## Kroger Delivery Expands to Birmingham, Alabama

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PR Newswire

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*Grocer opens new spoke serving the southern region and celebrates more than 160 new associates* 

BIRMINGHAM, Ala., Sept. 16, 2022 /PRNewswire/ -- The Kroger Co. (NYSE: KR), America's largest grocery retailer, today announced the official opening of a new spoke in Birmingham, Alabama. Serving as a last-mile cross-dock location, the new spoke will operate as a seamless extension of the regional fulfillment center in Atlanta, making Kroger Delivery available to more customers in the greater Birmingham area. Kroger was joined by the local community to officially open the spoke and celebrate the new associates.



"Kroger Delivery starts by bringing the shopping experience to wherever our customers are, whether they are using the Kroger app or browsing our weekly ad at Kroger.com. Here, customers can access our seamless experience that promises an extensive assortment, thousands of digital

coupons, and an entirely personalized shopping trip," said Bill Bennett, Kroger Vice President, and Head of E-commerce. "Through this zero-compromise service, customers can get fresh, affordable groceries brought to their door through a best-in-class white glove delivery experience, enabled by our refrigerated trucks, and amazing trained drivers. This cutting-edge technology sets a new unmatched standard for grocery delivery."

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.

The approximately 50,000-square-foot facility will work in conjunction with the Atlanta fulfillment center, increasing the network's reach to customers up to 90 minutes from the hub. The facility is located on West Oxmoor Drive in Birmingham's Jefferson County and will employ more than 160 associates.

"For people who live in food deserts, getting groceries can be a real challenge. Eliminating the distance to the grocery store from the doorstep can positively impact our citizens who are most in need of healthy food options. As a community we are excited about Kroger choosing Birmingham for this expansion and are eager to partner with them in exploring more ways to solve for food deserts," said Cornell Wesley, Director, Department of Innovation and Economic Opportunity, City of Birmingham.

"The Birmingham Business Alliance team was proud to assist Kroger with their momentous launch in the Birmingham market. Kroger's commitment to being a champion employer for our community has been evident since day one, and we are looking forward to supporting their continued success here," said Emily Jerkins Hall, President & Chief Operating Officer, Birmingham Business Alliance

#### **Kroger Delivery Explained**

The expansion to Birmingham 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 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 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<sup>TM</sup> 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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