

NEXCOMINST 4067.7C

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7 Jan 00

NEXCOM INSTRUCTION 4067.7C

Subj: FOREIGN MERCHANDISE SUPPORT FOR DEPLOYED SHIPS AND SHIPS
STORES LOCATED OVERSEAS

Encl: (1) General Procedures for Navy Exchanges
(2) Guidelines and Procedures for Ordering Activities

1. Purpose. To establish standard procedures for the operation of Foreign Merchandise Support to deployed ships and to overseas Ships Stores.

2. Cancellation. NEXCOMINST 4067.7B.

3. Discussion. Foreign merchandise programs have been established to support afloat and ashore Ships Stores in the Mediterranean, Persian Gulf and Western Pacific with popular items of foreign merchandise. Enclosure (1) provides guidance for Navy Exchanges providing foreign merchandise support to ship stores. Ordering activities will refer to enclosure (2) for guidance on the various foreign merchandise programs.

4. Action. Ships Stores and Navy Exchanges, which provide foreign merchandise support, will be guided by enclosures (1) and (2) of this instruction.

C. H. VAUGHAN

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GENERAL GUIDELINES AND PROCEDURES for NEXs OFFERING FOREIGN MERCHANDISE PROGRAMS

1. General Procedures for all Fleet Foreign Merchandise Programs

a. Retail price to ships will be the landed cost plus a surcharge. The surcharge may be adjusted as required based on sales/expense history. Approval must be obtained from NEXCOM (A) if a change to the surcharge is required.

b. Items listed in the foreign merchandise bulletins will be sold to ships on a guaranteed sales basis.

c. Drafts of the bulletins should be provided to NEXCOM, Code A, for review and approval at least 60 days prior to the effective date of the bulletin. Upon approval by NEXCOM, Code A, NEX will have a bulletin printed locally. Fleet Assistance teams will distribute the bulletins to the fleet as required.

d. Special deals for foreign merchandise may be developed and offered to Ships Stores periodically.

e. Cost prices for B6 bulletin items may change due to foreign currency fluctuation. It may also be necessary to provide substitutions due to a not-in-stock position. No price change or substitution will be made without receiving prior approval from the ordering ship.

f. Fleet Assistance Teams and Fleet Services Offices will serve as liaisons between ships and NEX and act as points of contact for all problems.

g. For all orders the Navy Exchange should make shipment within five working days from receipt of order from the ship. The Navy Exchange will provide the ship with definitive shipping data for all modes of shipment provided. Data for shipment by parcel post will include purchase order number, number of boxes and date mailed. Data for ocean freight should include purchase order number, container and seal numbers, name of ship, ETD and ETA.

h. To obtain full credit for returned merchandise, the item must be in its original packaged containers, undamaged. Credit will be at the unit cost price on the original invoice less any administrative surcharge.

i. The ship is required to notify the appropriate Navy Exchange at least 96 hours prior to the return of unsold merchandise. The ship will advise the Navy Exchange how the merchandise will be delivered, i. e., by shipment or direct to the Navy Exchange.

j. Returned merchandise will be accompanied by ship's billing on DD-1149 with a copy of the original purchase order DD-1155 attached to DD-1149 to identify cost prices paid.

2. Additional Procedures for Yokosuka

a. Department. The fleet foreign merchandise program is established as a separate department (B6) of the Navy Exchange.

b. Sales and Returns. All Ships Store foreign merchandise will be purchased and carried at cost and at retail in department B6, account 121. The sales transactions will be recorded as a debit to Lawson Account 12546-Due From US Naval Ships (ARMS Account 111-46) and a credit to Lawson Account 40100-216 (ARMS Account 302-B6), including the surcharge. Process returns on a Supplemental Report of Goods Received (RGR), and receive in Department B6, Lawson Account 13165 (ARMS Account 121) at cost and retail. The normal accrual and reversal process of the RGR will apply until payment is made for the merchandise.

c. Payment to the ship. Will be by CIA check payable to "The Treasurer of the United States" after verification of the RGR against the ship's invoice DD-1149. The payment will be charged to Department B6, Lawson Account 13121 (ARMS Account 121) at cost and retail. The RGR will not be reaccrued in the month the payment is made

d. Delivery to ship. To the ship upon in-chop at Yokosuka or Sasebo, Japan or to the nearest naval supply activity for transport via commercial vessel. Ships Store TAC codes will be used to move merchandise to Ships Stores.

3. Additional Procedures for Naples

a. Sales and Returns. The fleet foreign merchandise program will be supported out of the normal exchange departments. Returns will be processed on a Supplemental Report of Goods Received (RGR) and received in the regular exchange department in Lawson Account 13121 (ARMS Account 121) at cost and retail. Normal accrual and reversal process of

the RGR will apply until payment is made for the merchandise

b. Payment to ship. Will be by CIA check payable to "The Treasurer of the United States" after verification of the RGR against the ship's invoice DD-1149. The payment will be charged to regular department to Lawson Account 13121 (ARMS Account 121) at cost and retail. The RGR will not be reaccrued in the month the payment is made.

c. Delivery to ship. Delivery will be made by Rota, Spain to the nearest naval supply activity for transport via Navy bottom or fleet freight.

