



Adapting, Streamlining, Partnering

For the past year, I have been privileged to serve as Chairman of the Board of your Association and I can assure you that ALA is working hard to represent the interests of suppliers in the military marketplace.

Our resale partners continue to evolve and transform their operations and your Association has been actively transforming our operations as well. There's no question that we are operating in a tough military and commercial environment and the ALA Board and executive team are adapting and tightening their belts just as our member companies must do to react to challenges.

Through your Board of Directors, our executive team, and member councils and task forces, we have worked hard to shore up our relationships with the exchanges and commissaries of the Departments of Defense, Veterans Affairs and Homeland Security; reaching out and partnering on a wide range of programs to improve patron relevance.

Perhaps the most challenging area of operations has been with the Defense Commissary Agency, where DeCA leadership is implementing programs and policies that challenge industry's ability to adapt to a wide range of policies and practices aimed at transforming DeCA's operations. Both DeCA and the ALA have agreed to move toward more collaborative joint planning and program implementation aimed at decisions reverberating across the supply chain and that these decisions must be carefully laid-in to ensure maximum industry participation and support.

And, there are efforts on the part of the Department of Defense to restructure resale operations. Here, we have engaged the Department of Defense leadership to remind them of the major implications of these restructuring plans to include the impacts on the ability of the exchanges to execute their support mission. We have rolled up our sleeves and went to work to do all we can to ensure these programs remain intact, grow and land on their feet as restructuring and other policy changes shake out.

We are aggressively working with all top policy-makers at the Department and agency levels to deregulate their enterprises, increase patron eligibility, and get the right products and services in front of a fast shifting demographic.

Finally, the Board, along with the President has worked to ensure every dollar of your membership contribution is wisely spent to improve resale system performance and enhance your ability to interact with your agency partners to grow your business.

ALA will continue to work to maximize the value of your membership, and, as we enter our 100th Anniversary of service to the Nation, we have laid the groundwork for continued support of these vital benefits for our military.

Sincerely,

Marty
Marty Johnson
Chairman, ALA Board of Directors

ALA Board of Directors

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From the Treasurer

I want to thank the membership for the opportunity to serve on the ALA Board of Directors and serve as its Treasurer this past year. I am pleased to report another clean audit opinion and better than expected operating results for the period just ending. As of the close of FY 2019, Member Equity stands at \$1,537,111.

During the past year I have been afforded the opportunity to review the association's current business model and have discussed these findings regularly with the ALA Board of Directors. As an Association, we are blessed with a member equity fund which continues to build wealth in the marketplace.

Overall operating results are more favorable to original forecast and reflect the hard work on the part of the ALA staff to contain costs, maintain financial strength, and to do more with less. Looking forward, the association faces significant

