

## Kroger Will Build Fulfillment Center In Cabarrus County And Create Nearly 700 Jobs

By Administrator

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The Kroger Co. America's largest grocery retailer, will build a high-tech customer fulfillment center in Cabarrus County and create nearly 700 jobs over five years to support a logistics facility that will be established in the City of Concord.

"As e-commerce continues to grow, I'm pleased Kroger will locate this highly advanced fulfillment center in our state," said Governor Roy Cooper. "From our hard working and skilled people to our advanced transportation networks and overall business climate, North Carolina offers the right ingredients for a modern business to succeed."

The Kroger Co. serves customers across a family of stores like Kroger, Harris Teeter, Ralphs, and Fred Meyer, among many others. Kroger Fulfillment Network, LLC (KFN), the subsidiary leading the project, is a vertically integrated network for ambient, chilled, and frozen groceries. Using artificial intelligence, advanced robotics, and automation, KFN operates with proprietary technology to allow for affordable, friendly, and fast delivery of fresh food and household essentials to customers.

"The acceleration of our delivery business continues with the development of an additional customer fulfillment center, advancing our commitment to creating career opportunities and serving shoppers fresh food fast through interconnected, automated, and innovative facilities and last-mile solutions across America," said Gabriel Arreaga, Kroger's senior vice president and chief supply chain officer. "We thank Governor Roy Cooper for his collaboration and support of this project, and the company looks forward to serving new and existing customers across North Carolina."

"The jobs of the future are changing, but our state's commitment to build a skilled, inclusive, and diverse workforce remains the same," said North Carolina Commerce Secretary Machele Baker Sanders. "As our new *First in Talent* strategic plan makes clear, investments in our educational and training systems will keep our workers well positioned for the workplaces of tomorrow."

While wages will vary based on job roles, the average annual pay, including benefits like healthcare and retirement, will be above the Cabarrus County average of \$41,255. The total payroll impact from this project on the region is expected to reach more than \$29 million, each and every year.

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KFN's project in North Carolina will be facilitated by a Job Development Investment Grant (JDIG) approved by the state's Economic Investment Committee earlier today. Over the course of the 12-year term of this grant, the project is estimated to grow the state's economy by \$820.8 million. Using a formula that takes into account the new tax revenues generated by 692 new jobs, as well as the company's required project investment, the JDIG agreement authorizes the potential reimbursement to the company of up to \$2.3 million, spread over 12 years.

State payments only occur following performance verification by the departments of Commerce and Revenue that the company has met its incremental job creation and investment targets. JDIG projects result in positive net tax revenue to the state treasury, even after taking into consideration the grant's reimbursement payments to a given company.

"Kroger's selection of Concord and Cabarrus County for this large fulfillment center is welcome news for our region," said N.C. Senator Paul Newton. "These new jobs and investment will help many families in our area for years to come."

Partnering with the North Carolina Department of Commerce and the Economic Development Partnership of North Carolina on this project were the North Carolina General Assembly, the North Carolina Community College System, the North Carolina Department of Transportation, Cabarrus County, the City of Concord and the Cabarrus Economic Development Corporation.