



LOGISTICS HOT TOPIC

How Dark Kitchens May Impact Your Supply Chain

While food delivery is nothing new, breakout services like Uber Eats and Doordash have capitalized on what customers want most: convenience. The rise in popularity of food delivery has born a concept—dark kitchens.

Also known as delivery-only restaurants, ghost kitchens and virtual kitchens, dark kitchens meet the demand of a new generation who feeds off food delivery services. This concept enables restaurants to open in more industrial and affordable parts of cities without the need for front of house furniture and fixtures because these kitchens streamline the culinary process by delivering directly to customers' doorsteps. With more kitchen space for back of house equipment than traditional restaurants, these kitchens offer more output for 24-hour food preparation. While this new trend saves restaurants money, it also creates new challenges, including potential impacts to a restaurant's supply chain.

Brands looking to capitalize on dark kitchens will need a supply chain partner that's up for the logistics involved with kitchen technology and equipment moves. It changes supply chains for restaurants drastically as they shift to focus more on partnerships with delivery service providers with the end-consumers satisfaction always in view. In lieu of greeting patrons, ensuring their dining in service experience goes well and is not disrupted with bustling take out services, these kitchens are focused on speed and accuracy, and need technology that gets orders out the door promptly. These industrial locations also have more parking spots for delivery services to support traffic flow in metropolitan areas they are serving. The concern for restaurants is that some 3PL providers may shy away from meeting the challenges of dark kitchens.



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- BRAD LIDDIE,
SENIOR VICE PRESIDENT OF GLOBAL
LOGISTICS OPERATIONS, SUDDATH



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However, Brad Liddie, Senior Vice President of Global Logistics Operations at Suddath, says a trusted provider should be flexible and scalable enough to meet the demands of the marketplace.

"If your third-party logistics partner acts more as a project manager then they bring more to the table than transportation and delivery such as staging replacement equipment," Liddie says. "We saw this with the rise of retail e-commerce and pivoted quickly and we can do the same with cloud kitchens. If any equipment goes down, we stage it strategically to minimize any output disruption. The trends of e-commerce are still impacting the globe but companies like ours, with a legacy business in moving, have scaled seamlessly into omni-channel distribution and B2C fulfillment."

With this shift, 3PL providers will continue to deliver more equipment and technology and less furniture. Brad goes on to explain that this is a shift Suddath can make with ease as we've performed high touch project management deliveries of FF&E digital signage and kiosks for five years now, since the leading quick serve restaurants pioneered the movement. We have been trusted to perform final-mile deliveries for over 100 years to residential customers and commercial clients with their end-consumers always in mind. Dark kitchens won't change our consumer-centric focus for Suddath.

Find out how Suddath can streamline your restaurant FF&E needs at suddath.com/restaurants



WHEN YOU PARTNER WITH SUDDATH, YOU GET

- ✓ An experienced supply chain partner
- ✓ Technology for speed and accuracy of orders
- ✓ Streamlined project management
- ✓ Minimized output disruption
- ✓ Specialized equipment delivery expertise



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