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Kroger's national fulfillment network expands with addition of Forest Park Customer Fulfillment Center

New e-commerce customers receive \$15 off first three grocery delivery orders of \$75 or more

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ATLANTA, Feb. 4, 2022 /PRNewswire/ -- The Kroger Co. (NYSE: KR), America's largest grocery retailer, today announced the official opening of the Customer Fulfillment Center (CFC) in Forest Park, GA, a city south of Atlanta, powered by Ocado Group (LSE: OCDO), a world leader in technology for grocery e-commerce. This marks an expansion of Kroger's national fulfillment network, providing the region with an e-commerce delivery service that combines vertical integration, machine learning, and robotics with affordable, friendly, and fast delivery of grocery items and fresh food.



"We're proud to launch Kroger Delivery in metro Atlanta with future expansion plans throughout Georgia and beyond, a true milestone moment further accelerating our ability to provide our customers with fresh food on their doorsteps and create more job opportunities," said Gabriel Arreaga, Kroger's senior vice president and chief supply chain officer. "We greatly appreciate the support of Governor Brian Kemp, the Georgia Department of Economic Development, Clayton County Board of Commissioners, and Forest Park Mayor Angelyne Butler. This group's collaboration and commitment has provided the infrastructure to advance an innovative and industry-leading e-commerce operation, providing groceries to homes across the region, including in communities without physical stores."

"As a growing hub for technology and logistics innovations, the Peach State is proud to celebrate the opening of this new facility that will bring the latest in grocery delivery to hardworking Georgians," said Governor Brian P. Kemp. "Georgia's pro-business environment and highly skilled workforce will continue to attract the companies and innovators building the infrastructure and jobs of tomorrow."

"With direct access to three interstate highways, an international airport and railways, our city has become a strategic partner that supports large-scale commerce and growing industries," said Mayor Angelyne Butler, MPA. "This type of economic development progress only helps to strengthen our message that it is a new day in Forest Park. We trust that our public-private partnership with Kroger will help pave the way for more high-wage jobs and serve as an investment toward our goal of creating an even more robust business climate."

Kroger Delivery Customer Experience

After placing an order via Kroger.com or the Kroger app, customers in regions where a CFC is located have groceries delivered by a knowledgeable Kroger Delivery associate in a temperature-controlled van. The associate delivers industry-leading customer service, including ensuring order freshness and satisfaction, managing order changes, and informing customers of loyalty membership benefits like digital coupon savings and fuel points through a partnership with Shell®.

"Kroger is uniquely positioned to transform grocery e-commerce throughout the region using a vertically integrated network to provide a reliable and consistent fresh food delivery service that repeatedly receives favorable customer feedback like a best-in-class Net Promoter Score," said Bill Bennett, Kroger vice president and head of e-commerce. "Kroger's unique service delivers fresh food, household essentials, and personal care for as little as \$6.95."

The opening of the Forest Park CFC follows another e-commerce achievement for the retailer in the area, the recent launch of the Boost by Kroger Plus annual membership program. For either \$59 or \$99 per year, Boost provides customers access to benefits like free delivery and the opportunity to earn up to \$1 off per gallon of fuel twice as often.

Additionally, during the launch period, new e-commerce customers are invited to try the service and receive \$15 off their first three delivery orders of \$75 or more using this [promotional link](#).

Kroger Delivery Operations

The launch in metro Atlanta represents an extension of a partnership between Kroger and Ocado. 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 Forest Park CFC carries thousands of popular grocery products and represents one of the models engineered for the flexible Kroger fulfillment network. The CFC can fulfill thousands of orders per day.

Kroger Delivery is a vertically integrated network, enabling coverage of up to 90 miles from the hub location in Forest Park. In these highly automated CFCs, more than 1,000 bots whizz around giant 3D grids, orchestrated by proprietary air-traffic control systems in the unlicensed spectrum. 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 which are presented at stations for items to be sorted for delivery, a process governed by algorithms that

ensures items are intelligently sorted. For example, fragile items are placed on top, bags are evenly weighted, and each order is optimized to fit into the fewest number of bags, reducing plastic use.

Once completed, orders are loaded into a temperature-controlled Kroger Delivery van, which can store up to 20 orders. Powerful machine learning algorithms dynamically optimize delivery routes, considering factors like road conditions and optimal fuel efficiency.

"Kroger Delivery provides reliably fresh food in a convenient, innovative way. We are excited to deliver Kroger's exclusive brands, including Simple Truth[®], the country's largest natural and organic private label, and Private Selection[®] throughout metro Atlanta," said David Matthews, Kroger's general manager of the Forest Park Customer Fulfillment Center. "The new Customer Fulfillment Center will introduce Kroger Delivery to both existing and new customers, accelerate our e-commerce capabilities, and create hundreds of new career opportunities from our centralized location here in Forest Park."

Kroger Delivery Associate Experience

Talent on Kroger's supply chain, technology and digital, data and analytics, human resources, operations, and merchandising teams are partnering to design the Kroger Delivery network. At every CFC, on-site associates support delivery operations and help process, package, and load orders. The Forest Park CFC currently employs more than 250 associates and continues to hire, with roles focusing on customer service and engagement, engineering, operations, inventory and quality management, and transportation. To view available careers, visit [Jobs.Kroger.com](https://jobs.kroger.com).

"Kroger and Ocado are revolutionizing the online grocery landscape across the U.S. This CFC brings some of the most innovative technology available anywhere in the world to the heart of Georgia, enhancing Kroger's online ecosystem in the state, and delivering a market-leading quality of service online to Kroger customers here. It is also generating amazing opportunities for engineers based in Atlanta to work with cutting-edge robotics and AI systems, enabling essential grocery services for communities across the state," said Luke Jensen, CEO Ocado Solutions.

The Forest Park location joins CFCs in Groveland, FL and Monroe, OH. The fulfillment network plans additional Customer Fulfillment Centers in California, Dallas, TX, Frederick, MD, Phoenix, AZ, Pleasant Prairie, WI, Romulus, MI, as well as South Florida and the Northeast.

Media Assets

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

About Kroger

At The [Kroger](#) Co. (NYSE: KR), we are dedicated to our Purpose: to Feed the Human Spirit™. We are, across our family of companies, nearly half a million associates who serve over nine million customers daily through a seamless digital shopping experience and 2,800 retail food stores under a variety of [banner names](#), serving America through food inspiration and uplift, and 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.



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