



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

MPS

September 30, 2021

NOTICE TO THE TRADE – DeCA NOTICE 21-106

SUBJECT: DeCA Vendor Stocking Initiative Reimbursement Process – SECOND UPDATE

The purpose of this notice is to provide Industry with a second update reference DeCA Notice to the Trade 21-51, subject “DeCA Vendor Stocking Initiative Reimbursement Process”. Upon release of both the Notice to the Trade 21-51 and Notice to the Trade 21-97, DeCA received additional queries pertaining to basis of payment and the recoup process:

Learning: For the basis of payment suppliers pay vendor stockers by the case and not as a percentage of sales. On average, that cost came in around \$0.40 per equivalized 12-pack case. Further, the 3 percent referenced in both NTT 21-51 and NTT 21-97 respectively amplifies the cost based on higher value cases.

Adjusted Basis of Payment: DeCA will recoup the vendor stocking cost by translating the average case cost to a unit basis consistent with feedback on vendor stocker payments against “equivalized 12-pack cases”. On October 1, 2021, DeCA will begin recouping up to \$0.03 per unit on all vendor-stocked SKUs sold across our registers. Based on current store status and conversion plans, our current plans are as follows:

- Phase 1 will begin on October 1, 2021 at \$0.02 per unit, and is expected to hold at this rate through March 31, 2022.
 - As of Oct. 1, 2021, commissaries representing nearly 34 percent of DeCA worldwide sales will be converted. By March, this number should increase to over 50 percent.
- Phase 2 conversion may begin as early as April 1, 2022 at \$0.03 per unit and should run through Sept. 30, 2023, by which time we expect a conversion of 60-75 percent of stores.
 - We also anticipate these earmarked amounts to be folded into the cost-of-goods moving past September 30, 2023.
- DeCA reserves the right to adjust this timing as needed, with at least three months notification to industry.


How Administered: DeCA is committed to making this the transaction administratively easy for all involved. DeCA plans to provide a **soft** copy invoice via email to the applicable suppliers by the 15th day of each month for the previous month. The vendor’s invoice will include the total units sold and the total amount due for the vendor stock reimbursement. The backup data will include the vendor number, contract numbers (PIINs), UPC count, units sold, and total amount respectively.

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Payments shall be identified as ‘vendor stock reimbursement’ and made via check or ACH transaction.

To facilitate payment to DeCA, suppliers are requested to identify and provide a POC and email address to our resource management team at VendorStockAR@deca.mil. For help with setting up the ACH payment process please contact Ms. Charlita Nunnally at charlita.nunnally@deca.mil.

If industry has additional questions, to include billing content, please submit to Mr. Jason White, Management & Program Analyst, (804)734-8000 extension 48679 or jason.white@deca.mil.

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Michael J. Dowling
Deputy Director