

## Building Awareness, GROWING SALES

With sales through November running 40-percent better than a year earlier, the Navy Exchange Service Command's (NEXCOM) tactical department has not slowed down as fiscal 2010's fourth quarter, and the fiscal year, approaches the finish line.

NEXCOM General Merchandise Group (GMG) Buyer Melissa Hartmeyer reported that the exchange service "is very pleased" with its tactical activity as it nears the end of the fiscal year on Jan. 31, and looks for fiscal 2010 sales to top \$6 million.

"NEX is still gaining awareness of the tactical accessories program among our servicemen and women," she noted. "As a result, we are still expanding our consumer base which is, of course, driving increased sales."

Spearheading the uptick in activity are several stores that have generated impressive tactical department sales numbers through November, including NCBC Gulfport, Miss., which grew sales 121.5 percent; NCBC Port Hueneme, Calif., which witnessed a 49.6-percent sales uptick; and the Pearl Harbor Exchange, JB Pearl Harbor-Hickam, Hawaii, where sales surged 42 percent.

### DEDICATED DEPARTMENTS

Although tactical items are available throughout NEXCOM's worldwide store network, four types of dedicated departments devoted to tactical now exist

within these stores — 32-ft., 20-ft., 16-ft. and 4-ft. areas — with the 20-ft. locations coming on board during the past year at locations such as the NB San Diego Fleet Store.

The largest tactical areas (32-ft. planograms) are found at the Pearl Harbor Exchange Main Store; NAB Coronado, Calif.; NCBC Gulfport; NCBC Port Hueneme; the fleet store at NAS Pensacola, Fla.; and the uniform center at NAB Little Creek.

NEXCOM has several 16-ft. tactical departments, including NSA Bahrain; CNM Guam; FA Yokosuka, Japan; NEX Djibouti; the main store at NB San Diego, Calif.; and NAS Oceana, Va.

Venues having 4-ft. areas include the main stores at NAB Little Creek, Va.; the main store and the NEX Depot at FA Sasebo, Japan; NAS Brunswick, Maine; NIOD Chesapeake, Va.; NAS Key West, Fla.; NAWCWD China Lake, Calif.; NS Everett (Smokey Point), Wash.; and NAF El Centro, Calif.; fleet stores at NS Norfolk, Va.; and NAS Whidbey Island, Wash.; the Mini-Mart at the Pearl Harbor Exchange; and the NEXMart at NA Souda Bay, Greece.

### EXPANDING CATEGORY

Part of the sales increase can be attributed to the expansion of the category to new stores.

"In 2010, NEX added more than a dozen 4-ft. tactical accessory stores, which are performing very well, totaling over \$600,000 in sales," Hartmeyer pointed out. "In addition, we've also added several 20-ft. stores, which are also performing well."

The buyer said that one of the 20-ft. stores that has shown significant sales increases is the NB San Diego, Calif., Fleet Store, which she reported has more than tripled its tactical business.

### TOP MANUFACTURERS, HOT PRODUCTS

"Currently, in our knives and multi-tools category, Gerber and SOG Tactical continue to drive our business," Hartmeyer said. "However, we are excited to see the response we've received to the Leatherman Military Utility Tool (MUT)," which comes with a bolt override tool, a replaceable bronze carbon scraper, and a replaceable cord-cutting blade, "and CamelBak continues to drive our hydration business with a year-to-date (YTD) November 12-percent increase."

In tactical accessories, Hartmeyer said, "We have had terrific success" with lights and gloves, with two major manufacturers, SureFire and Wiley X, showing



Hartmeyer

NEXCOM PHOTOS

YTD 30-percent and 120-percent sales increases, respectively.

### FISCAL 2011

Looking ahead to fiscal 2011, which begins on Feb. 1, Hartmeyer said that as of late November, she does not foresee any changes to the store matrix, but the tactical planogram is scheduled to be reset during the first month of the fiscal year.

NEXCOM will keep abreast of current tactical trends by attending the Shooting, Hunting and Outdoor Trade (SHOT) Show and Conference in Las Vegas, Nev., this month.

"We will attend that show in order to determine what the newest trends in both technology and design will be as we head into 2011," she explained. "This is the first time NEX has attended the show, and we feel that it will be an excellent chance for us to research any and all opportunities to elevate our business to the next level."

### STORE-LEVEL SETS

Hartmeyer added that keys to continued tactical sales increases are for NEX stores to maintain planogram integrity and pay close attention to stock levels.

"We spend a great deal of time and consideration when creating planograms, especially those of this magnitude given the total linear footage and the number of SKUs, and it is imperative that the stores set the merchandise in accordance with the planogram," she observed. "Also, it is important that the stores use the proper reporting tools to let us know when merchandise is not in stock, so we can adjust the levels and take necessary corrective action to ensure the stock level is sufficient."

In 2009, NEXCOM expanded assortments and planograms, leading the exchange service to project more than \$6 million in sales for the soon-to-be-completed fiscal 2010. NCBC Gulfport, Miss., increased tactical sales 121.5 percent through November 2010.

Through November 2010, NCBC Port Hueneme, Calif., experienced a 49.6-percent tactical sales increase.

