



THRIVING BUSINESS



Atherton

The Army & Air Force Exchange Service (AAFES) has a thriving tactical business, powered through its worldwide network of nearly 200 Military Clothing Sales Stores (MCSS) as well as main stores and other locations both Stateside and abroad.

Although sales lessened during fiscal 2009 due, at least in part, to a shift in focus from one part of the world to another, tactical gear — everything from hydration devices to goggles — is in high demand in AAFES facilities.

WORLDWIDE OPERATIONS

According to Senior Tactical Buyer Paul Atherton, AAFES operates 180 MCSS facilities, with 100 stand-alone facilities and 80 collocated with another retail operation. AAFES also operates MCSS stores in the Operation Enduring Freedom/Operation Iraqi Freedom (OEF/OIF) theaters.

AAFES has always remained true to its mantra “We Go Where You Go,” and currently its exchange operations in Iraq have been streamlined along with the drawdown in personnel, while the exchange service’s tactical presence in Afghanistan is expanding.

“Iraq is experiencing a decrease in stores due to the drawdown of personnel,” Atherton noted. “Afghanistan has one MCSS with many tactical field exchanges (TFE) supported by this MCSS and other larger locations.”

SUPPORTING ALL SERVICES

Atherton said that AAFES facilities support all servicemembers within the theater. “Other facilities in other parts of the OEF/OIF theater are also there to support personnel as they move through the theater,” he added.

The service breakdown is led by the Army, with 89 MCSS stores, followed by 87 in the Air Force. Four Marine Corps MCSS locations are operated by AAFES in Okinawa.

“In 2010, we do not foresee any expansion of the tactical category into additional MCSSs,” Atherton said. “Main stores and other locations may increase as auto replenishment rolls out and stores update their assortments.”

—Continued

TACTICAL SUPPLIER Invests in LEED-Certified Facility

• LIVERMORE, Calif.

Wiley X Inc., a family-owned and operated company that focuses on the research, development and marketing of protective eyewear and gloves, recently moved into a new, environmentally friendly corporate office/warehouse facility in the company’s hometown here.

Designed to be more than just a corporate expansion into a larger facility, according to a company spokesman, this move affirms Wiley X’s commitment to environmental responsibility and the health and safety of its employees.



Wiley X’s new headquarters was remodeled in keeping with Leadership in Energy and Environmental Design (LEED) guidelines. Full-height exterior glazing and “smart” skylights provide all occupied spaces, including the warehouse, with natural light to reduce energy consumption. Further energy savings are realized through the use of efficient new HVAC systems and water-saving fixtures.

ENVIRONMENTALLY FRIENDLY

To that end, the company purchased a nearly 50,000-sq.-ft. building and began remodeling it in summer 2009 in accordance with Leadership in Energy and Environmental Design (LEED) guidelines. The Wiley X remodeling project team was asked to put particular focus on creating a high-quality work environment with good indoor air quality and access to natural light.

Key features of Wiley X’s new headquarters design include full-height exterior glazing and “smart” skylights that track the path of the sun throughout the day to provide all occupied spaces, including the warehouse, with natural light. This reduces energy consumption while still providing a productive and appealing working atmosphere, according to the company. Further energy savings are realized through the use of efficient new heating, ventilation and air conditioning (HVAC) and lighting systems, as well as fixtures designed to reduce water consumption. Low-emitting building materials, many of which were manufactured regionally and contain a high amount of recycled content, contribute to improved indoor air quality.

“This is an exciting time for Wiley X employees and distributors worldwide,” said Myles Freeman, president of sales and co-owner. “Sales are up, we need more space to help meet our goals of expansion, and we’re going to be able to accomplish this in our new state-of-the-art (soon-to-be) LEED-rated facility. It gives us all a great sense of accomplishment to walk into a corporate environment that encourages the conservation of energy and the overall health and well being of our employees.”

Wiley X will occupy 32,332 sq. ft. of the 49,977-sq.-ft., one-story facility located at 7800 Patterson Pass Rd.

The team responsible for this remodeling included project Terrasset Management Group, architects and interior designers Reel Grobman and Associates, general contractor W.L. Butler Construction, and design build subcontractors AMS Heating and T.S. Electric, Inc. Commissioning was provided by Rick Unvarsky Consulting Services Inc. and LEED consulting services by Mary Davidge Associates.



