



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

IN REPLY
REFER TO

MPS

February 1, 2021

NOTICE TO THE TRADE - DECA NOTICE 21-45

SUBJECT: Sales Floor Rack/Cooler Program Presentations

The purpose of this notice is to announce the Sales Directorate will accept presentations to update the current sales floor rack/cooler program covered by DeCA Notice 19-42. Presentations must be submitted via email to Ms. Iveena Henderson, Category Manager, (with copy to the respective category manager) by **COB February 26, 2021**.

Ms. Henderson is the program manager; respective category managers will provide input during the review and selection process. The Sales Floor Rack/Cooler Program is effective **April 1, 2021 through March 31, 2023**.

The primary focus for the rack program is to drive savings, unit movement and margin goals for the categories. Items presented for the rack/coolers is to feature items that lend themselves to off-shelf displays, are highly promoted, high velocity or seasonal, and in the commissary assortment. Not included in this program are in-line front-end racks, shippers, the National Institute of the Blind clipstrips, and temporary fixtures to support new product introductions. Additionally, items proposed for the program will not be allocated outside of their store class size to accommodate a rack. For example, a rack offered for a K2 class store should not contain K3 items.

A written business case or PowerPoint presentation is required and must contain the following information at a minimum:

- Brand, nomenclature, and item UPCs to be displayed on the rack/cooler; if rack is seasonal and/or product will be rotated through, this information should be included (items/UPCs by season or rotational interval)
- **Provide savings, projected margin, anticipated unit volume and sales**
- **Previous rack sales history, if any, to include participating stores **make case to maintain****
- Provide Current and 2019 pre-COVID sales and savings comparison with civilian AOC
- Category rank of offered brand/item(s)
- Desired display performance timeframe, if seasonal
- Desired in-store location
- Desired store classification
- Type of display fixture, to include photo, dimensions, proposed store class; include different sized racks to support each store class if proposing multiple size offers
- Include program details (e.g., projected items segment that will be included on the racks for each season or month)

Additional program requirements include:

- Electronic Data Interchange pricing preferred; Web pricing will be considered
- Swell allowance to cover hidden damage and product out-of-code/expiration dates
- Racks must be maintained by Industry to include stocking, cleaning, repair
- Suppliers may provide additional information to strengthen their business case for program acceptance

Proposals should be made with the understanding that approved racks will be mandated by store class. 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 will be replenished in a timely manner. Failure may result in the removal of the racks.

DeCA anticipates making decisions and announcing rack program selections by **March 15, 2021**, with implementation beginning **April 1, 2021**. **The base period for this program is 2 years, with an annual requirement to provide a written business case based on data analysis at the end of year 1 for the automatic 2 year program through 2023.** Exceptions may be made for new innovative industry programs that may occur.

Point of contact for this program is Ms. Iveena Henderson, iveena.henderson@deca.mil, or 804-734-8000, extension 86727.

Bonita Moffett
Director of Sales