

EXCHANGE TOPICS

DIRECTOR/CEO NEWSLETTER

DECEMBER 2016

FAMILY SERVING FAMILY | At the Tip of the Spear: Supporting our Troops



As we enjoy the holiday season, we remember those far from home. We're so fortunate to have brave Exchange volunteers supporting our Warfighters in austere locations around the world. In 2016, 65 associates voluntarily left the comforts of their families and friends to deliver a taste of home to troops in Ukraine, Cameroon, Australia, Afghanistan, Iraq and other locations.

For example, final preparations are being made to ship three Mobile Field Exchanges (MFEs) in January to support deployed operations in Poland. Our associates will live and work alongside deployed Soldiers, supporting the mission there throughout its duration.

Our team's willingness to go where our military goes is at the heart of the Exchange mission; we are grateful for the opportunity to provide a lifeline for those serving so far from home. As our Board of Directors Chair Lt. Gen. Gina Grosso recently said about the Exchange commitment to go where our troops go, "You simply can't put a price on that kind of support."

The Exchange benefit remains a force multiplier for military communities. One hundred percent of earnings support Soldiers, Airmen and their families. These funds support Quality-of-Life programs, including Army Child Development Centers, Air Force Outdoor Recreation and many other important efforts to maintain readiness and resiliency. Year-to-date support is already \$190 million, \$12 million above forecast. To see further data on dividends, click here.

Wishing each of you and your families a safe and joyous holiday season. Thank you for your service and for shopping the Exchange!

For Drull

Exchange goes 'down under'

The Exchange brought its support to yet another continent when it opened its newest store at Robertson Barracks, near Darwin, Australia, on Nov. 7.

A joint venture with the Marine Corps Exchange, the store provides merchandise and Marines provide the staff to run the operation.

The facility will serve approximately 2,000 Marines throughout the year, increasing to 33,000 during major joint and multinational exercises such as TALISMAN SABER, which is set to begin in June 2017.



The nearly 1,000 square-foot the store is open seven days a week and carries snacks, hygiene and uniform items.

Online improvements brighten holiday shopping

The Exchange is improving its website, shopmyexchange.com, to better serve Soldiers, Airmen and their families worldwide.

The site offers improved presentation of merchandise, including current availability of sizes and colors, buyer guides, links to videos and reviews. Also new is a subscription service for repeat ordering of paper towels, diapers and more.

Overall sales through the site are up 17 percent this year.

The merchandise assortment on the site is continually increasing, with more than 100,000 additional stock items available now than at the start of the year.

Exchange efforts are also underway to decrease delivery time through the Ship from Store initiative. This program allows online orders to ship from a nearby participating store to the customer's home. Find out more at shopmyexchange.com.

MILITARY STAR card offers industry-leading value

In 2015, MILITARY STAR® use returned \$182 million in earnings to Soldiers, Airmen, Marines, Sailors and their families through either Quality-of-Life programs or reinvestment into local Exchange facilities.

Focus groups conducted by a third party show military shoppers desire a single credit product that can be used across installations.

urned including commissaries, Installation
Management Command and Air
Force Services facilities.
Expanded MILITARY STAR

acceptance is being tested at Fort Hood, Texas. Working in partnership with the post's IMCOM, Soldiers and their families now can use the MILITARY STAR card at the post bowling alley.

See Card savings, page 2

Customer spotlight: fuel keeps flowing during outage

MILITARY

STAR.

For Sgt. 1st Class Ayana Flournoy, her husband, 1st Sgt. Marc Flournoy Sr., and their children Alana and Alandon, pulling in Fort Benning's Express fueling station to fill up the family vehicle is an experience so routine, it's hard to imagine life without it.

But when a leak sprang in one of the two major gas pipelines serving the Southeastern United States in September, the Flournoy

See Gas shortage, page 2



In Iraq: facility grows, offers taste of home

facilities in Iraq under the leadership of Exchange Europe and SW Asia Commander COL Geoffrey De Tingo, Area Manager Phil Tinsley and prior Area Manager John Burk.

At Erbil, a unique mobile Tactical Field Exchange (TFE) replaced a tent store, as two TFE trailers from Afghanistan were combined to more than double the floor space and nearly triple the merchandise assortment. More than 1,400 deployed forces use the TFE regularly.

