

Request for Information Supplement

Potential Commissary Privatization Planning

1. Purpose of the RFI

- This RFI is not a solicitation; it is a market research tool intended to determine industry capability, interest, and creativity regarding potential privatization of commissary operations.
- The Department of War (DoW, or the Department) is seeking conceptual ideas, feasibility insights, and operational approaches from commercial grocers. The government makes no commitment to respond to or take any other action with respect to the information provided in the RFI response.
- The focus of the government's market research is determining the feasibility of preserving the commissary benefit, particularly the mandated 23.7% customer savings (often referenced as the commissary benefit), in a cost-neutral or minimally subsidized manner.

2. Potential Privatization Scope and Flexibility

- Respondents may provide information based on the following hypothetical contexts:
 - Assume full operational responsibility for all 178 CONUS/Alaska/Hawaii/Puerto Rico commissaries.
 - Partial privatization models or geographic phasing.
 - Alternative delivery approaches, such as extending the 23.7% savings to military patrons via existing commercial store locations.
- Responses do not need to be limited to the current DeCA operating model; innovative or hybrid ideas, perspectives, and approaches are encouraged during this phase of market research.
- Any insights or ideas should consider operations under potential defense threat levels, including the need for continuity of service during emergencies.

3. Savings Requirement

- The 23.7% savings benchmark is non-negotiable and based on statutory requirements on commissary prices (see 10 U.S.C. § 2484(i)).
- This savings must be measurable using the currently approved methodology (comparing DeCA prices to regional "All Other Channels" prices). If a responder believes that a government subsidy will be required to meet this benchmark, the Department encourages the responder to share estimates on the level of support needed.
- The Defense Commissary Agency (DeCA) calculates the commissary savings rate based on a regional market basket comparison methodology. Specifically, DeCA compares the prices of a representative basket of grocery and household items sold in commissaries to

the prices of equivalent items sold by relevant local commercial grocery stores—referred to as “All Other Channels” (AOC) - in the same geographic region.

- The basket includes a broad selection of nationally branded and private label products across key categories such as meat, produce, dairy, dry goods, frozen foods, and household supplies. The resulting savings rate reflects the average percentage difference in prices between DeCA stores and commercial grocers, calculated across all regions and commissaries.
- The 23.7% savings is not linear across all items or geographies. The Fact Book provides data on how various geographies roll up to the +25% savings being delivered today.
- Any commercial entity that would eventually support privatization of commissaries would be expected to either preserve this savings rate through privatized operations of commissary stores or propose alternative models that reliably deliver the same level of commissary benefit, as measured using DeCA’s established methodology.

4. Sales and Expense Information

- Sales and expense information and other pertinent commissary data can be found in the DeCA Annual Financial Reports and the DeCA RFI Fact Book that is posted to the DeCA FOIA Reading Room site. Financial Reports are also publicly accessible on the DeCA website.

5. Facilities and Infrastructure

- DeCA commissary store locations and other related information may be found in the DeCA privatization Fact Book located on the DeCA FOIA Reading Room site.
 - If a decision is made to pursue privatization planning, existing commissary facilities may be offered for use, with various assumptions regarding rent and condition of facilities. DeCA encourages responders to provide information supporting various facility ownership and maintenance models.
- Private entities interested in potentially support commissary privatization would be expected to fund and address:
 - A \$2.4 billion infrastructure investment over up to 5 years, and
 - Annual maintenance costs of ~\$250 million thereafter.
- Information provided may also include achieving the required savings through other means, such as providing the 23.7% savings to military personnel in existing off-base commercial grocery stores.
- The government seeks information and responses on its expectation that any commercial entity or group of entities that might eventually support commissary privatization would assume responsibility for the \$2.4 billion infrastructure investment required to address the current unfunded facilities maintenance backlog. This investment is envisioned as a one-time industry-funded commitment, potentially phased over up to five years (approximately \$500 million per year).
- Similarly, the government seeks information and responses on its expectation that the annual maintenance costs of approximately \$250 million would be borne by an eventual private sector operator of commissaries, rather than by, not DeCA or the Department. The government’s current expectation is that these capital or operational maintenance

expenses under any privatization model would not be reimbursed or supported with government funds.

- Respondents should address their ability and willingness to assume these costs, as well as outline any conditions or alternative funding structures they believe are necessary for a viable privatization model to proceed.

6. Labor, Security, and Access

- Any potential privatized operations will occur on federal installations, requiring:
 - Compliance with base access rules for all staff and vendors.
 - Understanding of security clearance processes and force protection protocols.
- The Department seeks information that addresses use or transition of the current federal workforce in a manner that maintains necessary and expected support and engagement of military families.

If the Department decides to proceed with the privatization of commissary operations, it is the current expectation that any private sector entity assuming operations would be fully responsible for employing and managing its own workforce. Respondents should address any employee or employment-related issues in their responses.

7. Flexibility in Teaming and Partnerships

The Department is interested in learning how a private sector business or combination of businesses could support commissary privatization, including how roles and contributions might be allocated among different components of an entity if comprised of more than one business entity.

8. RFI Submission Format

- Responses should be:
 - In Microsoft Word (.doc or .docx),
 - No more than 50 pages (including appendices),
 - Single-spaced, Times New Roman 12 pt, with 1-inch margins.

9. Deadline and Points of Contact

- All responses are due by 11:59 PM EST, November 5, 2025.*
 - *Note: The original RFI announcement due date of October 21, 2025 has been extended to November 5, 2025.
- Submit responses to:
Alicia Taylor — alicia.taylor@deca.mil

10. Confidentiality and Data Use

- Do not include classified, proprietary, or sensitive business information unless clearly marked.

- The RFI does not commit the government to any future course of action or inaction, including any future procurement action.

11. Review of Responses

- Responses will be reviewed to assess their usefulness in determining:
 - Feasibility of maintaining the military grocery benefit under privatization.
 - Potential commercial interest and capacity to support such an undertaking.
 - Potential for cost-effective alternatives to government operation.

Summary for Responders

There is no requirement for response to this RFI, and response to the RFI will not be considered in any future contracting selection process or award. However, responding to this RFI gives your organization the opportunity to:

- Influence any potential privatization strategy for military commissaries.
- Identify creative, financially viable models for preserving the military commissary benefit.
- Demonstrate your interest in and commercial capacity to serve a highly specific and mission-critical customer base.

RFI Purpose Reminder and Disclaimer:

The purpose of this RFI is market research only and is intended to determine industry interest, general capabilities, and perspectives on potentially operating commissaries on military installations across the contiguous United States, Alaska, Hawaii, and Puerto Rico. Information received will be used for planning purposes only and will not be considered as a proposal or offer. This RFI does not constitute a solicitation or commitment of any kind by the government.