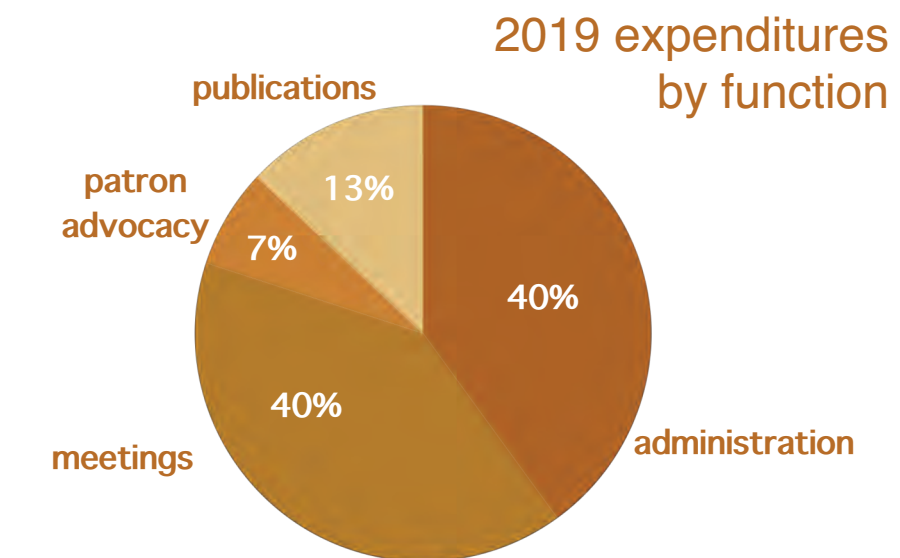
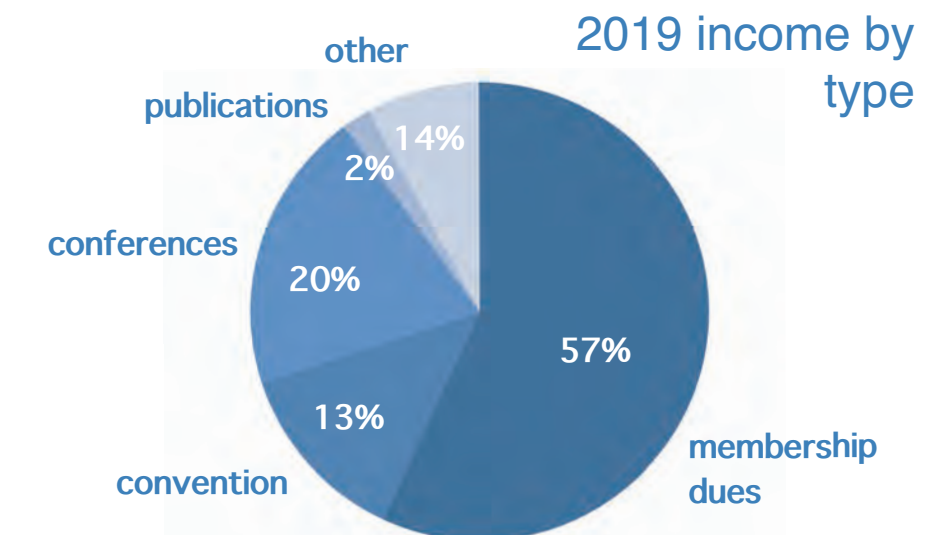
challenges to its traditional business model that will require creative thought and innovative ideas from both the staff, Board, ALA chapters, and ALA members. Currently, over one third of the Association's total operating revenues are derived from net profitability from conferences and the Annual Convention. Member company budget pressures and ever-increasing meeting costs all impact industry and government attendance. Corporate sponsorship dollars associated with our meetings and conferences have increasingly played an important role in making the financial model work.

Your generous support of the many ALA functions and events is now critical to ensuring our financial stability. As we enter our 100th year of existence, the ALA continues to play an essential role in ensuring the viability of the Military Resale Industry, and MWR/Services, so its financial stability must be safeguarded. We must continue the work to ensure that the financial model adjusts to the new budgeting realities.

It has been an honor and a privilege to serve as your Treasurer. Thank you for your trust and thank you for your support of this great organization.

Sincerely,

Dennis
Dennis Jones
Treasurer, ALA Board of Directors



2019 Overview

total assets
\$2,844,100

total liabilities
\$1,306,990

total change in net assets
-\$214,716

cash and cash equivalents year-end
\$296,408

Our Sponsors



Our Sponsors





From the President

It's hard to believe another year has come and gone. Once again, we are meeting to reflect on the rapid pace of change in military resale, and its impact on our association and how the association conducts its business. I can report that the association continues to engage with the Administration and Congress as well as the Resale Agencies and MWR Services.

It's a tough business environment, both in the commercial and military sectors. Changes are being made or contemplated by leadership of the Department of Defense and the resale agencies that are reverberating across the supply chain.

