

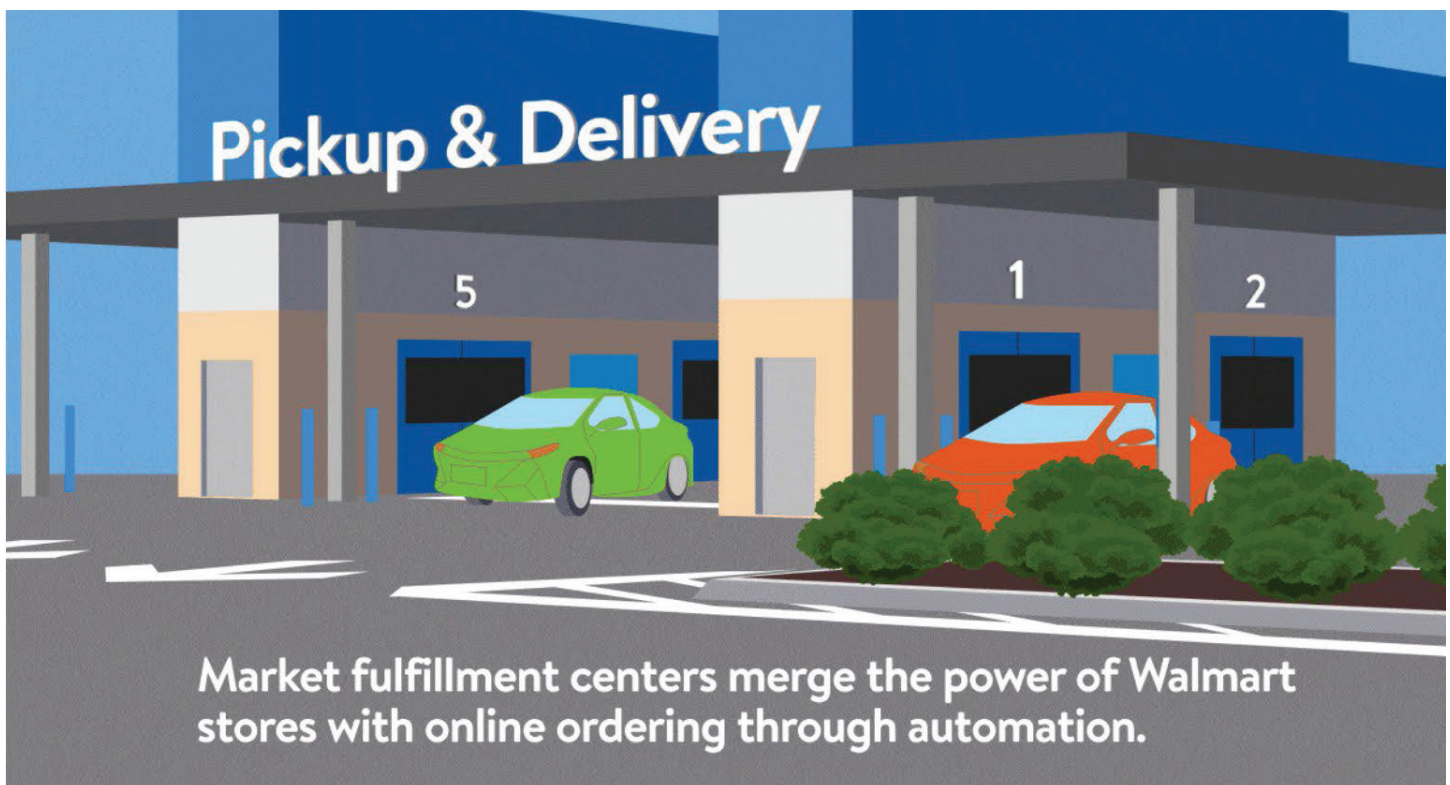
# Retailer Update

from Retail Specialists, LLC

Aug 17, 2022



## Does your Walmart have a **Market Fulfillment Center<sup>1</sup>**? (MFC)



During some recent travels, I came across a Walmart adding a new Drive Thru Pick up service and a Market Fulfillment Center in the store. A MFC is a partially automated storage and retrieval system for picking and packing orders for pick up or delivery.

