

# Media Release

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## COLES CHANGES THE ONLINE GROCERY LANDSCAPE OPENING ITS FIRST WORLD-CLASS AUTOMATED CUSTOMER FULFILMENT CENTRE

**Truganina customer fulfilment centre uses Australian-first technology to enhance online shopping experience in greater Melbourne**

**[CLICK HERE](#) AND [HERE](#) FOR HIGH-RES IMAGES AND [B-ROLL VISION](#) OF COLES TRUGANINA CUSTOMER FULFILMENT CENTRE**

Coles has marked the start of another exciting chapter in its technology-led supply chain innovation journey, with the official opening of its first Customer Fulfilment Centre (CFC) in Victoria, bringing together world-class technology and automation to enhance the shopping experience for Coles Online customers in greater Melbourne.

Located just over 20 kilometres west of Melbourne's CBD, the Truganina CFC was opened this morning by the Victorian Acting Premier Tim Pallas MP, Coles Group Chairman James Graham and Coles Group CEO Leah Weckert. It's the first of two CFCs to launch this year as part of a \$400 million partnership with global leader in online grocery transformation, Ocado.

Once fully operational, the modern facility will deliver an enhanced shopping experience for online customers – with better availability, fewer substitutions, increased range of products and improvements in the shelf-life of staples like mince and milk.

Coles Chief Executive Officer Leah Weckert said she was excited to see the opening of Coles' inaugural CFC in Victoria - the first of its kind in the country.

"Today's opening signals a major step change in our online grocery deliveries that will offer our customers greater choice, better availability, improved freshness and more flexible delivery options.

"We sought the best global technology in the world to reimagine the Coles Online experience here in Australia. This transition from a local, store-based fulfilment model to a central, world-class facility will enable us to better serve the greater Melbourne region, home to more than five million people."

The Victorian CFC's delivery catchment will span the growing Melbourne region from Ballan in the west across to Bunyip in the east, and from Beveridge in the north down to the Mornington Peninsula.

Tapping into the appetite for customers to create restaurant-quality meals at home, the CFC will house a range of specialty brands and local foods from smaller suppliers like Lello Pasta, the former Flinders Lane restaurateurs turned Italian product providers.

The extended product ranges also span the health and dietary, vitamin and baby categories – with a wider selection of brands and products designed to support the growing needs of customers.

There is an on-site bakery which will bake to order twice a day, and a fresh produce area where produce is cut and packaged to order, leading to less wastage.

Customers will also have the choice of extended delivery windows from 5am to 10pm, with later cut-offs for both next day deliveries in the morning and evening.

The CFC will use cutting-edge Ocado technology, utilising artificial intelligence, advanced robotics and automation to transform the way Coles Online orders are picked, packed and delivered.

The Truganina site has a footprint of more than 87,000 square metres — four times the size of the Melbourne Cricket Ground — and can hold three million units of stock while having the ability to process more than 10,000 customer orders per day when running at full capacity.

The state-of-the-art site features a centralised hub, known as 'The Hive', where a fleet of more than 700 bots will fulfill a customer order containing 50 items in just five minutes, while an artificial intelligence 'air traffic' control system will oversee the bots as they move around giant 3D grids, transporting containers of grocery items to be packed and delivered by Coles team members.

The CFC will employ more than 1,000 team members, including drivers and fulfillment roles that will use high-tech packing equipment, and there will be a fleet of more than 200 home delivery vans specially designed with dual compartments to ensure fresher products while reducing emissions and a side door to make it easier and safer for delivery drivers to unload.

Delivery times will also be improved, with Ocado's technology giving Coles the ability to calculate the most efficient routes based on real-time conditions and tonnage of the home delivery vans.

Coles Group Chairman James Graham said he was proud to see another significant investment in Coles' technology strategy come to life.

"The opening of this CFC is the result of a five-year partnership with Ocado, whose world-class experience is helping Coles to innovate and meet the changing needs of our customers.

"It's been a significant 18 months for Coles Group with the opening of two automated distribution centres in Kemps Creek, New South Wales and Redbank, Queensland. Coupled with today's launch of the first of two CFCs, we've made some meaningful progress in our commitment to use the best technology to drive supply chain innovation," Mr Graham said.

The Truganina CFC has been designed to support best practice sustainability, with features of the build including a two-megawatt solar installation, sensor lighting, water recycling system, and 100% recycling of cardboard.

CEO of Ocado Group Tim Steiner said he was thrilled to be a part of the step-change for Coles customers with the opening of the first CFC.

"It's a great moment for Ocado as we mark the start of our operations here in Australia with Coles. This is one of the fastest growing markets in the world for grocery ecommerce, and Coles is already a market leader in the online channel," Mr Steiner said.

"As these CFCs ramp up both here in Victoria and in New South Wales, Coles Online customers in metropolitan Melbourne and Sydney will get to experience a game-changing difference in the quality of service available online."

The official opening of Truganina will be followed next month by a second CFC site in Wetherill Park, New South Wales.

Coles thanked its building partners and consultants from Charter Hall, FDC, TMX and Accenture for developing, building and managing the complex Truganina building project to completion.

**The Truganina CFC is proudly named Brungilo Curran, meaning Stringybark Gum Tree.**

The site of the Truganina CFC — Brungilo Curran — is home to the Bunurong People. Coles recognises the importance of developing a relationship with the people of Bunurong Country where Coles has established operations.

The name and associated artwork at the Truganina CFC were developed through consultation with local Bunurong community and local artist Kobi Sainty.

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