



DEFENSE COMMISSARY AGENCY
HEADQUARTERS
1300 E AVENUE
FORT LEE, VIRGINIA 23801-1800

MPS

June 11, 2021

NOTICE TO THE TRADE – DeCA NOTICE 21-51

SUBJECT: DeCA Vendor Stocking Initiative Reimbursement Process

The purpose of this notice is to inform Industry of the reimbursement process to be implemented in support of the Vendor Stocking Initiative that began in June 2018. The objective of this process is for DeCA to take on the responsibility to stock ROA-defined vendor stock categories to create greater accountability and control, and to capture reimbursement for stocking those vendor-stocked products.

Vendor stocking, for the purpose of the Vendor Stocking Initiative, is defined as those services for FDS products not currently provided by the DeCA commercial activity contractor under DSD orders/deliveries. The stocking of milk, eggs, fresh chicken, and NIB impulse strip clips and racks is not included as a part of this program.

DeCA began the Vendor Stocking Initiative as a solution to difficulties identified by suppliers in meeting their vendor stocking contractual obligations, to increase the efficiency and effectiveness of the stocking process, and ultimately to ensure product availability on the shelf.

Currently, suppliers are responsible for vendor stocking specifically designated categories under DeCA's Brand Name Resale Ordering Agreement (ROA). Vendor stockers are normally hired by either the broker or the manufacturer to perform the stocking function in the store. Unfortunately, this process has proven broadly insufficient. Suppliers are spending money and the stocking is not getting done. DeCA is currently attempting to do the work, providing resources and absorbing the costs of stocking these vendor-stocked products.

As indicated, while the supplier is responsible for vendor stocking, 10 USC 2483(c) provides authority for DeCA to receive funds as reimbursement for "other support activities provided by commissary activities." DeCA must receive reimbursement for providing this support [stocking products on the suppliers' behalf] to continue the Vendor Stocking Initiative.

The reimbursement process will require vendor-stocked items to have their own ROAs to reasonably assess product stocked and capture payment. Effective immediately DeCA will begin working with suppliers to separate vendor-stocked products from applicable ROAs that also include non-vendor stocked products. Subsequently, DeCA will establish new ROAs with a unique vendor code number for these vendor-stocked items. Vendors, who stock products such as dairy and frozen that are already separated, will still require the new ROA number with a unique vendor code number to capture payment. Every ROA will be checked to ensure the vendor-stocked products are appropriately separated.

Reimbursement to DeCA for providing support under the Vendor Stocking Initiative will be captured by retrieving payments via a discount percent-off invoice for vendor-stocked ROA payments; the discount percent will start at one percent. To collect reimbursement for services DeCA has been and is currently providing, and to increase (no more than quarterly as stores move to the Vendor Stocking Initiative) up to three percent, the discount percent will be applied only to vendor-stocked product ROAs.

The process to separate vendor-stocked products, where needed, to their own ROA will begin immediately. A brand name resale contract specialist will contact your firm to walk you through the process of establishing your new ROA(s) for vendor-stocked items.

The reimbursement process, discount percent-off invoice for vendor stocked ROApayments, will begin October 1, 2021.

Points of contact for this initiative are Ms. Bonita Moffett, Director, Sales, (804)734-8000 extension 86278 or bonita.moffett@deca.mil and for contracting questions, Mr. Judge Mays, Contracting Officer, Brand Name Resale (804) 734-8000 extension 48923, or judge.mays@deca.mil.

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