## **DEFENSE COMMISSARY AGENCY**



HEADQUARTERS 1300 E AVENUE FORT LEE, VIRGINIA 23801-1800

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NOTICE TO THE TRADE - DeCA NOTICE 08-86

Subject: Defense Commissary Agency's Sales Goal for Fiscal Year 2009

As we near the start of the 4th quarter of fiscal year 2008 it appears that DeCA's end year sales figure will approach \$5.74 billion, a business result eclipsing all but the Agency's first 2 years of operation. And, to put that number in perspective, we will have attained it with more than 100 fewer stores in operation. While we can be collectively proud of this accomplishment and of the effective partnerships that fueled our growth, I believe the best is yet to come!

The purpose of this Notice to the Trade is to request your active participation and assistance in raising the bar. I have challenged my staff to reach the \$6 billion sales plateau for the coming fiscal year, a result that is not only within reach, but one that is absolutely essential to the commissary customer.

Each of us has experienced the recent rise in food prices this year. Most Industry analysts believe these increases will continue unabated for the foreseeable future. It is also reasonable to expect that the forces driving "cost of goods" increases may soon be fused with other financial pressures at the retail level and lead to a more generalized rise in gross profits throughout the supermarket Industry. Under such conditions expansion of commissary sales and growth in share of wallet will quickly produce an enhanced benefit from both an aggregate and marginal perspective.

With this in mind, I ask that you join us in the effort. On the surface it may appear to be a daunting task, but if we view it incrementally it means adding only about \$60 million over our sales gain this year. In the past you have demonstrated an extraordinary reservoir of business acumen, merchandising savvy, and retailing creativity. I have every confidence that applying these skills today will bring attainment of our goal tomorrow.

Please contact Mr. Randy Chandler or Ms. Michelle Frost of our Sales Directorate with your suggestions and programs to build sales in the coming year. Thank you in advance for your assistance.

Chief Operating Officer