

Retailer Casino switches on data centers in new revenue search

Written by Administrator
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PARIS (Reuters) - Casino ([CASP.PA](#)) has signed a deal to install data centers in its warehouses and storerooms in the debt-laden French supermarket retailer's latest effort to diversify its revenue.

A logo of French retailer Casino is pictured outside a Casino supermarket in Nantes, France, July 20, 2017. REUTERS/Stephane Mahe

The new data centers, which will generate revenue for Casino through the rental of the space and by the sale of power needed to run them, will be operated by ScaleMax, a company jointly owned by software firm Qarnot Computing and Casino.

The global market for data centers, energy hungry facilities which house networks of computers that businesses use to process and store large amounts of data, is dominated by Amazon, Microsoft and Google and is worth some \$38 billion euros and is expected to reach \$46 billion by 2023, Qarnot said.

Casino, which is already making money from its data and sells power via its GreenYellow and Cdiscount Energie units, is under pressure from investors to reduce its debt levels.

There are also plans to re-use the heat from the servers to heat the buildings housing the data centers and thereby save money, the French supermarket retailer said in a statement.

"We do not communicate on targeted revenue but we can say this is a profitable business," a Casino spokeswoman said.

The first data centre will start operating in the first quarter of 2019 and some 20 more sites are expected to be fitted out by 2023.

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Martin Calmels, who heads the innovation arm of Casino, said the Qarnot partnership would help make better use of its warehouses and increase its presence in the energy market.

Casino has been making progress with plans to sell assets in order to cut debts and ease concerns over the financial position of both Casino and its parent holding company Rallye ([GE NC.PA](#)).

It has already sold 1.1 billion euros (\$1.3 billion) worth of assets and in October said it could exceed its 1.5 billion euros disposal goal, earmarked for early 2019.

Casino is also looking to sell some 20 loss-making hypermarkets as well as some supermarkets stores, in a bid to erase some 100 million of losses.

Shares in Casino were flat in mid-session trading but the stock is still down by around 30 percent so far in 2018.

Reporting by Dominique Vidalon; Editing by Sudip Kar-Gupta and Alexander Smith

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