

# DEFENSE COMMISSARY AGENCY



# Defense Commissary Agency



Our mission:

**Deliver a vital benefit of the military pay system that sells grocery items at cost while enhancing the quality of life and readiness**



*Your Commissary ... It's Worth the Trip!*

Updated 3-31-15

# Defense Commissary Agency



How we achieve  
our mission:

**Sell groceries at  
cost, plus 5%  
surcharge –  
achieving 30%-plus  
annual savings for  
customers**

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# Defense Commissary Agency



Our vision:

**Understand our  
customers and deliver  
a 21<sup>st</sup> century  
commissary benefit**

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# DeCA



## By the numbers:

**241** commissaries

**13** countries

**15,000+** employees

**\$5.6** billion annual sales

**89.7** million transactions

**30%-plus** average annual savings

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# How DeCA is funded



## DeCA Working Capital Fund – DWCF

Resale stocks account

Commissary operations account

Appropriated annually to DeCA

## Surcharge collections

Funds come from 5% added at register



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# Commissary surcharge



**5% surcharge builds new stores, renovates existing stores**

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**DELIVERING**

**THE**

**BENEFIT**

**BENEFIT**



# Bringing the benefit to our Customers



## On-site sales

- Deliver benefit to Guard, Reserve duty stations
- Held 655 events, fiscal 2008-2014
- On hiatus July 2013 - March 2014 for sequestration budget cuts



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# Bringing the benefit to our Customers



Fresh sushi to go

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# Bringing the benefit to our Customers



Fresh produce: savings of 44%

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# Bringing the benefit to our Customers



Huge savings on meat: average 32%

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# Bringing the benefit to our Customers



## Food safety

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# DeCA Contract Mission

- DeCA has Contract Authority to Provide a Worldwide Acquisition Program for Procurement of:
  - **Brand Name and Non-brand Name Resale Items**
  - In-store Services – Deli Bakery/Fish Market
  - Commissary Operational Equipment & Supplies
  - Construction
  - Services
  - Information Technology – mainly hardware/software and renewal maintenance support
  - Other Agency Support Requirements



# Resale Contracting Mission

- Execute contractual agreements to acquire resale subsistence products & services in support of DeCA-wide requirements. Includes:
  - Consolidated indefinite delivery type (IDT) formal contracts & BPA's for **non brand** name products (beef, pork, eggs, etc.)
  - Consolidated Resale Ordering Agreements (ROA's) for **brand name** products (Green Giant, Revlon, Tide, etc.)
  - Consolidated acquisitions for In-Store Services (e.g., deli-bakery, fish markets, etc.)



# What are 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 (i.e. Health Food Stores, CVS, Walgreens)



# Brand Name Resale Items?

All **brand name** resale items must meet the requirements of Title 10 USC Section 2486(e)

“(e) SPECIAL RULE FOR BRAND – NAME ITEMS – The Secretary of Defense may not use the exception provided in **section 2304(c)(5) (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.”



# What Are Brand Name Items?

## Examples

- Lay's Potato Chips
- Del Monte & Hunt's Ketchup
- Pepsi Cola & Coca Cola
- Kellogg's
- Nestle
- Nabisco
- Claude's Refried Beans
- Claxton's Fruit Cake



# What Are Category Managers Looking For?

- **Category Managers are looking for resale items:**

- **New Item Innovation**
- **Proven Consumer Acceptance**
- **Customer Input**
- **Past Brand Performance**
- **Anticipated Volume**
- **Current Assortment Efficiency**

❖ Price/Value to Category



# Mandatory Requirement

## PRICE OFFERS:

Offers made by the Vendor or Manufacturer shall be as low or lower than those offered to the commercial market



# What's Next ....?

- **How do I present my brand name resale product to DeCA?**
  - ✓ First - Contact the Appropriate Category Manager regarding your item(s)
    - Listing of Managers found at web link: [http://www.commissaries.com/documents/business/buyer\\_listing.pdf](http://www.commissaries.com/documents/business/buyer_listing.pdf)
  - ✓ Next, if required, you will make an Item presentation
    - Some of the Selection criteria includes:
      - Anticipated Customer Demand (sales data)
      - Competitive Pricing
      - Product Quality



# What's Next After Items Presentation?

If your items are approved, Contracting will send the manufacturer a solicitation package to complete - Representations & Certifications



# What's Next After Items Presentation?

## Contract Established

- Resale Ordering Agreement (ROA)
  - ✓ Contract used to purchase brand name resale items
  - ✓ A Written Basic Ordering Agreement Between DeCA and the Manufacturer or the Vendor
  - ✓ Consists of All Terms and Conditions Between DeCA and the Manufacturer or the Vendor
  - ✓ Identifies Specific Methods of Ordering, Delivery, Invoicing, Pricing, Etc.
  - ✓ ROA is Signed by Both Parties



# Non Brand Name Resale Items?

- No Demonstrated Brand Preference (e.g., Beef, Pork, Eggs, Fresh Fruit and Vegetables)
- Contracts for In-store Services (e.g. Deli, Bakery, Fish Market Operations)
- Contracts Established on a Competitive Basis In Accordance With Federal Acquisition Regulations
- Procurement Opportunities Published on Federal Business Opportunity Website at [www.fedbizopps.gov](http://www.fedbizopps.gov)





# Contracting for Supplies, Equipment and Services (Other than Resale)

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# Store Services Support Division



- Provide Contracting Support for Commissaries' Shelf Stocking, Receiving Storage Holding Area and Custodial Service Contracts
  - “Cradle to Grave” contracting
- Contract Types are 100% Firm Fixed Price
- Requirements are generated through Acquisition Planning - PWS (Performance Work Statement) Development
  - Approximately 60 percent under AbilityOne
  - **Approximately 40 percent set-aside under Small Business Program**
    - **Requirements advertised on the Federal Business Opportunity web sit4**

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# Enterprise Acquisition Division



- Mission - Provides Store and HQ Contracting Support for
  - Miscellaneous Services, Operating and Durable Supplies,
  - Recycling and Revenue Generation
- Store Support Services Branch
  - Linen/Mats Rental and Cleaning
  - Banking Change Services and Armored Car Service
  - Guard and Reserve Offsite Sales Support
  - Overhead and Auto Door Maintenance
  - Knives and Blades, Fats and Bones
  - Pest Control
  - Trailer/Tent Rentals
  - Utilities
  - Grounds Maintenance/Parking Lot Cleaning

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# Enterprise Acquisition Division



- Revenue, Supplies and HQ Support Branch
  - Bags (Paper, Plastic, Produce)
  - Misc Operating and Durable Supplies
  - Grand Opening Support
  - Coupon Processing
  - Inventories
  - HQ Support – Facility Support, Training, Consultants, Furniture,
  - Cardboard & Plastic Recycling Revenue Agreements
  - Revenue Generation Agreements
  - Miscellaneous Store Requirements

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# Supply/Equipment Division



- Mission - Support DeCA Commissary Stores Equipment purchases Worldwide
  - Limited Support to Europe
- Equipment Maintenance Support for CONUS Stores
  - Maintenance Support for Guam

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# Supply/Equipment Division



- Types of Equipment
  - Meat Room Equipment
  - Deli/Bakery Equipment
  - Carts
  - Warehouse and Store Equipment
  - Refrigerated Display Cases, Grab-N-Go Display Cases, Freezer Cases, Remote Cases

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**Thank You for  
Your Time and  
Attention**



[www.commissaries.com](http://www.commissaries.com)