



AMERICAN LOGISTICS ASSOCIATION

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MEMORANDUM

FOR: President Donald J. Trump

FROM: Over 32 million military resale and MWR beneficiaries and over a 150 thousand industry and resale and MWR employees

February 10, 2017

SUBJECT: Military resale system supportive of key elements of your Administration's agenda to Make America Great Again

Here, Mr. President, is a program that you can point to as one that needs to be replicated in Government and not decimated at the altar of hasty and radical cost cutting and experimentation. It's a fragile ecology built up over the years and carefully constituted to give the troops, their families and America the best bang for the buck.

Supporting strong National Defense. The Sun never sets on the vast network of commissaries, Veterans Canteens, and Army, Air Force, Navy, Marine and Coast Guard exchanges that operate 24/7 worldwide from Guantanamo to the Korea Demilitarized Zone to Afghanistan and Iraq. In support of our Armed Forces and their families at both their home bases and in far-flung and forward deployed areas. With operations aboard ships, providing school lunches overseas, providing plants to generate bread and water, forward distribution centers, tactical field exchanges and so much more that is vital to the support, readiness and direct operational support of our military members. The program adapts to military force structure and basing changes, expanding and contracting to meet the needs of an ever-evolving military. And, it keeps good people in the Service because when the family is happy, everyone is happy.

Enhancing quality of life for service men and women. The system provides all of those name-brand, recognizable products and services that American have come to love. This includes everything from name brand fast food to the best brands that they have come to love -- thousands of brands that represent a little touch of America wherever our dedicated military serves---and at savings to them from 20 to 50 percent, greatly stretching the household income of millions of military and Veteran families.

Supporting Veterans. Not only do Veterans benefit from using these programs, the system employs thousands of Veterans and is the top employer of wounded warriors and disabled Veterans.

Employing family members. Over 50 percent of employees in these operations have a military affiliation, with almost one-third being military family members. That's money that's cranked right back into the military community and into military households.

Holding Government employees accountable. As the only true business-based operations in Government, every decision that commissary, exchange and MWR employees make is under the business microscope because the more money they make, the more is plowed back into their own community support programs.

It's a benefit that is used the most by those who need it the most. Junior enlisted, junior officers with families and retirees and Veterans on fixed incomes are the primary users of these programs. It directly

provides non-pay compensation for service men and women that we can never pay enough for their sacrifice and service.

Maximizing efficiency in Government operations. We challenge anyone to name a program in Government that can make the claim that it gives back to the Defense Department, the American People and the Nation more than it consumes. Over a hundred thousand managers and employees along with their industry partners have taken out over \$1 billion a year in operating costs.

Bringing proven business practices to make Government work better. Every manager and employee involved in these programs brings the best of breed business practices to bear because their report card is the bottom line.

Backs up with tangible deeds the words “*Thank you for your Service*”. These programs touch the troops each and every day in many, many ways and tell them that America loves them and cares about their well-being.

Providing for accountability and transparency in Government. You want accountability—you got accountability with these programs that consistently have a clean audit year in and year out.... something that few DoD programs can claim.

Supporting American industry and promoting American products and tipping the balance of trade in favor of America. Every day, across the globe, Americans are consuming products made in America through a sophisticated and complex distribution network that makes sure America’s industry is supported.

Bringing together the best attributes of the private sector and public sector to create a working partnership. This system provides the optimal mix of out-sourcing and in-sourcing Government functions, allowing the troops to benefit from all of the advantages of both Federal and business status.

Supporting a multitude of benevolent programs for our Military and Veterans. From the USO to Fisher House, NFL ProCamps for military kids, and Blue Star families, the system and the American industry that supports it contribute and underwrite the costs of operating these vital programs.

Providing a system that self-generates funding and gives back more to the Nation and the American people than it consumes. Over the past 20 years, this system has donated over \$15 billion in facilities to the Federal inventory and over \$10 billion to support needed military community and family support programs. This, along with military patron savings and direct and indirect contributions to military readiness and Federal assets make it a program that your Administration can be proud of.

The contributions and more are detailed in a report, The Costs and Benefits of the Department of Defense Resale System.