(Encl 1)

EUROPE
SHIPS STORE FOREIGN MERCHANDISE PROGRAM
GUIDELINES AND PROCEDURES

1. Fleet Foreign Merchandise (FFM) Catalog.

a. Basic Foreign Merchandise. Fleet Assist Teams will distribute a listing and or catalog of "never out" items which have been popular in the past and carried in the exchange departments.

b. New Foreign Merchandise. To provide ships with the latest merchandise Fleet Assist Team Naples can provide a listing of items in the following categories: alarm clocks and radios, calculators, perfumes, beer steins, hair dryers/shavers, cameras, binoculars, CD carrying cases, video tapes, headphones, CD players, walkmans, personal electronics and gift ware. Ships who want this type of merchandise should advise Fleet Assist Team Naples via message of the category in which they are interested and the price range desired, e.g. walkmans from \$29 to \$59. Fleet Assist Team Naples will advise via return message the item, cost and availability.

c. Price to ships. The price provided to ships will be net cost which includes the NEX landed cost plus an ten percent (10%) administration fee. Orders can be called in, mailed in, E-mailed, or sent via SALTS to the Fleet Assistance team and will be processed as a special purchase order.

d. Refunds. To obtain full credit for returned merchandise, the item must be in its original packaged containers, undamaged. Credit will be at the unit cost price on the original invoice less any administrative surcharge. The ship is required to notify the appropriate Navy Exchange at least 96 hours prior to the return of unsold merchandise. The ship will advise the Navy Exchange how the merchandise will be delivered, i. e., by shipment or direct to the Navy Exchange. Returned merchandise will be accompanied by ship's billing on DD-1149 with a copy of the original purchase order DD-1155 attached to DD-1149 to identify cost prices paid.

2. Direct to Ship (DTs) Program.

a. NEX Naples Fleet Services Office in corporation with NEXCOM Ships Store Program established the "Direct to Ship" program to support afloat Ships Stores in the Mediterranean and Persian Gulf, with popular foreign merchandise purchased from Sixth Fleet Concessionaire vendors MA. GIO.ES. and G. POLIDORO.

b. To order the merchandise, ships store officer will prepare a DD Form 1155 as a special purchase order. The DD Form 1155 will be printed and filed and only the NEX order form provided by the NEX vendor will be sent to the Fleet Assist Team. The order can be called in, mailed in, E-mailed, or sent via SALTS. Upon receipt of the merchandise, the ship will process the DD Form 1155 as normal.

c. Price to Ships. The price shown on the order form will be the net price per item. All orders will be processed by the Fleet Assistance Team as a special purchase orders.

d. Refunds. To obtain full credit for returned merchandise, the item must be in its original packaged containers, undamaged. Credit will be at the unit cost price on the original invoice. The ship is required to notify the appropriate Navy Exchange at least 96 hours prior to the return of unsold merchandise. The ship will advise the Navy Exchange how the merchandise will be delivered, i. e., by shipment or direct to the Navy Exchange. Returned merchandise will be accompanied by ship's billing on DD-1149 with a copy of the original purchase order DD-1155 attached to DD-1149 to identify cost prices paid.

Western Pacific Guidelines and Procedures

1. Fleet Foreign Merchandise Catalog

a. NEX Yokouska is designated as the Pacific Fleet Foreign Merchandise Warehouse point of contact. Each year NEX Yokouska will distribute a catalog with the merchandise and pricing. Navy Exchanges Guam may assist the B6 program by accepting B6 guaranteed sales items from departing ships.

b. Merchandise should be ordered 60 days in advance of deployment to allow sufficient time for merchandise to be shipped to the deploying ship. Ships will order merchandise using Fast Pay Procedures on a DD Form 1155. One DD Form 1155 with continuation sheets as necessary, will be prepared to cover the entire purchase. The original purchase order and one copy will be mailed via air mail to the District Manager, Navy Exchange, Yokosuka, PSC 473, Box 70, FPO, AP 96349-0003 Attn YCPO. If time does not permit a DD Form 1155, ships may order via Naval Message. The message must include the ship's purchase order number and complete accounting data. Upon receipt the Navy Exchange will prepare the DD Form 1155 citing the message as authority to ship, forward a copy of the PO and NEX invoice to the ship. B6 department invoices for NEX Yokouska will be paid in accordance with "Fast Pay" procedures. The Navy Exchange invoice, the ship's original purchase order, and one copy with proof of delivery are required for payment by the activity indicated below:

DFAS-Japan, Attn: FPN, Unit 5220, FPO AP 96534-5220

c. NEX Yokouska may offer larger ships (CVN, LPH etc.) bulk quantities of Asian sourced merchandise not listed in the bulletin. Specific requests will be processed by dept. YCPO B-6.

2. Price to Ships. The price to ships will be landed cost plus 10% administrative fee.

3. Refunds. To obtain full credit for returned merchandise, the item must be in its original packaged containers, undamaged. Credit will be at the unit cost price on the original invoice less any administrative surcharge. The ship is required to notify the appropriate Navy Exchange at least 96 hours prior to the return of unsold merchandise. The ship will advise the Navy Exchange how the merchandise will be delivered, i. e., by shipment or direct to the Navy Exchange. Returned merchandise will be accompanied by ship's billing on DD-1149 with a copy of the original purchase order DD-1155 attached to DD-1149 to identify cost prices paid.

