NOTICE TO THE TRADE – DeCA NOTICE 15-47

SUBJECT: Sales Floor Rack/Cooler Program for 2015 – 2017

The purpose of this Notice to the Trade is to announce the new rack program and to set parameters for Industry presentations for inclusion.

Presentations to the category managers will be taken for both annual and seasonal racks and coolers, to include clip strips, from April 13 – April 24, 2015. The primary focus will be items that lend themselves to an off-shelf display, are high velocity or seasonal, and in the commissary assortment. Not included in this program are in-line front-end racks, shippers, the National Industries for the Blind program and temporary fixtures to support new product introductions. Items will not be allocated outside of their store class size to accommodate a rack.

A written business case is required to support acceptance and allocation of each rack. All items included on the rack must maintain minimum of 30% savings. In addition, examples of different sized racks to support the different class size stores would be appropriate.

Proposals should contain the following at a minimum:

a. Brand, nomenclature and item UPCs to be displayed on the rack/cooler. In some instances, the racks may be used to display promotional items
b. 2014 sales and price comparison with civilian AOC (all other channels)
c. Category rank of offered brand/item(s)
d. Desired display performance timeframe, if seasonal
e. Desired in-store location
f. Desired store classification
g. Type of display fixture, to include photo and dimensions
h. Previous rack sales history, if any, to include participating stores
i. Projected anticipated sales

The base period for this program is July 1, 2015 – June 31, 2017, with an option to extend for a period of 1 year. Exceptions may be made for new innovative industry programs that may occur. Continuation for the optional year is automatic unless either DeCA or the vendor elects cessation.

Proposals should be made with the understanding that approved racks are approved as mandated. Selections and approvals by DeCA are made in good faith that racks placed in stores will be maintained in a serviceable and clean condition, and that rack items authorized for vendor stocking will be replenished in a timely manner. Failure may result in the removal of the racks.

If you have any questions, please contact Arnielle Fernandez at (804) 734-8000 extension 48705.