January 13, 2016

NOTICE TO THE TRADE – DeCA NOTICE 16-31

SUBJECT: 2016 FROZEN TURKEY MECHANISNG PROGRAM

The purpose of this Notice to the Trade (NTT) is to inform all turkey suppliers that the Defense Commissary Agency (DeCA) has a requirement for frozen, brand-name: whole turkey, whole turkey breasts, and whole fully cooked turkeys and breasts.

These are three separate, independent requirements and suppliers are encouraged to submit a DeCA Form 40-15 (New Item and File Maintenance Form) for one, two, three, or all four marketing areas. Over the past years, the commissary has struggled to compete with frozen turkey prices downtown. The commissary frozen turkey prices must be competitive in order to maintain our patron base and ensure their continued loyalty to selecting commissaries for their holiday meals.

The Agency’s goal is to provide our military patrons with the most favorable pricing and savings on frozen whole turkeys and breasts during the holiday season selling period. The holiday season selling period is defined as October through December. Pricing for this program shall be in effect by August 1 to accommodate overseas ordering/shipping. The price quoted on your presentation form will encompass the period from August 1 to December 31. Please ensure DeCA Form 40-15’s are completely prepared in its entirety, prior to your presentation.

Product must be pre-priced with labels showing weight, price per pound, and total price, prior to delivery at DeCA commissaries. Vendor support is required and vendor stockers shall be available to stock product from opening to closing of the store. Display cases must be fully stocked with product at least 2 hours before store opening. All products are required to bear the USDA Grade-A label and all USDA required labeling shall be provided at the time of presentation. At a minimum, suppliers should be prepared to deliver two frozen turkey shipments per week. Delivery schedules shall be coordinated with each respective DeCA area and store. The estimated tonnage, based on whole turkey and breast sales, for last years’ program is attached.

Areas of consideration are as follows: (1) Central and Northeast (including Europe), (2) Southern and Midwest (including Cuba and Puerto Rico), (3) Southwest and Northwest (including Alaska, Hawaii, and the Pacific Theater). DeCA may select a primary and a secondary supplier per marketing area. Specific store locations by marketing area are provided on the DeCA Form 40-15 for your reference. Display case space will be allotted based on a 70/30 split, with the primary supplier receiving 70 percent of the allotted turkey space and secondary receiving the remaining 30 percent.

DeCA’s selection will be based on dollar sales, supplier’s market share (market share for Cuba, Puerto Rico, Europe, and the Pacific Theater are not applicable), range of whole bird sizes, and overall program success.
EDLP pricing, DeCA rewards card coupon offers, shelf coupons, product packaging/labeling, and additional marketing support that will make turkey displays eye-appealing to the military patron. Presentations should be submitted via e-mail to Ms. Iveena Henderson, Merchandising Specialist at iveena.henderson@deca.mil no later than close of business February 1, 2016.

Questions or concerns related to this NTT may be directed to Mr. James Taylor, Category Manager at james.taylor2@deca.mil. Thank you in advance for your participation in this endeavor. We look forward to seeing your presentations.

Tracie Russ
Director of Sales

Attachment:
As stated
FROZEN TURKEY MARKETING SALES AREAS

Southwest/Northwest/Alaska/Hawaii
Units 120,436
Pounds 1,679,981

Midwest/Southern/Cuba/Puerto Rico
Units 162,970
Pounds 2,085,090

Central/Northeast/Europe
Units 226,308
Pounds 2,804,744

Attachment 1