

PSM

June 29, 2007

NOTICE TO THE TRADE – DeCA NOTICE 07-112

SUBJECT: Container Deposit

The purpose of this Notice to the Trade is to provide instruction and guidance for Industry in states requiring container deposits. This guidance applies to all CONUS commissaries serviced in states where container deposits are required. The Agency Performance and Policy, Operations Business Group Division, is responsible for providing this guidance and assistance. Region directors and zone managers are responsible for implementing guidance to carry out required procedures.

Presently there are 11 states that require container deposits; this list may expand in the future:

California	Connecticut	Delaware
Hawaii	Iowa	Maine
Massachusetts	Michigan	New York
Oregon	Vermont	

For stores in the above states, the container deposit for all items will be expressed in the final “on the shelf” quoted price to DeCA. While Industry may have this container deposit added as a separate line item on the product invoice or receipt, the final invoice cost is what is paid to the manufacturer, who in turn pays the state. Currently the container deposit is entered into the point of sale (POS) system and is not reflected on the shelf label but is reflected on the customer’s receipt as a separate item. This procedure requires a great amount of labor and is not required as DeCA is not responsible for paying the container deposit money to the state. In the future, the manufacturer’s invoice or quoted price sent to DeCA will be required to include container deposits in the price of the product and in the “on the shelf” quoted price.

A proper invoice under the Federal Acquisition Regulation contains all costs the manufacturer is asking to be reimbursed. The Agency has no legal authority to determine the applicability of the Container Redemption Values to purchases made in the commissary; it is the responsibility of the manufacturer or distributor who delivers the product to the stores.

Effective October 1, 2007, the CONUS stores listed in the above states will no longer be required to add container deposits to the POS system. The container deposit will be included in the quoted price of the product from the manufacturer/supplier.

Thank you in advance for your participation and cooperation in this endeavor. My points of contact for this guidance are Ms. Mary DeSantis, DSN 687-8975 or 804-734-8975 for Performance and Policy, and Mr. Max Goldfarb, DSN 687-8382 or 804-734-8382 for Product Support.

/s/

Richard S. Page  
Chief Operating Officer