As DeCA continues its transformation, industry is being affected by changes to pricing, billing practices, distribution, shelf stocking and a myriad other changes emanating from the transformation review. We are doing all we can to ensure that industry is being represented in deliberations and implementation of

these programs and practices. It's not easy for either side. DeCA sales continue to slide and we are working to impress on the Agency through the Commissary Council, meetings and other forums, that both industry and the patrons need to have a vote on these transformation initiatives. We work daily to marshal the resources of our membership to caution the DeCA leadership to consider patron elasticity and industry pain points during their decision deliberations. And, we are finally seeing that leadership has recognized the vital role that suppliers have in ensuring their success and the danger of pressing industry too hard in an ultra-competitive commercial environment.

Meanwhile the Defense resale superstructure is experiencing convulsions as DoD moves to reform the entire resale system. There's an almost daily engagement by the Association on these structural reforms to include consolidation of the resale entities. As all of these balls get thrown up into the air, we are working to ensure they land where they should. As Defense drives for efficiency in operations, the work to convince the Defense leadership to ensure that the Exchanges be recognized for their success and not be punished for it. The resale system ecology is fragile and we work daily to ensure that policymakers in Congress and the Administration recognize the vital services that are provided in direct support of the Defense mission and the risks of moving too fast on reforms that may have dangerous implications on agency agility and mission performance.

And, all the while, we are working to shore up support in Congress and the Administration for full appropriated funding of both exchanges and commissaries: a vital underpinning of these benefits.

While all of these changes are taking place, the Congress and the Administration are expanding the categories of products that can be sold and categories for patronage, adding some 15 million patrons to those authorized to shop commissaries and exchanges including benefits to Defense Commissary employees, Department of Defense civilian employees, and Disabled Veterans.

The focus this year has been on looking towards the future. The ALA Board met and strategized on how the ALA should look, with a focus on its capabilities on into FY 2025. We plan to implement these strategies in a timely, well thought out manner.

There are great things happening in Military Resale however, the more familiar challenges remain for the association: recruiting and retaining members, generating new revenue streams, creating compelling meeting experiences, and delivering learning opportunities in formats and at times that serve members best. We need to do all this while remaining acutely aware of longer-term drivers of change that will usher in a future that looks very different from the present. We have an enormous responsibility to take the ALA to another level and to leave our footprints in the sands of time. Membership engagement is critical to reaching that accomplishment.

As always, I am deeply grateful to the ALA membership for your profound commitment to the Military Resale System. Your dedicated involvement moves the ALA forward. Our mission is clear— Only the best for those that have served, those that continue to serve, and their families!

