

Panetta Goes to Bat for Military Resale ...

A recently published news story garnered very little attention outside of the Pittsburgh, Pa., market, but versions of a report publicized in several Pennsylvania news outlets should resonate throughout the worldwide military resale system.

The articles addressed Secretary of Defense Leon Panetta's efforts to put back on track a stalled commissary project in Coraopolis, Pa., which is being held up by the Senate Armed Services Committee (SASC). *E and C News* obtained a letter Panetta sent to Sen. John McCain of Arizona, the ranking minority member of the committee, urging the SASC to permit construction of the commissary, as well as 44 other exchange, commissary and morale, welfare and recreation (MWR) projects that are in limbo.

In his Oct. 21 letter, Panetta wrote, "I am concerned that the delay of the execution of these 45 projects will affect the quality of life of our military members and their families through improved commissary, exchange, and morale, welfare and recreation programs."

Panetta is the latest in a growing list of public officials who have advocated for the benefit. Prior to Panetta, resale advocates have had to go back at least 15 years to find a defense secretary who similarly stepped up to bat for commissaries or exchanges.

In these uncertain times, in which the military resale system seems to be in the crosshairs of far too many budget-axe-sharpening officials unfamiliar with its value to the armed services, their family members, and

retirees, it is reassuring to have the Secretary's backing.

Thankfully, Panetta is not following in the footsteps of Donald "Why Are We In The Grocery Business" Rumsfeld, who perhaps never understood — or took the time to understand — that commissaries and exchanges have fundamentally different business models, purposes, and legal foundations, and provide significantly different types of non-pay benefits, even though they just happen to also be resale businesses.

In his short time in office, Panetta has steadfastly defended servicemembers and their families. On his first day as defense secretary, Panetta declared, "even as the United States addresses fiscal challenges at home, there will be no hollow force on my watch."

The Secretary has also said he would look at all areas of the defense budget for potential savings, whether identifying inefficiencies or trimming duplication. Fortunately, he will find no more efficient operation in the department than the commissary system, which provides at the very least a 2-to-1 return on investment, by some estimates, and as much as 5 to 1 by others.

The Defense Commissary Agency (DeCA) has long been praised as a model of operational excellence. For nine consecutive years, the agency has received a "clean audit" of its reporting and financials from independent auditors; and for the fourth time in the last five years, DeCA has achieved a first-place score in the Department of Defense (DoD) from the Office of the Under Secretary of De-

fense (Comptroller) (OUSD (C)) with its "Statement of Assurance." Also, let's not forget the contribution of the exchange systems that operate so efficiently to generate significant dividends — \$363.3 million in fiscal 2010 — to fund MWR activities.

Panetta seems to recognize resale's track record. And if he needed any reminders, the House Armed Services Committee (HASC) Military Personnel Subcommittee has briefed him on the immense value the military resale system provides its patrons. In a bipartisan letter, initiated by leaders of the Subcommittee, 69 members of Congress asked Panetta not to be swayed by "cavalier rhetoric" from "budget-minded advocates" who question the need for exchanges and commissaries, but to continue to support the benefit.

So far, the defense secretary seems to have taken that message to heart.

No one knows what the future holds for military resale, especially as the 12-member Congressional Super-Committee convenes to apportion cuts of up to \$1.5 trillion over a 10-year period. Their decision must be rendered by Nov. 23. Lawmakers, in turn, have until Dec. 23 to act on that plan. If they don't, the hammer falls, and \$1.2 trillion in budget cuts will automatically be triggered, effectively decimating both defense and nondefense spending through 2021.

The encouraging news these days is that resale has its advocates on the Hill, among them, Sens. Susan Collins and Olympia Snowe of Maine, who fought to keep the NAS Brun-

wick Commissary open, along with Reps. Chellie Pingree and Michael Michaud; Sens. Frank Lautenberg and Robert Menendez and other members of the New Jersey Congressional delegation who similarly fought for Fort Monmouth; and Saxby Chambliss and Johnny Isakson of Georgia, who have successfully striven to keep Fort McPherson open until a new commissary can be built at Dobbins ARB. And we have written before about South Carolina Rep. Joe Wilson, and other Congressional representatives from both sides of the aisle who have championed the cause of military resale through speeches, editorials and letters to Panetta and other officials, whether for or against the benefit.

Flashback to 2003, for a moment: When then-Secretary of Defense Rumsfeld was considering a plan to consolidate exchanges and commissaries and close base schools in 2003, Sen. Patty Murray (Washington) — who is now the co-chair of the budget super committee — objected in a letter to Rumsfeld. "Taking away soldiers' benefits while they are fighting for our freedom is a terrible policy and sends a terrible message to our troops and their families," she wrote. "Military families are sacrificing a great deal already, and they should not be further penalized by losing access to commissaries and base schools."

Needless to say it's been a very long eight years for military families. We hope Murray still feels the same way, and shares those thoughts with her fellow committee members.

Save Our Benefit ...

There are real threats to the benefit, such as those we've seen contained in Sen. Richard Burr's S. 277, and there are perceived threats, such as the outcome of the deliberations of the Budget Super Committee, and there are yet other groups at work dissecting defense dollars as we speak. It's an unprecedented time, for nobody really knows much about what the future holds for military ben-

efits, with so much going on behind closed doors.

This conundrum has called for unprecedented measures, and the American Logistics Association (ALA) has stepped outside its charter to create an affinity group — the newly launched Coalition to Save Our Military Shopping Benefits (www.saveourbenefit.org), which will allow members to share their views and opinions, and

respond to these real and perceived threats to the exchange and commissary systems.

Chairman Joe Olding and the other board members are working diligently to ensure that saveourbenefit.org becomes not only an effective outreach and advocacy program for all who value the resale benefit and who will fight to preserve it — but also one that speaks loud and clear

with the voice of the men and women in uniform and their families.

Their work to build membership is fast and furious, as the cause is urgent. The Coalition's goal is to sign up one million members to clearly communicate the message: "Hands off our benefit!"

Spread the word any way and every way. We wish them godspeed in their venture.