



Direct Store Delivery

DSD PROCESS

› Direct Store Delivery (DSD)

- › A method to process receipts of direct delivery and open order merchandise obtained from a local supplier

› History

- › Early Spring of 2007 , FS-21 Contracts / DOR were converted to the Direct Store Delivery (DSD) process

› Benefits

- › Visibility of inventory and pricing
- › Control of assortments and pricing
- › Improved Gross Margins
- › Direct Store Delivery allows Buyers to negotiate with National Accounts instead of each field location negotiating and setting prices with local distributors

- › **ASAP (AAFES Store Automation Project) :**
 - › ASAP is used at store level for receiving, transfers, prices changes and ordering
- › **Purchase in Transit (PIT)**
 - › This is an area within Accounts Payable that resolves discrepancies with receipts and invoices
- › **Vendor Order Number (VON)**
 - › A 10 digit universally unique, sequential number, issued to the supplier prior to a DSD receipt
 - › when the distributor is unable to provide an invoice and the DSD Supplier is set up for this type of DSD Process

› Why use the DSD process?

- › Improved delivery time, reduced logistic expenses
- › Store specific assortments. Regional Assortments
- › Increasing product turns by maximizing sales and reducing inventory
- › Assortment change outs are easier
- › Seasonal & Regional business are easier to manage
- › Multiple suppliers to same facility to ensure product availability

› What the DSD Team responsibilities:

- › Responding to all DSD related Help Desk tickets and Phone calls from the Exchanges
- › Assists the Impact teams setting up new DSD Programs
- › Assists Suppliers New to the DSD Process
- › Identification of issues that are causing numerous issues, researching and advising the Impact team of solutions
- › Screening of DSD New Item Add request (soon to be automated)
- › DSD Assortment Analysis Support

› **Key changes:**

- › Stock assortment decisions shift from the field to the Buyer
- › Vendor Order Number (VON) and Invoices replaced Delivery Order Numbers
- › Suppliers required to have a current ERA on File at HQ by Buyer they service
- › Suppliers deliver the product direct to the facility either thru their own in house

› **Benefits**

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- ›

› Advantages:

- › HQ controlled assortment by category, Buyer determines what is allowed for receiving at the stores
 - › Visually assortments make sense to the customer, are more in line with our competition and how they manage their Direct to store businesses
- › Product on our shelves has the highest demand, most preferred.
- › Product is there at the start of the season
- › Supplier stocks shelves based on need for that facility
- › Enhance the customer shopping experience
- › Pricing is controlled at HQ * exception are the surveyed categories

› Requirements:

- › Impact team is responsible for coding and sourcing of the items
- › Signed and current ERA
- › DSD Flag in VMF “Y”. Always create a NEW Supplier code when converting a supplier to DSD
- › If supplier can leave an invoice at the facility they are DSD Invoice.
Preferred method by FA, Supplier is paid faster with less errors

› **Sandwiches**

- › EA Sween
- › Global Military Marketing
- › Great American Deli



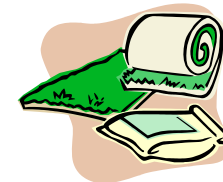
› **Roller Grill**

- › Global Military Marketing
- › Ruiz
- › Kraft



› **Chips / Crackers**

- › Frito Lay
- › Lance



› **ODL**

- › Fertilizer
- › Pottery
- › Pool Chemicals



› **Ed Wood – Business Analysis Manager**

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› **Operations (DSD Help Desk, New Items, Policy & Procedures)**

› Christine Brown – Supervisor

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› TBD

› TBD

› **DSD Assortment Analysis (Assortment Optimization)**

› Gregory Moore – Supervisor

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› Art Chavarria

› Carolyn Fischer

- › **DSD Portal:**
 - › <http://h2.aafes.com/sites/14/ebusiness/DirectStoreDelivery/default.aspx>
 - › Tutorials
 - › Tips
 - › DSD New Item Request

- › **Phone SD HELP: 1-800-289-3800, or Submit Help Desk ticket.**

- › **E-Mail: zzHQ SD-E DSD@aafes.com**

 Questions?
