



# ARMY & AIR FORCE EXCHANGE SERVICE DIRECTOR/CEO NEWSLETTER

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## Investing in Our Stores and Communities



*Tom Shull*

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Director/CEO

When it comes to deciding whether to build new stores or remodel existing ones, the Exchange takes great care with its capital. We recently built two new convenience stores: The Ontario Express at Fort Drum opened this summer, and the Fairchild Express at Kadena AB will debut in September. The Zoeckler Mini Mall at USAG Humphreys will open this fall. At these locations, new construction was the best use of limited capital. The total of these new investments exceeds \$21 million. In addition, seven main stores are under renovation (\$14 million total)

and another \$80 million in renovations to 16 main stores are planned. All told, the Exchange has invested more than \$170 million in construction this year. 100% of Exchange earnings are invested in the military community, with 60% going to dividends supporting Quality-of-Life programs and the remaining 40% used to improve the experience in stores and at ShopMyExchange.com.

The Exchange's long-range capital plans, which outline major future projects, are shared with installations every six months.

They combine our sustainment program with new construction projects that grow the business. Your Department of Public Works or Civil Engineer Squadron has those plans.



## BE FIT Options On the Go

The Exchange is expanding its on-the-go snacks, meals and sundries—including better-for-you options that support a BE FIT lifestyle—with micro markets at installations across the United States. Micro markets are self-service convenience stores that provide Warfighters round-the-clock access to snacks and small meals, including fresh fruit, salads, sandwiches and beverages in the Exchange's BE FIT program. They are unmanned and automated, so shoppers can make a selection, scan the barcode, pay and be on their way.

Exchange managers work with suppliers to customize inventory based on demand, ensuring each micro market is tailored to the needs of the installation. There are 40 micro markets on 24 installations with 35 more under consideration or being worked for 2019.



## West Point Cadets Intern at Exchange

The Exchange welcomed interns from the U.S. Military Academy for the first time this summer, underscoring the Department of Defense retailer's commitment to supporting Warfighters—past, present and future. Cadets Thomas "TJ" Bordeaux of New Haven, Conn., and Christian "CJ" Falk from Buffalo, N.Y., rising juniors at USMA, spent three weeks at the Exchange's Dallas headquarters completing Advanced Individual Academic Development in cybersecurity as part of their graduation requirements. The Cadets learned from leaders in the Exchange's Information Technology Directorate as well as executives and other West Point graduates who have made careers at the Exchange.

## Hurricane Relief Support

Exchange merchandising and logistics teams have built inventory on critical emergency supplies including water, batteries, flashlights and generators to ensure Soldiers and Airmen remain ready and resilient after hurricanes and other natural disasters.

Last year, customers felt the impact from hurricanes—about 10 installations suffered damage or experienced Exchange store closures. The Exchange leaned forward to make sure impacted communities had the essentials to weather the storms—more than 2,000 supplies were shipped to Florida and Georgia ahead of Hurricane Michael.

The Exchange also stands ready with mobile field exchanges (MFEs) should command request them to serve military first responders after a hurricane makes landfall. An MFE is an "Exchange on wheels," a 53-foot trailer stocked with emergency supplies, toiletries, snacks and drinks. Last year, an MFE was sent to Tyndall AFB and was the only store within miles after Hurricane Michael devastated the installation. For more information about MFE support, contact Kent Forsch at [forschk@aafes.com](mailto:forschk@aafes.com).