

# **Kroger Fulfillment Network Expands to Greater Nashville Region and Chicago Metro Area**

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CINCINNATI, July 14, 2022 /PRNewswire/ -- The Kroger Co. (NYSE: KR) America's largest grocery retailer, today announced it will offer more Americans delivery through the addition of spoke facilities in Nashville, Tennessee and Maywood, Illinois. Working in conjunction with nearby fulfillment centers, Kroger Delivery will now reach customers in Greater Nashville and the Chicago Metro Area.



"Kroger Delivery offers customers a truly differentiated service. Orders are transported in refrigerated trucks and delivered by trained Kroger uniformed associates, giving customers an unparalleled white glove delivery experience," said Bill Bennett, Kroger Vice President and Head of E-commerce. "Kroger Delivery is part of our rapidly expanding seamless ecosystem that provides customers with fresh and quality products when and where they want it – all with zero compromise and at an incredible value."

Local shoppers will 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.

### **Nashville, Tennessee**

The approximately 40,000-square-foot facility will work in conjunction with the [Atlanta fulfillment center](#), increasing the network's reach to customers up to 200 miles from the hub. The facility is located on Polk Avenue in Nashville, Tennessee.

"Kroger is a household name that we are proud to have in Tennessee, and I thank this company for its decision to create more than 180 new jobs for Tennesseans," said Tennessee Governor Bill Lee. "Our state's central location and skilled workforce will ensure Kroger's success in the years to come."

"Tennessee's unique position offers companies easy access to their customers and suppliers around the globe, so we believe Nashville will be the ideal location for Kroger's newest cross-dock facility," said Stuart McWhorter, Tennessee Department of Economic and Community Development (TNECD) commissioner. "We appreciate this well-known brand for choosing to locate in Davidson County and look forward to seeing the growth that will come from this project."

"Tennessee Valley Authority (TVA) and Nashville Electric Service congratulate Kroger on its decision to locate operations in Nashville," said John Bradley, TVA senior vice president. "Helping to support companies creating jobs and investment in the region is fundamental to our mission of service. We are proud to partner with the Nashville Area Chamber and Tennessee Department of Economic and Community Development to further that mission and celebrate this announcement together."

### **Maywood, Illinois**

The nearly 80,000-square foot facility located in Maywood, Illinois is approximately 20 miles west of Chicago. It will work concurrently with the [fulfillment center in Pleasant Prairie, Wisconsin](#), and expects to employ more than 180 associates.

"As we continue in Moving Maywood Forward Together, I couldn't be more excited to welcome Kroger to the Village of Eternal Light. Their facility replaces a blighted area while adding new jobs and revenues that aid in the revitalization of our community. We are happy to welcome a partner that works to address our food desert designation and look to evolving collaboration with them," said Maywood Mayor, Nathaniel George Booker.

### **Kroger Delivery Explained**

The expansion to Greater Nashville and the Chicago Metro Area 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 whizz around giant 3D grids, orchestrated by proprietary air-traffic control systems. The grid, known as *The Hive*, contains totes with products and ready-to-deliver customer orders.

As customers' orders near their delivery times, the 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 ensures 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.

After product orders are packed, groceries are loaded into a 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 and Dallas, TX. The fulfillment network plans additional customer fulfillment centers in California, Frederick, MD, Phoenix, AZ, Romulus, MI (Detroit), 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 fulfilment 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.

Kroger assumes no obligation to update the information contained herein unless required by applicable law. Please refer to Kroger's reports and filings with the Securities and Exchange Commission for a further discussion of these risks and uncertainties.

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