# IN REPLY REFER TO

#### DEFENSE COMMISSARY AGENCY HEADQUARTERS

1300 E AVENUE FORT LEE, VIRGINIA 23801-1800

MPS May 21, 2020

NOTICE TO THE TRADE – DeCA NOTICE 20-60

SUBJECT: Use of H Code for Temporary Hold Items

Effective immediately, stock list code H will be used to identify items that have been placed on temporary hold (temporarily discontinued) due to supply challenges posed by COVID-19. Items will remain in an active and allocated status as an H code.

Use of the H code will allow easy identification of temporarily discontinued items by all who need to know. The attached document provides background for this change and the actions that will be taken by category management and commissary teams.

Industry should continue providing updates on items that have been placed on temporary hold or returned to normal distribution as soon as these changes are known. Additionally, Industry should assist commissary teams with managing shelf locations and POG integrity.

Point of contact for this NTT is the designated Category Manager and the undersigned.

Thanks for your continued support!

Tracie L. Russ Director, Sales

Attachment As stated

Cc: Store Operations Store Directors Zone Managers Area Directors Logistics Marketing



# Use of Stock List Code "H" **Temporarily Discontinued Items**

# Background

- Due to the challenges posed by COVID-19, Suppliers are taking steps to improve supply chain efficiency by:
  - Reducing the number of SKUs being produced
  - Alternating production times
  - Temporarily discontinuing aka "on hold" the production of some SKUs to focus their raw materials and production capacity on increasing the output of remaining items to meet increased customer demand

### **Actions:**

- **Category Management** 
  - Once notification from vendors is received on products being temporarily placed "on Hold" will:
    - Change Item RSL to lead with "H" example "K1" will be changed "H1"
  - Once notification from vendors is received on products being restored from being "on Hold" will:
    - Change Item RSL back to the prior RSL example "H1" will be changed back to "K1"

## **Actions:**

- **Commissary Management** 
  - When items have been identified as code "H" Store will:
    - Keep Shelf tag active
    - Keep ordering product until distribution center is empty
    - When all inventory is depleted space out adjacent item(s) until product is restored
    - Once items are restored, continue ordering and place product back in proper shelf location
      - Reactivate in CAO/DIBS/DAX as needed
  - Check the weekly RSL change report to see what items have changed to "H" or have been restored from "H"
    - This report will be sent out from store operations on a weekly basis
- POGs / SOWb
  - SOWb has a "live feed" into PHQ for item RSL, therefore no POG changes will occur to accommodate this temporary change of item availability