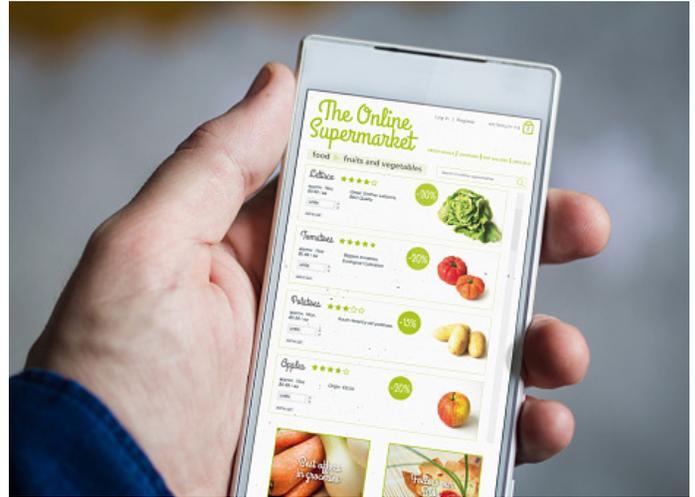


INTRODUCTION

The food service/grocery industry is changing at lightning speed. Online grocery sales is the fastest-growing industry in the United States, with a 74.5% revenue growth in 2019–2020. That realization can cause concern or excitement, depending on whether your organization is keeping pace or falling behind.

Primus has the in-house resources to help you navigate these changes throughout the life cycle of your project. First, some history on how the industry got here.



FOUR FACTORS THAT CHANGED THE INDUSTRY

- 1. Lean Supply Chain Approach** – The lean, hyper-efficient “zero waste” model promoted in The Toyota Way, which eliminates excess inventory, has had an impact on industrial logistics for the last 20 years. While eliminating excess inventory makes sense, it also dramatically reduces flexibility in the supply chain, leaving it unable to respond to sudden changes in demand or unforeseeable circumstances. A hyper-efficient supply chain relies on the predictability of orders.
- 2. Generational Shift in Purchasing Power** – The traditional grocery store shopping experience is losing value. As purchasing power has shifted from Baby Boomers to Gen-Xers and on to Millennials, the market is shifting with it to provide convenience over brand loyalty. The modern shopper wants plenty of choices and, when they make their selection, they want it now and often delivered to their door.
- 3. Technology Companies Enter the Logistics Industry** – The grocery industry has traditionally had a stoic approach to technology and change. With well-capitalized technology firms such as Amazon getting into the business, traditional chains are adapting to compete and maintain relevance in an e-commerce and technology-focused consumer base.
- 4. COVID-19** – When you take the three previous factors and add coronavirus to the mix, 2020 was a year of major upheaval in grocery and food service. It put a spotlight on the inflexibility of the supply chain and demonstrated how quickly it could be overwhelmed by unpredictable demand. Now, with elevated safety concerns, feelings of uncertainty and a spike in demand for specific products, even the traditional grocery store shopper is exploring new options.

PRIMUS AND PROGRESS GO HAND-IN-HAND

For more than 20 years, Primus has implemented processes that create efficiency, boost productivity and maximize resources. It is the core of our design-build construction business and the key to delivering value, speed-to-market and operational excellence. So what is the next opportunity for improvement? How can we maximize productivity, efficiency and speed-to-market in current conditions?

Here are some of the ways Primus is thinking beyond construction to be the trusted end-to-end partner you need to succeed in today's market:

Front-end Services – If speed-to-market is one of your primary goals, front-end services provide the most significant opportunity to achieve time and cost savings. From site selection and due diligence to entitlements, labor analysis and program management, Primus can help. By engaging our industry experts in the early stages, you have access to a team of front-end service providers who can streamline the process, mitigate risks and maximize value.



By maximizing efficiency early in the process, we can sometimes eliminate the familiar scenario of fast-tracking a project and having to compromise design or construction quality to make up for lost time. Primus projects provide proof that savings and efficiency can coexist with value, quality and operational excellence.

Logistics and Automation – High-tech, automated facilities have become necessary to meet the modern consumers' expectations and demands, as well as the staffing challenges facing owners. Fewer product touches and rapid distribution requires a collection of fully integrated resources, and robotics plays a crucial role. Primus in-house automation team will apply business analytics to determine the most efficient product flow through your building space. Integrating this information at the project's onset eliminates gaps and ensures a seamless design-build experience.



By offering customers a more comprehensive and robust approach that encompasses the project's entire life cycle, Primus redefines what it means to be a trusted partner. Instead of seeing "projects," we view our work as "business initiatives" and serve as an extension of your team.

We understand the unique requirements and regulations of the food service/grocery industry – speaking your language instead of expecting you to speak ours and identifying issues before they become problems.

To learn more about how Primus brings together the people, processes and technology needed to help the food service/grocery business industry thrive, contact our food service/grocery expert, **Mike McJunkins**, at mmcjunkins@primusbuilders.com.