Retail Supply Chain Update
August 12, 2020

Walmart teaming with Instacart on same-day delivery pilot

- Walmart has entered into a partnership with grocery delivery platform Instacart to bring same-day delivery to four markets in California and Oklahoma.
- “We’re always looking for partners to help us better serve our customers,” a Walmart spokesperson said in an emailed statement to Supermarket News. “Customers love the value we bring with pickup and delivery. They’ve turned to us during the pandemic to bring them their goods safely and easily. As we continue to expand our own delivery from nearly 3,000 stores reaching nearly two-thirds of American households, we’re excited to test and learn in four markets reaching new customers with Instacart.”
- "The new partnership brings thousands of items — from groceries, alcohol and pantry staples to home decor and improvement, personal care, electronics and more — at everyday low prices from Walmart stores to customers’ doors in as fast as an hour," said a statement from an Instacart spokesperson.

Kroger to launch digital marketplace this fall

- This fall, Kroger plans to go live with a digital marketplace of third-party sellers through a partnership with e-commerce provider Mirakl, which specializes in B2C and B2B e-marketplaces.
- Kroger said Tuesday that, under the move, its Kroger Ship direct-to-customer platform will extend its ship-to-home assortment beyond groceries to a range of other categories, including natural and organic products, international food, specialty items, housewares and toys. Initially, more than 50,000 items will be available to customers, the Cincinnati-based retailer said. Eligible Kroger.com orders also will be able to earn loyalty rewards, such as fuel points.

Clorox is making 1 million packages of disinfecting wipes per day, CEO says

- Clorox said it's churning out more disinfectant wipes than ever before to keep up with increasing demand during the pandemic.
- The company's president, Linda Rendle, said Monday that it is "making wipes in record numbers and shipping to stores in record numbers" as consumers continue to scour grocery store aisles for Clorox and Lysol products, which health agencies say may help curb the spread of COVID-19.
- "In terms of wipes, we are making more disinfectant products than we ever have before. Since January, we’re able to make 100 million more disinfecting products than we did before, that’s a 50% increase,” Rendle said.
- "We are making nearly 1 million packages of wipes every day and shipping them to stores."
• The company previously acknowledged that there is a shortage of its products due to an onslaught of demand. It also said the shortage will likely last until next year.
• Clorox Disinfectant Wipes have not been tested on the novel coronavirus that causes COVID-19, according to the Environmental Protection Agency. But the wipes are "expected to be effective against COVID-19 based on data for harder-to-kill viruses."

**Smithfield Foods posts Q2 loss after spending $350M on coronavirus**

• Smithfield Foods lost $72 million during its second quarter after spending $350 million on costs associated with the pandemic, the company said in a statement. Smithfield said even when it factored in the benefits of risk management activities before the pandemic, Q2 results were $102 million compared to $221 million a year ago.
• The total $350 million in costs tied to the pandemic included $195 million in people-related costs, such as expanding employee benefits, $125 million in facility-related costs, like adding personal protective equipment, and $30 million in donations.
• "Going forward, we expect performance to rebound in the fall, as our COVID-19 related costs, some of which were one-time or short-term in nature, are declining," said Kenneth Sullivan, Smithfield’s president and CEO.