Walmart first tested the system in 2019 in Salem NH and has publicly announced a few new locations like two in Jacksonville Florida<sup>2</sup>.

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Fulfillment centers are not new to the larger retailers. WMT, Amazon and others have been adding distribution centers with robots picking orders for years. What's new is that technology is now being reduced to fit inside retailers' fleet of stores to provide faster delivery. An average Walmart Supercenter is 180,000 - 210,000 square feet. By adding MFC to 10-20,000 square feet of its existing stores, it can significantly speed up its pickup and delivery speeds.



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Think of it this way, if you order online at WMT, someone then goes and picks the order from its huge stores, moves it to a storage area at the front of the store and then has another team take it to you at your car in the parking lot. In a MFC store, you simply order and drive up to the drive thru lanes, have your order loaded into your car and you're on your way. Everyone saves time. The MFC can store the most commonly bought items, pull, and package your order in a much smaller area of the store and do it faster.





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Walmart's SVP of Customer Products outlined the process in a Walmart post<sup>3</sup>

“A *market fulfillment center* (MFC) is a compact, modular warehouse built within, or added to, a store. In addition to fresh and frozen items, MFCs can store thousands of the items we know customers want most, from consumables to electronics.

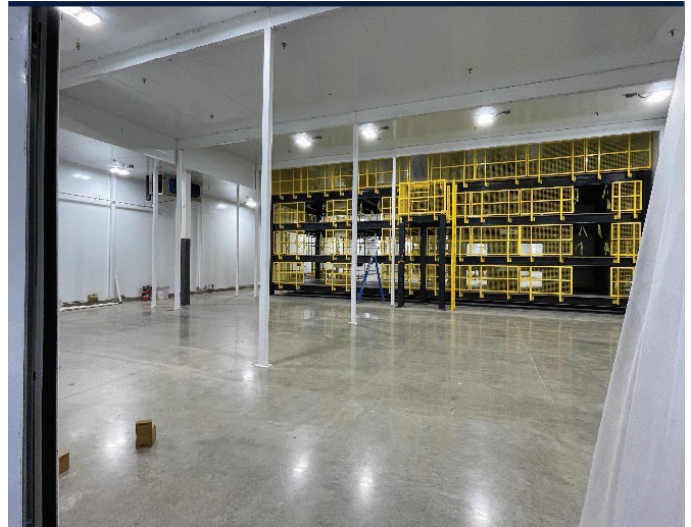
Instead of an associate walking the store to fulfill an order from our shelves, automated bots retrieve the items from within the fulfillment center. The items are then brought to a picking workstation, where the order can be assembled with speed.

Once the order is collected, the system stores it until it's ready for pickup. This whole process can take just a few minutes from the time the order is placed to the time it's ready for a customer or delivery driver to collect.”

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These new MFC can also serve Walmart's own delivery services by having online orders filled in minutes and on to local delivery trucks shortly thereafter.



These pictures appear to show an MFC under construction in a Kentucky store.

Based upon my review of the construction at the Turkey Creek Walmart remodeling in Knoxville TN, it appears convey belts systems will deliver the orders to waiting customers vehicles or Walmart delivery services.

The MFC section appears to be taking about 20,000 sf of this existing store and will feed into the new delivery pods located in the former Garden store area.

- 1 [Walmart to build local fulfillment centers at dozens of stores](#) (supermarketnews.com)
- 2 [Walmart plans automated Market Fulfillment Centers at 2 Jacksonville stores](#) - CareerSource NEFL (careersourcenortheastflorida.com)
- 3 [From Ground-Breaking to Breaking Ground: Walmart Begins to Scale Market Fulfillment Centers](#)