



DEFENSE COMMISSARY AGENCY
HEADQUARTERS
1300 E AVENUE
FORT LEE, VIRGINIA 23801-1800

MPS

October 4, 2016

NOTICE TO THE TRADE – DeCA NOTICE 17-01

SUBJECT: Category Performance Improvement Effort Update

The purpose of this notice is to provide an update on the category performance improvement process that the Sales Directorate has been following. As a reminder, this effort includes a comprehensive review of total supplier performance in each category assessment – volume, costs, and patron and taxpayer savings. As a result of each category assessment, we will be setting up discussions with our suppliers to share our findings from this assessment, and discuss how each supplier can participate in improving the assortment performance.

Because of the many business transformation initiatives that are underway, the Sales Directorate is working under a tight timeline. As such, we request the cooperation of our suppliers in timely responses to any requests for information, or requests to provide updated assortment and cost proposals. Our goal for these discussions will be to ensure we maintain, and as appropriate, improve the level of benefit our patrons currently enjoy by offering an assortment that reflects their purchase preferences and patterns, while allowing DeCA to offset operating costs. As part of this change in the way we do business, we expect in some cases that cost decreases may be used to reduce APF requirements. Therefore, all cost decreases may not be reflected in the shelf price.

This process will require repeated discussion with our suppliers as we work to build the right assortment that generates the most savings for both patrons and taxpayers. This effort will take the place of our usual assortment review process, and each supplier will be informed where they stand prior to making a final assortment decision. Therefore, we will require all suppliers to provide their best and final proposals as part of this process. The assortment decision, once posted, will be final.

We ask that any questions on process or assortment decisions be referred to the appropriate category manager. Rest assured that every category strategy and ultimate assortment decision is being reviewed with our Executive Leadership. We appreciate the support of our suppliers as we work to transform our business to continue to provide this important benefit to our military Service members and their families.

Tracie L. Russ
Director, Sales