



CASE STUDY

Rite Aid

CONVEYCO | Integrated Solutions & Software

OVERVIEW

Rite Aid partnered with Conveyco to modernize and expand its distribution network while minimizing capital expenditure and operational disruptions, leveraging existing infrastructure for maximum efficiency.



BACKGROUND

Rite Aid, a \$25.5 billion retail pharmacy leader, operates 4,600 stores and 30 walk-in clinics across 31 states. As part of its growth strategy, Rite Aid focused on expanding store locations, optimizing operations, and increasing efficiency in its supply chain. A critical component of this strategy was evaluating the location and functionality of its distribution centers to support continued expansion and service excellence.

CHALLENGES

Rite Aid needed to enhance its distribution network while minimizing capital investment and avoiding disruptions to ongoing operations.

Key Challenges

Rite Aid faced the challenge of upgrading its distribution network while ensuring uninterrupted operations. The company aimed to optimize facility locations, enhance storage capacity, and modernize processes without incurring excessive capital expenditures.

A major priority was minimizing costs by repurposing existing infrastructure, including conveyor systems and storage equipment. Additionally, the company needed to integrate these changes seamlessly while absorbing increased volume due to facility closures. Conveyco's challenge was to develop a multi-phase approach that ensured efficiency, safety, and continuous facility operations.

SOLUTION

Conveyco's phased implementation maximized asset reuse, expanded capacity, and modernized operations while ensuring uninterrupted workflow.

THE RIGHTFIT SOLUTION

Conveyco worked closely with Rite Aid's supply chain leadership to develop a phased, low-risk approach to upgrading its distribution network.

Key solution components included:

- **Asset Utilization Database:** Conducted a comprehensive site evaluation to catalog reusable conveyor beds and storage mediums.
- **Future State Planning:** Designed an optimized facility layout maximizing the reuse of existing equipment.
- **Collaborative Feedback Process:** Engaged multiple Rite Aid teams, including Inventory, Transportation, and Operations, to align objectives and mitigate risk.
- **Phased Implementation Approach:** Executed the project in stages to prevent operational disruptions and spread capital investment over multiple fiscal years.
- **Operational Alignment:** Ensured all stakeholders were aligned, enabling an on-time and safe installation with minimal downtime.

RESULTS

Rite Aid achieved an efficient, cost-effective, and scalable distribution network upgrade while maintaining seamless operations.

Rite Aid successfully expanded and optimized its distribution network without costly new investments or significant operational downtime.

Key results:

- Increased facility capacity to support future growth.
- Maximized reuse of existing assets, minimizing capital expenditure.
- Minimal disruption to operations, ensuring smooth facility upgrades.
- Reduced fulfillment costs through an optimized distribution network.
- Improved workflow efficiency across multiple locations.
- Seamless integration of new processes, ensuring smooth adaptation by the workforce.
- Enhanced scalability, enabling Rite Aid to efficiently handle future volume increases.



KEY TAKEAWAYS

By leveraging existing assets and implementing a structured, phased plan, Rite Aid successfully modernized its distribution network while controlling costs and minimizing disruption.

FINAL INSIGHTS

- A phased approach minimizes risk and ensures continuous operations during facility upgrades.
- Repurposing existing assets can significantly reduce capital expenditure while improving efficiency.
- Cross-functional collaboration is key to successful large-scale supply chain transformations.
- Operational alignment from discovery to implementation ensures timely and safe project execution.

ABOUT US

At Conveyco, we are your trusted system integration partner, dedicated to designing and implementing innovative, efficient, and reliable solutions tailored to your unique needs. With almost 50 years of experience, we specialize in creating seamless, end-to-end systems that optimize performance and deliver measurable results. Unlike OEMs tied to their own equipment, we independently select from vetted partners and technologies to deliver solutions that exceed expectations.

Our in-house software expertise ensures seamless integration and performance tailored to your operation. From system design to implementation, our industry-leading controls provide efficiency, reliability, and scalability. Led by a team of seasoned industry veterans, we prioritize building long-term relationships and delivering on our promises with the integrity of a family-owned business. Free from outside investors, we make decisions with your best interests in mind, allowing us to provide solutions without compromise.

Supporting Your Goals

We understand the increasing demands for efficiency in today's supply chain. Our processes are designed to enhance productivity, optimize resources, and streamline operations, helping your business achieve its warehousing automation goals without compromising performance.

Let's Build Your Future, Together

When you choose Conveyco, you're not just gaining an integrator—you're gaining a partner committed to helping you achieve your goals. We redefine what's possible, together.

Contact Us

To learn more about how Conveyco can help transform your operations, visit www.conveyco.com or reach out to our team at conveyco@conveyco.com.

