeroHungerZeroWaste communities by 2025. To learn more about us, visit our [newsroom](#) and investor relations [site](#).

About Ocado Group

Ocado Group is a UK based technology company admitted to trading on the London Stock Exchange (Ticker OCDO). It provides end-to-end online grocery fulfillment solutions to some of the world's largest grocery retailers and holds a 50% share of Ocado Retail Ltd in the UK in a Joint Venture with Marks & Spencer. Ocado has spent two decades innovating for grocery online, investing in a wide technology estate that includes robotics, AI & machine learning, simulation, forecasting, and edge intelligence.

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