NOTICE TO THE TRADE – DeCA NOTICE 12-142

SUBJECT: New Case Lot Promotion Presentation Form and Instructions (DeCAF 40-18)

As part of DeCA's category management strategy, DeCA HQ will have two special worldwide case lot sale events during May and September 2013. Although most commissaries participate in case lot sales, the actual dates for each store's case lot sale can vary and the specific 2 or 3 day timeframe for each will be coordinated with local industry representatives well in advance of the sales and posted to DeCA's special <u>case lot sale web page</u>.

Case lot promotions are critical to meeting the evolving needs of our customers. To support the Case lot requirement the Defense Commissary Agency has created a case lot promotion form, DeCAF 40-18, to receive case lot promotional offers from Industry. The purpose of this notice to the trade is to advise Industry regarding the use and application of the case lot promotion form, provide instructions on how the form must be completed and that the DeCAF 40-16 previously used for promotions may no longer be used effective October 1, 2012. Industry is strongly encouraged to use DeCAF 40-18 as soon as possible for all future case lot presentations.

Presentations for the case lot sales should be made to Ms. Renee Mayo from October 2-19, 2012, for the May sale and February 5-15, 2013, for the September sale. The May 2013 case lot sale package will be published by the first week in January 2013 and the September 2013 case lot sale by the first week in May 2013. You may reach Ms. Mayo at renee.mayo@deca.mil or (804) 734-8000, extension 4-8441.

There have been significant changes to the case lot promotion form and process. This NTT covers only the most significant changes. Industry is strongly encouraged to closely review the case lot promotion form and instructions before filling out the form. Copies of the case lot promotion form are available by e-mail from DeCA buyers, at all commissaries, or at the following Web sites:

https://www.commissaries.com/business/promotions.cfm http://www.ala-national.org/commissary/doing_business_with_deca.aspx

For each item approved for the case lot sale, we will utilize DIBS to load the PLUs for those items selected for the sales. The PLUs will be added as UPC codes with pricing which will flow into the store cash register systems. This procedure will reduce the workload at store level since store personnel will not have to load the items. This will also improve the accuracy of our scanning data as we will be able to ensure that all stores are utilizing the same PLUs.

The following are some key changes from the previous promotion presentation forms:

• Case lot presentations will only be accepted on DeCAF 40-18 effective October 1, 2012.

- If you are submitting a new item and requesting the item be included in the case lot promotion, you will need to complete and submit the New Item File Maintenance Form (DeCAF 40-15) before or at the same time you are presenting the case lot promotion form. The role of the DeCAF 40-15, which previously included promotions, is now focused exclusively on file maintenance of existing items and presenting new items to be added to DeCA's stock assortment.
- The sections Industry must complete are highlighted in blue and must be completed for each item.
- Drop down blocks are used extensively to list options to fill the cell or provide additional information on how to list the information.
- Continuation pages for the case lot promotion form have been included to enable up to 28 items to be presented.
- A special section for pictures and remarks has been included with the case lot presentation form.
- The Department Commodity Generic cell has been locked. This will be assigned by the buyer.
- Customers will again have the opportunity to mix and match selected like items with the same case pack and price.
- Suppliers will continue to have the ability to reduce prices off invoice, local VCMs and point of purchase coupons.
- Once a new item has been accepted by the buyer, Industry will be required to provide the distributor availability date to the buyer. Products must be ready to ship to the stores by the distributor availability date.
- Fill rates for selected items will be tracked and reported to buyers, category managers, promotion team, and industry. The Performance Plan for fill rates is to be greater than 92 percent and will be the base line for measurement.
- Formally affirm the following:
 - The Case Lot Presentation Form is a legally binding contractual agreement and participating parties are expected to follow through with their annotated commitments.
 - o A minimum of 60 days' notice is required to deviate from this commitment.
 - Acknowledge the information on the form is accurate and in the event there are any errors or omissions, to immediately notify all parties and submit the appropriate documentation.
 - Presentations will only be considered only if all required information has been completed and certified by the vendor or their representative on all appropriate documents.
 - DeCA and Industry will follow DeCA policies, procedures, standards and time lines for ordering and displaying products, quantities ordered by stores are shipped and effectively merchandised at the case lot sale on a timely basis.
 - o Industry will follow the DeCA delete process, including disposition of excess quantities after 90 days and appropriate action will be taken when an item is identified for deletion. Residual inventories in stores and distributors will be addressed on a timely basis.

o DeCA has no responsibility to sell remaining inventory after 90 days from the date of first notice of intent to delete the item.

Industry members are strongly encouraged to carefully review DeCA's Web site at https://www.commissaries.com/business/resale_grocery.cfm for details on DeCA's business rules, agreement terms, points of contact, EDI requirements, forms, Global Data Synchronization Network (GDSN) implementation requirements, GDSN standards for measuring product at consumer and shipping level, Global Trade Identification Number allocation rules, and a variety of other information. DeCA's directives, policies, manuals and handbooks regarding merchandising, case lot sales and ordering can be found at https://www.commissaries.com/inside_deca/publications/pub_index.cfm.

If you have additional questions or need additional information regarding this notice to the trade, please contact Mr. Charlie Dowlen at (804) 734-8000, extension 4-8385 or Ms. Renee Mayo at (804) 734-8000, extension 4-8441.

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Christopher T. Burns
Director of Sales

Attachments:

- 1. DeCA Case Lot Promotion Presentation Form (DeCAF 40-18)
- 2. Instructions to complete Case Lot Promotion Form
- 3. Examples of completed Case Lot Promotion Form