How to do Business with the Defense Commissary Agency

Ms. Michelle Frost
Chief,
Promotions/Marketing
• The Sales Directorate is responsible for managing the stock assortment for all commissaries worldwide.

• How to do business with the Defense Commissary Agency (DeCA):
  o www.commissaries.com
Business With DeCA

This Business Page provides various information and links who currently provide goods and services to the Defense who are seeking DeCA business opportunities.
How to Present an Item

- DeCA Form 40-15 New Item Presentation
  - Available on www.commissaries.com
  - Available by e-mail from DeCA buyers
  - Available at all commissaries
### NEW ITEM & FILE MAINTENANCE FORM

**INTENT:** NEW ITEM  
**PRESENTED/ACCEPTED FOR:** CONUS

**GLN:** N/A  
**BROKER:** ABC  
**MANUFACTURER:** ABC FOODS  
**CONTRACT NUMBER:** One - HDEC0102G1234  
**DISTRIBUTOR AVAILABILITY DATE:**  
**PRODUCT LEAD TIME:** 10 DAYS  
**VENDOR NUMBER:** A123  
**POCS:** Pricing - Jane Doe/555-555-5555/JOHN@ABC.COM  
**Sales Rep:** John Doe/555-555-5555/JOHN@ABC.COM  
**DoDAAC LISTING:**  

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<th>UPK</th>
<th>CASE GTIN</th>
<th>ITEM</th>
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<th>DeCA Cost Reg</th>
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**FILE MAINTENANCE TYPE:** ATTRIBUTE CHANGE  
**PRICE CONCERN**  
**ALLOCATION**  
**CONTRACT MISSING**  
**OTHER:**

**Remarks:** Northwest and Southwest only. DoDAAC page included.

**Pictures:**

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This form is a legally binding, contractual agreement and participating parties who have signed this form are expected to follow through with their associated commitments. A minimum of 60 days notice is required to deviate from this commitment. The manufacturer voluntarily agrees to the DeCA delete process, including disposition of excess quantities after 90 days. The delete process will be followed in the event an item fails to meet either the manufacturer’s volume projections or the minimum quantity requirements established by the buyer. The manufacturer agrees that DeCA has no responsibility to sell remaining inventory after 90 days from the date of first notice. All intent to delete the item. The manufacturer also agrees that the item should support a reasonable relationship between normal turn volumes and the distributor minimum ship quantity by distributor location. Once movement is established, the distributor will not be expected to order in minimum ship quantities that are excessive relative to sales movement.

**SALES REP SIGNATURE:**  
**DATE:** 27-Apr-12  
**BUYER SIGNATURE:**

**LINE ITEM MGR SIGNATURE:**

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DeCAF 40-15: NEW ITEM & FILE MAINTENANCE MAY, 2012  
**PAGE 1 OF 4**
To Present to One Store

- Present to the store director
  - They will forward the presentation form to the local regional buyer for evaluation
  - No need to travel to local buyer or Fort Lee
To Present To A Group Of Stores Within An Area

- Present to the area/local buyer.
- Bill Wood is the category manager responsible for all local buying.
To Present To A Group Of Stores Within an Area

- Bill Wood: Category Manager
- Joel Small: National Buyer
- Vacant: Eastern Area
- Vicki Sliwicki: Western Area
To Present For More Than One Area

- Present to the appropriate national buyer listed on the directory or call (804)734-8000 x48329
  - Barbara Merriweather: Edible - Shelf Stable
  - Bill Wood: DSD Categories/Candy
  - Lou Kennedy: Frozen/Chill Foods
  - LaRue Smith: Non-Edible, HBC, Household

- Available on DeCA’s Website or from the American Logistic Association (ALA) Website
Item Presentation

- All resale items must meet the requirements of 10 USC §2484(f)
  - Vendor must certify
  - Notice to the Trade (NTT) 10-88
- DeCA supports local businesses
  - We sell 7,800+ local items
“(f) SPECIAL RULE FOR BRAND – NAME ITEMS – The Secretary of Defense may not use the exception provided in section 2304(c)(5) \textit{(Competition In Contracting Law)} of this title regarding the procurement of a brand-name commercial item for resale in, at, or by commissary stores unless the commercial item is regularly sold outside of commissary stores under the same brand name as the name by which the commercial item will be sold in, at, or by commissary stores. In determining whether a brand name commercial item is regularly sold outside of commissary stores, the Secretary shall consider only sales of the item on a regional or national basis by commercial grocery or other retail operations consisting of multiple stores.”

10USC § 2484(f)
How Do We Determine If An Item Qualifies?

- We check our movement data base
- The vendor provides
  - Movement data
  - Written certification to the category manager/buyer
What Are Buyers Looking For?

- New item innovation
- Proven consumer acceptance
- Customer input
- Past brand performance
- Anticipated volume
- Current assortment efficiency
  - Price/value to category
First Responsibility Is To The Patron

- Have the items and brands that patrons desire at the best available price – 30% mandated savings
- Maintain an efficient stock assortment that allows the purchase of new items when they hit the market
- Negotiate the lowest available price.
- Promote and display to take advantage of known shopping patterns
If We Buy Your Product

- **Product stock codes**
  - **K** = Mandatory stockage in all DeCA CONUS regions
  - **M** = Mandatory in more than one regional area but not all regions
  - **R** = Mandatory in only one regional area
  - **S** = Optional/available to all stores in a regional area
  - **O** = Available seasonally
  - **P** = Phase out pending delete
  - Numbers 1 thru 5 (following the alpha product stock code) indicate store size required to stock the product
Deleted Items

- Necessary to an efficient stock assortment
  - Allows new item introductions
  - Fact based decisions
    - Category trends
- Deleted items process
  - 60 days to liquidate residual stock
  - DeCA accepts no responsibility to flush out dead stock after the 60 days
New Suppliers

- Potential suppliers who have never conducted business with DeCA are encouraged to
  - Read the business guide on DeCA’s Website
    - www.commissaries.com
  - Call DeCA points of contact, consult brokers and use military retail resources
  - Be ready to do business
In Summary

• The staff of the Sales Directorate strives to create an effective and efficient system to properly evaluate Industry offers

• The ultimate goal is to provide a resale stock assortment that provides strong sales and customer satisfaction
Brand Name Resale Contracting

• Mr. Judge F. Mays, III
  Contracting Officer
  (804) 734-8000 x48923
  judge.mays@deca.mil
What are Resale Brand Name Items?

