



ARMY & AIR FORCE  
EXCHANGE SERVICE

# From Sutler's Tents to Shopping Centers

We Go Where You Go to improve the quality of your lives through goods and services we provide

# Supporting Warfighters and Families – 2020 By the Numbers

**\$7.5B**  
REVENUE

**\$218M**  
EARNINGS

**\$153M**  
DIVIDENDS

**100% of earnings support quality-of-life (QoL) programs for Warriors and Families**

## MISSION SUPPORT

- Military Clothing at cost
- Contingency operations: over 300 facilities in combat
- Mobile field exchanges: military exercises/disaster support (hurricanes, typhoons, forest fires, etc.)
- Distribution centers /truck fleet
- School meal program: 1.8M meals served annually
- Bakeries/water/ice plants

## RETAIL

- Main stores: national brands
- Convenience stores: Be Fit focus
- 335 million gallons of fuel
- Ecommerce: all Veterans eligible to shop online
- Restaurants: 1700 all with BE FIT options

## SERVICES

- Mall Operations/Concessions
- Wellness Services: Pharmacies, Ophthalmology, Optometry, Dentistry, Chiropractic care
- Telecom/Internet
- Theaters: premiers for troops in combat

### Veteran and Spouse Employment:

- Over 45% Veterans, spouses and dependents
- 85% of associates connected to military
- 1,719 Wounded Warriors hired

### All-Services MILITARY STAR® Credit Card:

- Lowest interest rate; No fees or penalties
- Zero interest when deployed

**\$3.4B in earnings to support Quality-of-Life programs in last 10 years**

# Digital Garrison APP

Digital Garrison supports soldier readiness, with PCS resources, installation services, and access to installation events to connect with others in the community.

Digital Garrison provides installation real time announcements and updates on emergent issues such as inclement weather, gate closures, and more.

## Key Features:

- MWR travel/American Forces Travel
- Library resources
- Commissary and Click2Go
- Special events
- Dining
- Recreation
- Installation facility directory
- Services information
- Gate information
- Maps
- Emergency installation texting
- Shopping



The image shows a smartphone displaying the Digital Garrison app interface. At the top, there is a 'DG' logo with a star. Below the logo is a grid of 16 circular icons representing various services: News, Army PCS Move, Library, Travel and Lodging, Commissary, Services, COVID-19, Hotlines, Deals, MILITARY STAR, Sweepstakes, Reel Time Movies, Events, Installation, Recreation, and Dining. A blue 'X' icon is at the bottom center of the screen.

## CONNECT WITH YOUR COMMUNITY

Get your local installation services and post information on the **NEW** Digital Garrison app on your smartphone or tablet.

## DIGITAL GARRISON

POWERED BY   

Download on the  **App Store** GET IT ON  **Google play**

 **MAKE THE CONNECTION**

## Small and Large Business Opportunities

- 
- Retail Wholesale
  - E-Commerce
  - Short/Long-term Concessions
  - Personal Services Concessions
  - Vending Contracts
  - Food Service Agreements
  - Goods Not For Resale – Janitorial, Logistics Support, Dry Goods etc.



## Benefits of Doing Business With The Exchange



- Opportunities for start ups and brand business
- Flexible lease/fee terms
- Percentage rent predominant
- Great environment for testing new products
- Business entrepreneurs welcome
- Multiple business models available
- PCS and work with familiar model at a new location (space permitting)

## Examples of Businesses Growing With The Exchange

### *Pacific-Based Company Benefits from AAFES Partnership.*

- Named one of Hawaii's fastest growing companies according to Pacific Business News
- CEO/Founder Robert Stehlik, "stated that a partnership with the Army & Air Force Exchange Service contributed to his firm's dramatic growth during the past two years."
  - 42.72-percent growth rate since beginning to sell through the Exchange in 2020



BLUE  PLANET

# Exchange Facilities & Capital Investment Strategies



MAIN STORES



MILITARY CLOTHING STORES



CONVENIENCE STORES



THEATERS



RESTAURANTS



MALL STORES & KIOSKS

## › Retained Earnings Support Capital Investment

### › Shopping Centers

- › Shopping Centers investment focused on renovation vs new construction
- › Image updates focused on implementing MD concept shops

### › Express Stores

- › Renovations support industry trend of Quick Serve Restaurant expansion
- › Space devoted to healthy snacking options

### › Food & Services

- › Providing healthier alternatives: Sarku Japan, Qdoba, Bun D, Freshens
- › Wellness: Family Dentistry, Optometry/Optical, Durable Medical Equipment, Cryotherapy



# What We Procure

## › Construction / AE Services

- › Data / Geo (Title 1) / Design (Title 2)
- › Construction Management (Title 3)
- › New Construction / Renovation
- › Environmental / Energy

## › Store Support Services

## › Facilities Management Office (FMO)

## › Equipment / Fixtures

- › NBFF and In-house Food Equipment
- › Retail Store Fixtures
- › Office Furniture
- › Store Carpet and Flooring
- › Gas Dispensing
- › Fixture Logistics Installation Contract (FLIC)
- › Overseas Plants
- › Vehicles (non-GSA)



# A-E Contract Types

## › Small Projects – IDIQ Contracts

- › Set Hourly Rates
- › Individual Orders for each Project at FFP

## › Large Projects – Individual Contracts

- › FFP Contracts with design phases

## › Master Planning – IDIQ Contracts

- › Set Hourly Rates
- › Individual Orders for each Project at FFP

## › Environmental – IDIQ and Individual Orders

## › Energy Management – IDIQ and Individual Orders

*FFP = Firm Fixed Price*

*IDIQ = Indefinite Delivery/Indefinite Quantity*



## Why the EXCHANGE is a GOOD Fit!

### › Channels for doing business with the Exchange:

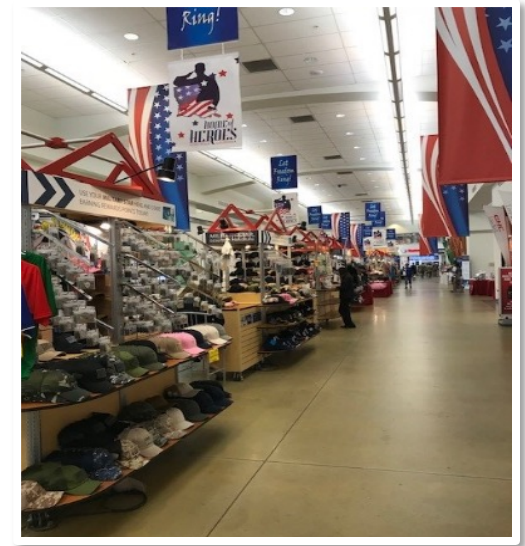
- › Retail Wholesale /E-Commerce
- › Commodity Concessions Long & Short Term
- › B2B
- › Personal Services Concessions
- › Vending contracts
- › Food Service agreements-Food Trucks
- › Goods Not For Resale – Janitorial, Logistics support, dry goods etc.

### › Why Do Business with the Exchange?

- › Opportunities for start ups and brand business
- › Flexible lease/fee terms
- › Percentage rent predominant
- › Great environment for testing new products
- › Business entrepreneurs welcome
- › Multiple business models available
- › PCS and work with familiar model at a new location (space permitting)

### › Doing Business with the Exchange starts here:

- › <https://www.aafes.com/about-exchange/doing-business/>







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**THANK YOU**