Low-emitting building materials, many of which were manufactured regionally and contain a high amount of recycled content, contribute to good indoor air quality in the company’s new facility, designed in accordance with Leadership in Energy and Environmental Design (LEED) guidelines.



AAFES Tactical

The Bertucci A-2T Vintage Series Performance Field Watch blends tradition and innovation. Features include a solid titanium ION-plated, U.S. patented 40mm case, heavy duty two-ply nylon band, rugged screw-down crown and case back, scratch-resistant crystal, and five-year battery. For more information, contact Billy Hughes at 817-490-0361 or email hughes.billy@sbcglobal.net.



SALES ACTIVITY

AAFES experienced lessened tactical sales during fiscal 2009. Atherton reported that sales for the fiscal year were \$93.3 million, a 4.9-percent decrease from 2008 which, the senior buyer said, was greatly influenced by the reduction of troops in Iraq.

Downrange sales were \$34.4 million, amounting to nearly 37 percent of total sales for 2009.

KEY TRENDS

Several trends propelled sales during fiscal 2009

and are continuing to spark activity in fiscal 2010.

“Customer preference is still building in knives, and is starting to show up in the tactical nylon business with requests for the MultiCam pattern,” Atherton noted. MultiCam is a single camouflage pattern designed to help conceal the wearer in varied environments, including those found in Afghanistan.

“One of the changes that we are facing is the movement of business from the OIF/OEF theater to CONUS and Pacific and European stores, with the return of the troops to their home bases,” Atherton explained. “They will continue to train and need replacement items for those lost or broken during their training exercises. This will increase our business at the home bases.”

Another development involves the cleaning of near-infrared (nIR) combat uniforms. “We do not cross-merchandise nIR-compliant detergents,” Atherton said. “The services used to recommend that members use a non-whitening detergent that was supposed to keep the IR properties of the combat uniforms from degrading. Since then, they have dropped that recommendation.”

LEADING OPERATIONS

During fiscal 2009, the Fort Hood, Texas, MCSS was the top one in CONUS in terms of sales activity, generating nearly \$1.9 million in volume. It was followed by the Fort Bragg, N.C., MCSS, with \$1.77 million in sales, and the Fort Lewis, Wash., MCSS, with \$1.48 million in activity.

Other active CONUS MCSS locations during fiscal 2009 were Fort Leonard Wood, Mo. (\$1.30 million); Keesler AFB, Miss. (\$1.15 million); Fort McCoy, Wis. (\$1.13 million); Fort Dix, N.J. (\$1.06 million); Fort Benning, Ga. (\$1.05 million); Fort Drum, N.Y. (\$1.03 million); and Fort Bliss, Texas (\$1.01 million).

The top OCONUS store in the system during fiscal 2009 was Buehring Z2, Kuwait, which generated \$3.61 million during the fiscal year. Other top-volume OCONUS MCSS locations were Camp Liberty, Iraq (\$3.33 million); Bagram, Afghanistan (\$2.75 million); Kandahar, Afghanistan (\$2.28 million); and Camp Taji, Iraq (\$1.85 million).

TOP-SELLING ACCESSORIES

Among the top-selling accessories in AAFES MCSS locations during fiscal 2009 were several items supplied by Brigade Quartermasters Ltd., including rifle cleaning kit; all-weather click pen; black carabiner; tactical quad headlamp; omega oval carabiner; and green survival chord.

Other top-selling accessories were Raine Inc. military ID armband; SureFire LED light tan helmet; Gerber Legendary Blades 4-way recon light; and Coast Cutlery Co.’s 4-color light clamshell case.

EYEWEAR

In eyewear, AAFES’s top sellers during fiscal 2009 were several Eye Safety Systems Inc. (ESS) products, including a number of varieties of Authorized Protective Eyewear List (APEL) ICE 2X eyewear, such as the Naro, and protective sunglasses.

Other popular eyewear included Wiley X APEL goggles (SG-1, XL-1) and PT-1 2-lens sunglasses; a few varieties of Revision Eyewear Ltd. Ballistic 2-lens APEL glasses; and a few SKUs of Oakley Inc. ballistic APEL eyewear.