- Resale items procured by brand without reference to specification
- Regularly sold outside commissary stores under the same brand name by:
  - Commercial grocery stores
  - Other retail operations
What are Brand Name Items (Con’t)?

- Lay’s Potato Chips
- Del Monte & Hunt’s Ketchup
- Pepsi Cola & Coca Cola
- Kellogg’s
- Nestle
- Nabisco
If Your Items Are Approved.....

- Contracting will receive from the category manager or buyer, a signed DeCA Form 40-15
  - Consist of item description, UPCs, prices offered, guaranteed sale, etc.
Solicitation Package

• If your items are approved, contracting will send the manufacturer or vendor a solicitation package to complete

• Completion of representations & certifications
Representations & Certifications....

- **Business size / status**
  - Large, Small, Women-Owned, Small Disadvantaged, etc.

- **If your business is:**
  - A sole proprietorship, a partnership, or a corporation
Representations & Certifications....

- Manufacturer’s tax identification number
- Authorized negotiator
  - Manufacturer or vendor employee that can enter into an agreement on the behalf of the company
Once Solicitation Package Is Received By Contracting.....

- Contracting establishes a contractual agreement between the government and the manufacturer or vendor
The type of contract used for purchasing brand name items is:

- Resale Ordering Agreement (ROA)
What Is a ROA?

• ROA
  - A written basic ordering agreement between DeCA and the manufacturer or the vendor
  - Consist of all terms and conditions between DeCA and the manufacturer or the vendor
What Is a ROA?

- Identifies specific methods of ordering, delivery, invoicing, pricing, etc.
- ROA is signed by both parties
Before You Can Do Business With DeCA, You Must Have A ……

- **DUNS number**
  - Data Universal Numbering System (DUNS) number

- **What Is A DUNS number?**
  - A nine digit number that is provided by Dun & Bradstreet
    - Identifies your company physical location
      - 1-866-705-5711 or www.dnb.com
Before You Can Do Business With DeCA, You Must Have A ......

- **CAGE Code**
  - Commercial and Government Entity (CAGE) code

- **What is a CAGE code?**
  - A five character designation that identifies your company’s ‘remit to’ address location
Mandatory Requirements

- Must be registered in Central Contractor Registration (CCR)
  - Mandatory registration by the contractor to be considered for a ROA
  - To register online for CCR: [www.ccr.gov](http://www.ccr.gov)
Mandatory Requirements

To update or renew a registration, please select one of the following:

- I am not a U.S. Federal Government entity.
- I am a U.S. Federal Government entity, required by my trading partner to be registered in CCR (e.g. CAGE code).
- I am a U.S. Federal Government entity registering for intra-governmental transactions.

*Note: Individuals are not required to register in CCR. However, all individuals functioning as businesses who desire to do business with the federal government are considered "Sole Proprietors" and are required to register in CCR. CCR Registration is NOT required for an Individual Grantee Registration.

Click here to access Online Help.
Mandatory Requirements

- Submission of pricing:
  - Electronic Data Interchange (EDI)
    - Computer-to-computer exchange of business documents using public standard format
  - WEB
    - Internet
Mandatory Requirements

• Price offers:
  ○ Price offers made by the vendor or manufacturer shall be as low or lower than those offered to the commercial market
Mandatory Requirements

- **How to get paid:**
  - All manufacturers or vendors must utilize Electronic Funds Transfer (EFT) to get paid
  - Works like direct deposit
Mandatory Requirements

• Invoicing method:
  o All manufacturers or vendors must utilize Delivery Ticket Invoicing (DTI)
  o Not required to submit an invoice
    • Payment made based on delivery ticket (i.e., receiving document, packing slip)
    • Electronically transmitted to paying office
Payment Billing Periods

- **FDS and DSD** *(Frequent Store Delivery and Direct Store Delivery)*
  - Deliveries and payment is rolled up (consolidated) twice a month (1st-15th; 16th - EOM)
  - Payment received within 23 days

- **DSD-S**
  - Per delivery per payment
  - Payment received within 30 days
Mandatory Requirements

• Paying office:
  o Third party pays DeCA manufacturers and vendors
  • Defense Finance and Accounting Service (DFAS)
    Columbus, OH
Mandatory Requirements

• Must deliver your product under one of the following delivery methods:
  1. Frequent Delivery Systems (FDS)
  2. Direct Store Delivery (DSD)
  3. Direct Store Delivery – Single (DSD-S)
Mandatory Requirements

- **FDS** — Product delivered on a predetermined frequency (electronically ordered from and delivered by the manufacturer’s distributor)
- **DSD** — Product ordered, delivered, and stocked by the manufacturer (i.e., bread, milk, chips, etc.)
- **DSD-S** — Product ordered by store personnel or manufacturer; delivered days later by over-the-road carrier (i.e., trucking service)
Brand Name Resale Contracting

• **WEBSITES:**
  - [www.commissaries.com](http://www.commissaries.com)
  - [www.ccr.gov](http://www.ccr.gov)
  - [www.dnb.com](http://www.dnb.com)
Thank You!