



**AMERICAN LOGISTICS ASSOCIATION
ARMED FORCES MARKETING COUNCIL**

1101 Vermont Ave, NW Suite 1102
Washington, DC 20005
Phone: (202) 466-2520 Fax: (202) 296-4419
www.ala-national.org



October 1, 2013

The Honorable Ashton Carter
Deputy Secretary of Defense
1000 Defense Pentagon
Washington, D.C. 20301-1000

Dear Mr. Secretary:

We write with an urgent request that you exercise your authority to keep commissaries open at U.S. locations.

First and foremost, this is a vital benefit for our military families and comports to the spirit and intent of the Pay Our Military Act that was enacted September 30, 2013 wherein you may provide excepted status to employees supporting commissary operations.

We believe that there will be immediate pressure on in-store inventory and the working capital funds as products begin to spoil and reach their expiration dates. Further, the precipitous disruption of the supply chain on manufacturers, distributors and brokers who form the supply chain for the commissaries will trigger a number of difficult issues as ownership of inventory in the pipeline raises a host of logistical, administrative and legal matters as products expire with costs estimated in the hundreds of millions of dollars.

Industry will work to divert product to minimize this impact but options are extremely limited due to the abrupt nature of the supply chain disruption, especially as we cannot ascertain the duration of the shutdown.

This is uncharted territory for commissaries. Past shutdowns have allowed these stores to remain open and we expected that this would be the case until we were provided a Notice to Trade that said otherwise. We urge you to reconsider the decision to close stateside stores altogether. At the very least, commissary operations should be allowed to continue until such time as we are able to work with the Defense Commissary Agency to mitigate the matter and reduce liability and costs across the entire supply chain.

Very respectfully,

Patrick B. Nixon
President
American Logistics Association

Thomas T. Gordy
President
Armed Forces Marketing Council