



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

MPS

October 17, 2022

NOTICE TO THE TRADE – DeCA NOTICE 23-01

SUBJECT: Dead Stock Process (Supersedes DeCA NTT 20-63)

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 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 in a Discontinued status 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 in the distributors
- 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
- Items with an Item Type other than “Normal” (i.e. Shipper, Modular Pallet, Shipper Contents, One Time Buy) will not be considered for dead stock and should be picked up in accordance with the promotional program
- Items that do not have a Status Indicate of “Discontinued”
- Forms not completed in their entirety or with incorrect data
- Items with a remaining shelf life of less than 30 days
- 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

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 re-allocation and will be 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.

All dead stock items with an Item Type of Normal will be reduced a minimum of 50% off of the last submitted cost. All reductions should be submitted to DeCA HQ Category Manager via Bill Back Manager under Bill Back Type 3 and have "Dead Stock" in the description. The discount will apply to all Commissaries that are serviced by the distribution center listed on the dead stock request and the end date would be 180 days from approval (item will be unblocked for 30 days and remains sellable at the store for another 120 days). The broker/manufacturer should respond to the Dead Stock approval email within three days to provide the agreement number.

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 Mr. Jerry Durham, Supervisory Logistics Management Specialist, at jerry.durham@deca.mil or (804) 734-8000, extension 48351.

Bonita M. Moffett
Director of Sales

Attachment
As stated