

CASE STUDY

NE FOOD STORE CHAIN

Background

The Food Store Chain (“Chain”) is a US North Central Region food store chain with approximately 140 stores in the PA – MD area.

In October, 2007, Chain conducted a six-month study of ethylene filtering in fourteen (14) of their stores in the Philadelphia, York, Scranton, and Maryland areas. The Chain utilized AgraCo’s Model 350 Extend-A-Life™ filters in their walk-in refrigerated storerooms over a six-month period from October 2007 through March 2008. The filters were placed in the airways of the two ceiling-mounted refrigeration units of each storeroom, one filter for each unit. Filters were replaced every sixty days during the test period.

Data points for the test were taken from Chain’s proprietary software system used to track spoilage (“shrink”) across all stores within the system. Comparisons were made to the amount of shrink in the test stores with the filters in place (“Test Stores”), compared to the amount of shrink for the same store in the same period for the prior year (October 2007 compared against October 2006). This data was then compared with similar stores in the Chain used as control subjects (Control Stores). The Control Stores’ shrink data was also compared with the Control Stores’ shrink data in the same period for the prior year, to account for any store-specific anomalies.

Analysis

After an initial period of adjustment for optimum placement of filters within the storage spaces, a reduction of product shrink became evident in the test stores’ data. Within a four-month period of the initiation of the test, quantifiable savings were identified across the fourteen test stores. Additional tests are scheduled for the first quarter of 2009, to confirm the earlier findings, and to calculate specific economic benefits from the use of ethylene filters in the system.