## IN REPLY REFER TO

## **DEFENSE COMMISSARY AGENCY**

HEADQUARTERS 1300 E AVENUE FORT LEE, VIRGINIA 23801-1800

MPS July 21, 2020

## NOTICE TO THE TRADE – DeCA NOTICE 20-63

SUBJECT: Dead Stock Process (Supersedes DeCA NTT 16-76)

The purpose of this notice is to inform Industry of DeCA's updated process for requesting dead stock approval and processing.

When a decision has been made, by either DeCA or the broker/manufacturer, that an item will no longer be carried, a 60 day phase-out period begins to clear product out of distribution centers. The dead stock process should only be utilized if all efforts have been made by the vendor to deplete inventory, to include price reductions and limiting / stopping shipments to distributors, and residual stock still remains in the distribution centers.

The broker/manufacturer must submit a Dead Stock Request, using the attached format, to distrocoordinator@deca.mil whenever an item is discontinued and no longer available to order. The following deleted item situations will not be considered for processing:

- Items that have been in a discontinued status for greater than 60 days will not be added back to stores files for ordering and the broker/manufacturer is responsible for all residual stock at the distributor's location, unless it was a DeCA committed quantity that was not pulled.
- Items that have had a case UPC change only and the item UPC remained the same.
  Item UPCs cannot have two case UPCs in DIBS/EBS at the same time.
- Items that have undergone a UPK change. DIBS/EBS will only allow one UPK to be loaded at a time.
- Forms not completed in their entirety or with incorrect data.
- OCONUS location discontinued items; the dead stock program only applies to CONUS locations.
- If the distributor does not return quantities in response to the weekly Add/Delete report, per the ROA, dead stock requests for that distributor will be denied.

All dead stock items will be reduced by 50% or more off of the last submitted cost. All reductions should be submitted to DeCA HQ via Bill Back Manager and the discount will apply to all Commissaries that are serviced by the distribution center listed on the dead stock request.

Stores are not to submit the request. The broker/manufacturer must submit the request, along with the Excel form for processing, since they are the approving official for the price reduction.

If the request is approved, the item will be put in a To Discontinue status and unblocked for ordering at the Commissaries serviced by the distribution centers listed on the request. Orders for dead stock items must be coordinated with the Commissaries and price reduction

applied immediately following reallocation and will be re-blocked as the distributors provide notification that the residual stock has been depleted. After 30 days the item will be returned to a discontinued status.

DeCA is committed to working hand in hand with our industry partners. We recognize and appreciate that a large majority of our industry partners are already using responsible business practices to prevent and minimize the time and costs associated in processing deleted items under the dead stock process.

Point of contact for this program is Ms. Amber Almond, Supervisory Logistics Management Specialist, at amber.almond@deca.mil or (804) 734-8000, extension 86239.

Thank you for your support!

Tracie L. Russ Director, Sales

Attachment As stated

## **Vendor Dead Stock Request**

To: DeCA HQ's Distributor Unit Email: <a href="mailto:distrocoordinator@deca.mil">distrocoordinator@deca.mil</a>

Contract Number:		Manufacturer:			Date:			
CASE GTIN	ITEM UPC	DESCRIPTION	UPK	# OF CASES	LAST PRICE	*VPR PRICE	% OF VPR	EXPIRATION DATE
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								

The item(s) listed above is dead stock that has not been in a Discontinued status for longer than 60 days. Please enable ordering for the Commissaries that are serviced by the distributor(s) noted below in an effort to deplete the inventory.

\*All dead stock will be reduced by a minimum of 50% off the last submitted price and have a remaining shelf life of not less than 30 days.

<b>Distribution Center</b>	<u>.</u>		
1	7	13	Phone Number
2	8	14	
3	9	15	Name
4	10	16	
5	11	17	Broker
6	12	18	
	· •		E-Mail Address