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April 21 2010

NOTICE TO THE TRADE – DeCA NOTICE 10-79

SUBJECT: Industry Presentations for 2011-2012 Rack/Cooler Program

The purpose of this Notice to the Trade is to set forth the parameters for Industry presentations for inclusion in the Defense Commissary Agency (DeCA) 2011–2012 CMA - Rack/Cooler Program.

The appropriate buyer will take rack and cooler presentations July 6-22 and August 2-20. Appointments should be scheduled with the respective buyer through Ms. Vicki Burgess at 804.734.8000, extension 4-8614.

Presentations will be taken for both annual and seasonal racks and coolers, to include clip strips. The primary focus will be items that lend themselves to an off-shelf display, are high velocity or seasonal, and authorized for the DeCA's assortment. Not included in this program are in-line check out 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.

Proposals should contain the following:

- a. Applicable Resale Ordering Agreement Number(s)
- b. Brand/item(s) to be displayed on the rack/cooler
- c. 2009 sales and price comparisons with civilian retail
- d. Category rank of offered brand/item(s)
- e. Desired display performance timeframe, if seasonal
- f. Desired in-store location
- g. Desired store classification
- h. Type of display fixture, to include photo and dimensions
- i. Previous rack sales history, if any, to include participating stores

Rack or cooler presentations will not be accepted during calendar years 2011 and 2012; exceptions may be made for new innovative industry programs that may occur. The base period

of the agreements will be January 1–December 31, 2011, with an option to extend for a period of 1 year beginning January 1, 2012. Continuation for the option year 2012 is automatic unless either DeCA or the vendor elects cessation. Companies electing to offer an accrual should identify how the funds will be accrued, when they will be realized, and a projection on how these funds will be expended. The proposal should cover both the base year 2011 and the option year 2012. Rack authorizations by these merchandising agreements may be cancelled by DeCA or the vendor at any time during the program.

Proposals should be made with the understanding that approved racks are endorsed either as mandated or optional, and that region directorates may request exceptions during the program based on operational constraints and industry support issues. Selections and approvals by the MBU 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 manor.

If you have any questions, please contact Al Flowers, Special Projects, at 804.734.8000, extension 4-8381.

/s/

Christopher T. Burns  
Director of Sales