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#153 BRIEF CASE



Laptop compartment



Adjustable Straps



Concealment Pocket



Organizer Pocket



Elastic Gear Strap



Hidden Pocket

- Main compartment: (16" x 12" x 3")
- Rear compartment: (16" x 11" x 1 3/4")
- Large front organizer pocket: (10" x 9" x 2")
- Two padded utility pockets.
- Concealment pocket with loop panel for Velcro attachments.
- Two modular pouches included:
 - > Padded GPS pouch with front pocket. (8" x 4" x 1 1/2")
 - > Water bottle pouch with Hook & Loop flap. (8" x 4" x 3")
- Detachable/ Adjustable padded shoulder strap.
- Size : 21"W x 12"H x 6"D
- Color : O.D., Black, Tan, ACU



US1004 PISTOL LARDYARD

Color : Black

MA43 DOUBLE STACKER M4 MAG POUCH

- Fits 4 mags total.
- Single & Triple are also available.
- Color: O.D., Black, Tan, ACU, Multicam



MA38 DROP LEG DUMP POUCH

- Hook & Loop flap closure
- Top access opening with Hook & Loop flap and overlapping elastics to allow quick drop, but keeps them securely inside.
- Side webbing for modular attachments
- Fully adjustable leg strap with non-slip rubber lining and quick release buckle.
- Size : 7"H x 7 1/2"W x 3"D
- Color : O.D., Black, Tan, ACU, Multicam



HYDRATION PRODUCTS

CamelBak Products LLC dominated AAFES hydration products sales during fiscal 2009, with the top-selling products in this category under that brand name.

Top sellers included the ThermoBak, Mule, BFM and Motherlode hydration packs with various capacities, everything from 3 ltr. to 100 oz., and reusable BPA-free Better Bottle water bottles. These water bottles do not contain Bisphenol A, which is found in many water bottles although it has been found to be potentially unsafe.

GLOVES

Seirus Innovation provided AAFES with the exchange service's top-selling tactical gloves during fiscal 2009. Among these items were various all-weather gloves, including those with fleece.

Wiley X is another major manufacturer whose gloves were popular with servicemembers during fiscal 2009. The company's Approved Product List (APL) gloves, including large and medium sizes and its Combat Assault variety, posted top sales in AAFES stores during the fiscal year.

KNIVES

The top-selling knife in AAFES stores during

fiscal 2009 was Gerber Legendary Blades Diesel Multi-Plier, followed by Leatherman Tool Group Blast Black/MOLLE Sheath and another Gerber product, Fast Draw Serrated Knife.

Other popular products in this category during fiscal 2009 were Surge Black/MOLLE Sheath and Core-Black/MOLLE Sheath from Leatherman; Columbia River Black Knife and Desert Knife; and a number of different knives from Benchmade Knife Co.

LIGHTING PRODUCTS

In lighting products, SureFire LLC placed a number of items on AAFES's top-sellers list during fiscal 2009, including a 12-pack of batteries in a clamshell case; black light; 3-volt flashlight; 6-pack of batteries; 6-volt flashlight; and six-volt light.

Other popular lighting products included Alpec Team Inc. Sotonic green laser; and various SKUs of Emissive Energy Corp. Inova microlights and flashlights.

CUSTOMER FEEDBACK

Customer feedback alerts AAFES to the wants and needs of those who are actually using these items.

"We rely on the feedback from the customers through our stores to assist us in making sure that the items we have meet customers' needs and let us

know what items they are looking for that we do not have in the assortment," Atherton explained.

FISCAL 2010

Although fiscal 2009 was a down year as far as tactical sales in AAFES stores, Atherton believes a number of factors will allow this category to post a rebound during fiscal 2010.

"We are planning for \$103 million in sales for 2010," he said. If this goal were reached, sales would climb more than 10 percent.

SALES STRATEGIES

"Planogram compliance and increased fill rates from suppliers are our key targets this year to increase sales, and auto replenishment is continuing for the main stores," Atherton noted. "The main store and MCSS managers are kept well informed, and stores are working with vendors directly in support of their deployment sales."

In addition, during the fiscal year, AAFES hopes to boost interest and sales in its tactical assortment by running a slate of promotions. "We are currently working with vendors on different types of promotions this year to include possible Facebook coupons for 'dollar-off' savings," Atherton reported.

—E and C NEWS



Congratulations
AAFES
on your
115th Anniversary
of Service Excellence!