Sincerely,

Maurice
Maurice Branch
President, ALA



Our Members

*** 365 Retail Market ★ Acosta Sales and Marketing, Military Division ★ Advantage Military LLC ★ Alder Foods, Inc. ★ Alt Zero, Inc. ★ Angry 8 LLC ★ Anheuser-Busch, Inc. ★ Armed Forces Marketing Council ★ ASURION ★ B & G Foods ★ Beam Suntory, Inc. ★ Bimbo Bakeries USA ★ Bisek and Company, Inc. ★ Brown-Forman Beverages ★ C & S Wholesale Grocers, Inc. ★ Campbell Soup Company ★ Cargill/Truvia ★ Cascade Worldwide Brokers, Inc. ★ CDI Corporation ★ Clorox Company ★ Coastal Pacific Food Distributors ★ Coca-Cola North America ★ Coleson Foods, Inc. ★ ConAgra Brands ★ Constellation Brands ★ conSup North America, Inc. ★ Creating Clarity ★ Creative Military Sales, Inc. ★ CRS Productions ★ D & R Communications, Inc. ★ Danone North America ★ Del Monte Foods ★ Diageo ★ DirtyBird Energy LLC ★ Distilled Spirits Council ★ Driskill Agricultural Services ★ Duracell ★ E&J Gallo ★ Eagle Family Foods ★ Elite Brands Inc. ★ ESCO Retail Services ★ Eurpac Marketing Retail & Logistics Group ★ Eurpac Service Inc. ★ Eurpac Strategic Partners ★ Evamor Water Products, LLC ★ Exchange and Commissary News ★ Eyas, Inc. ★ Family and Salute Magazines ★ Finnegan International Sales, Inc. ★ Fisher House Foundation, Inc. ★ Flying Circle Gear ★ Gateway Military Sales LLC ★ General Mills Sales, Inc. ★ Gino Morena Enterprises, LLC ★ GlaxoSmithKline ★ Global Military Marketing, Inc. ★ Grid North/MilSpouseFest ★ Hershey Company ★ Horizon Sales & Service, Ltd. ★ Hormel Foods Corporation ★ Inmar, Inc. ★ IRI (Empower IT) ★ J. M. Smucker Company ★ J.C Newman Cigar Company ★ JFC International Inc. ★ Johnson & Johnson ★ JUUL Labs ★ K&M International ★ K2 Enterprise, Inc. ★ Kee World Trading Co., Inc. ★ Kellogg Sales Company ★ Kent Precision Foods Group ★ Keurig Dr Pepper ★ Kimberly-Clark Global Sales ★ Kraft Heinz Company ★ L & M Marketing, LLC ★ L'Oreal Consumer Products Division ★ M3, Inc. ★ Mars Wrigley Confectionery USA ★ Maxi Saver Group, Inc. ★ McCormick & Company, Inc. ★ McLane Company, Inc. ★ MDV SpartanNash, LLC ★ Military Deli & Bakery Services, Inc. ★ Military Media Inc. ★ Military Prestige Marketing, LLC ★ Military Produce Group, LLC ★ Military Resale Solutions Inc. ★ Military Sales & Service Co. ★ MilitaryLife Publishing, LLC ★ MillerCoors ★ Mission Foods ★ Mousetraps, Inc. ★ Musco Family Olive Co. ★ MV Sport/Weatherproof/The Game/ American Threads ★ MyMilitarySavings.com, Inc. ★ National Industries for the Blind ★ Nature's Bounty Company ★ NCR Government Systems LLC ★ Nestle USA Military Sales ★ Nielsen Company ★ O.R. Elder, Inc. ★ OSC-WEBco ★ Otis McAllister, Inc. ★ Overseas Military Sales Corp. ★ Parra Sales, Inc. ★ Pentel of America ★ PepsiCo ★ Performance Inspired Nutrition ★ Pernod Ricard USA ★ Pharmavite ★ Pinnacle Foods, Inc. ★ Porn & Associates GMBH ★ Prime Team Services, Inc. ★ Procter & Gamble Dist. Co. ★ Promotion In Motion ★ R & R Lotion ★ Red Bull North America ★ Reese, Inc. ★ REI — Corporate & Group Sales ★ Relex Solutions ★ Reynolds Consumer Products, Inc. ★ Rich Products Corporation ★ Riviana Foods ★ Romero's Food Products, Inc. ★ Rondo Specialty Foods, Ltd. ★ Ruiz Foods ★ S & K Sales Co. ★ S. Schwartz Sales, Inc. ★ Sandboxx ★ Shasta Beverages, Inc. ★ Singer Group ★ Smithfield Foods ★ Snyder's-Lance, Inc. ★ Source America ★ Specialized Marketing International ★ Spokane Produce, Inc. ★ Tactical Gear Distributors Inc. ★ Terra World Trade, LLC ★ TLJ Marketing & Sales ★ Tony's Fine Foods, Inc. ★ Top Gun Services, LLC ★ Tyson Foods, Inc. ★ UNFI/SUPERVALU ★ Unilever ★ United States Sales Corp. ★ Upfield ★ White Dairy International ★ WinCraft ***

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American
Logistics
Association

OUR MISSION

The American Logistics Association promotes, protects and enhances the military resale and quality of life benefits on behalf of our members and the military community.