Department of State, the Defense Logistics Agency

The Exchange recently expanded two support and Department of Defense, frozen turkeys have been delivered in time for the holidays to both the Baghdad Embassy Compound and the Baghdad Diplomatic Support Center Exchanges.

> "It means the world to have the Exchange stocked with turkeys for the holidays," said Army Sgt. 1st Class Michael Buelna. "I've spent many holidays away from family during my military service and have been impressed with the commitment that the Exchange demonstrates to the armed forces."

Shipping turkeys allowed deployed forces in Additionally, through joint efforts across Iraq to enjoy a traditional American holiday taste of



We Go Where You Go: New facilities open in Korea, worldwide

On Nov. 8, the Exchange ushered in a new level of support in Korea, opening a troop store and minimall at Camp Humphreys, where the community's population will triple in coming years.

The \$6.2 million project was made possible by the Exchange's partnership with the U.S./Republic of Korea alliance, plus support from Col. Scott Maskery and the Exchange Pacific Headquarters team, Camp Humphreys command, the U.S. Army Corps of Engineers and Dosan Construction Co.

The 24,000 square-foot store includes an Express featuring healthy grab-and-go fare; a food court with Starbucks, Taco Bell and Subway; dry cleaners; and a barber shop.

Other long-range capital projects include opening Arby's at Camp Foster, Japan; the Fort Sill, Okla., shopping center expansion; and the Fort Jackson, S.C., shopping center image update.

From February 2016 until the end of January, the Exchange will also have added 138 concept shops which are specialized areas in stores highlighting national brands such as Apple, Michael Kors, Under Armour, Tommy Hilfiger and more.

This year, the Exchange opened 47 eateries with healthy dining options including Boston Market, Subway, Arby's and Starbucks. Concession eateries Jimmy Johns, McAlister's Deli, Panda Express, Dickey's Barbecue Pit, Domino's and others are adding nutritious BE FIT options and greater variety.



Card savings - from page 1

Exchange plans include expanding the payment option to other facilities to test functionality and customer interest.

Use at additional facilities will generate greater savings for military members and families, the facilities and the military community.

CreditCards.com cited the MILITARY STAR's annual percentage rate as being the lowest flat rate among cards offered by America's top 100 retailers. In fact, half of retail branded cards carry an APR of at least 25 percent, with some reaching as high as 30. The MILITARY STAR card's flat rate is A recent industry expert report from nearly a third of the highest interest credit

card evaluated by the report. Officials say almost all service members who apply for a MILITARY STAR card are approved, automatically qualifying them for the current 10.74 APR.

More information about MILITARY STAR is available online at myecp.com.

Exchange named best veteran employer

U.S. Veterans Magazine has bestowed one of its highest honors on the Army & Air Force Exchange Service - a spot on its 2016 'Best of the Best' list, recognizing employers, government agencies and educational institutions that support employment and business opportunities for veterans and spouses.

This year, the Exchange earned placement in the

categories of Top Veteran-Friendly Companies and Top Supplier Diversity Programs. The Exchange has been named to the annual list every year since 2013.

In 2015, the Exchange hired nearly 1,300 veterans. In addition, the organization employed more than 3,400 U.S. Armed Forces veterans, 10 percent of the organization's overall workforce.



Gas shortage averted - from page 1

family and millions of others came perilously reach," SFC Flournoy said. close to losing access to the resource that fuels their lives.

"Without the fuel we get at the Express, the essentials that make up my family's day would be impacted in an instant: traveling to and from work, doctors' appointments for the kids, trips to see friends and family even something as small as going to the movies as a family would be just beyond our

As the impact of the leak spread, fuel shortages closed stations early on consecutive days. Demand and prices shot up in North Carolina, Georgia and Alabama.

But the Exchange was prepared. Within days of the leak, the Exchange fuel program officials worked with Hartland Fuels to purchase 50,000 barrels of fuel and ship the gas by barge from Yorktown, N.Y., to

Wilmington, N.C. Fuel trucks then ran from the barge to Exchange fueling stations throughout the eastern U.S. for 30 days straight.

"Throughout the fuel crisis, the Exchange was there for us," SFC Flournoy said. "As a Soldier, this tells me the Exchange is not just a retailer, but a partner that has military families' backs-no matter what happens."