



The Essential Exchange Story We Need to Tell



Show your Exchange pride each and every day. Share your journey, tell our story and join me in letting the world know the Exchange is like no other.

With a mission to serve Soldiers, Airmen and their families wherever they go, the Exchange is unique. As a member of the Exchange team, you play an important role in supporting our nation's military readiness. Your story of service, support and sacrifice is one you should proudly share with customers, friends and family.

When discussing the Exchange, I'm surprised to learn there are people who mistakenly believe we are contractors or employees of a commercial business. In these conversations, it is important to clarify that while the Exchange relies on bestin-class business practices to deliver support in all 50 states and more than 30 countries, it is actually a part of the Department of Defense.

Exchange has unique capabilities

This structure provides unique capabilities to serve those who have raised their right hand to swear to support and defend the Constitution of the United States, and their family members. Commercial retailers do not have such a high entry requirement, making the Exchange the original "Members Only" club.

Our customers have unique needs

As a result of the unique needs of our customers, the Exchange has operated in subzero Greenland, on mountaintops in Afghanistan and even near the hottest city in the world. (Go to page 14 to learn more about our extreme Exchanges). No matter how desolate, dangerous or difficult the location, Exchange associates salute smartly and set up shop.

In your daily interactions, let those you come in contact with know the Exchange is more than a place to shop.

This year is no exception. In 2016, the Exchange served more than 30,000 U.S. and NATO troops in Anakonda 16 in Poland, NATO's largest exercise since the Berlin Wall came down. In

the coming weeks, our teammates are loading mobile field exchanges to support U.S. deployments to Belize and the Dominican Republic.

As a part of the Department of Defense, the Exchange doesn't have private shareholders who require a diversion of "profits" into their pockets. Our shareholders are those who serve. As a result, 100 percent of Exchange earnings serve Soldiers, Airmen, and their families.

In 2015, our earnings were \$402 million. \$237 million was distributed to critical quality-of-life programs such as child development centers, youth programs and more. The remaining \$165 million is used to build and renovate existing stores and purchase new equipment to improve the shopping experience. Again, 100 percent of Exchange earnings support Soldiers, Airmen and their families.

Family Serving Family

Our earnings distribution is consistent with our mantra of "Family Serving Family" and reflects who



A Soldier finds his favorite snack at Anakonda 16, Poland.



A wounded warrior visits the Wounded Heroes Service Center at Kleber Kaserne, Germany.

we are. More than 85 percent of Exchange associates share a connection with the military.

More than a place to shop

In your daily interactions, let those you come in contact with know the Exchange is more than a place to shop. Together, we go to war, outfit our warfighters, feed their children nutritious school lunches below cost and contribute hundreds of millions of dollars toward quality-of-life programs to make our military communities great places to live and work.

Show your pride

Show your Exchange pride each

and every day. Share your journey, tell our story and join me in letting the world know the Exchange is like no other.

Army Strong.
Air Force Strong.
Exchange Strong.
One team, one fight! X



The school lunch program provides 3 million meals to military children overseas including these students at Netzaberg Elementary School, Germany.



The Exchange supported troops and first responders battling the largest wildfires seen in Washington State in 2015.

COO Dave Nelson's First Exchange Post Interview It is Always About our Associates

What is your philosophy on leadership and motivating associates?

I think it is essential you understand people and circumstances require you to adjust your leadership style to best fit the situation. Successful leaders recognize it is more about the needs of your associates, customers and the organization than it is about yourself. In my mind, good leadership is the ability to get people to work for you because they want to.

I want my teammates to know they can trust me to support them and be their advocate. I want them to be comfortable and have fun at work and I want them engaged.

My responsibility is to ensure our people have the resources they need to meet the objective and are on track. We have tremendous talent at the Exchange who often have the best ideas, so I need to get out of their way and allow them to run with it.



When it comes to motivating associates, I've always admired the Southwest Airlines approach to business: have fun and make money. Their employees come across as being highly motivated and engaged.

Valuing, engaging, and encouraging our associates to share their ideas and creating an environment they want to work in are essential to our success.

We have formal initiatives, such as the awards program, flexible scheduling, tuition assistance and continuous professional development programs to recognize and motivate our associates. We need to fully utilize them. At the same time, I think the biggest opportunity is to improve the associate experience. We invest tremendous resources for improving customer loyalty. What are you doing to improve associate loyalty? We all understand our associates play a critical role in how our customers perceive us in terms of their experiences. Organizations are at their best when its associates enjoy what they do. Valuing, engaging and encouraging our associates to share their ideas and creating an environment they want to work in are essential to our success. Associates throughout the company play a critical role in

COO Dave Nelson presents his coin to associate Lamorty Kirkpatrick Jr., during his visit to Fort Hamilton. See more coin presentations on page 18.



creating the best work environment. We own it and we determine the culture of our company.

What are your top priorities?

Our senior leaders have developed excellent overarching strategic priorities supported by outstanding directorate-based initiatives to help us achieve our goals. They touch every important facet of our mission. Our 2015 financial results certainly validated that our strategies were on target with record-breaking earnings and dividends. While we will see tactical changes going forward, our focus will continue to be on the strategic priorities. The operators understand their role is program execution, and they are truly fantastic at it.

The good news is we are prepared for the challenges ahead. We are making investments in our technology, logistics, e-com, retail, food and services businesses, to name a few. We successfully launched our Ship from Store platform, expanded our online offerings; we are preparing for the all-important omni-channel/mobile experience; and we are looking forward to the approval of the veterans online shopping benefit. And we continue to make investments in

our most important resource, our associates. We have online training for everyone and developed leadership programs for middle management and senior executives. I'm most excited about the leadership training being developed for our junior managers. They are clearly our future.

Do you expect any challenges as you take over the position of EVP/COO and how do you plan to overcome them?

I expect there to be many challenges. We lost an extremely valuable teammate with Mike Howard's retirement. He definitely left the company better than he found it. In addition, during the past three to five years, we have lost many other exceptional associates throughout the company. Within the DoD, we are feeling the effects of a declining customer base, budget cuts and changing policies, which impacts how business is conducted.

Our purpose is to take care of past and present troops and their families. It doesn't get any better than that.9

Externally, the competition has never been fiercer, customers have never had as many choices and never have they been more informed about their options.

In spite of these challenges, there is no doubt we will take the company to the next level because of the quality of our associates.

What do you see as the greatest strength of the Exchange and how do you plan to leverage that strength?

It begins with our mission and ends with our people. Having a mission such as ours is a tremendous motivator. It is a mission we should be loyal to, proud of and 100 percent dedicated to. Think about it: our purpose is to take care of past and present troops and their families. It doesn't get any better than that, unless you actually serve in the military.

It is obvious to me the quality of our associates is the other difference maker. They are resilient, unafraid of challenges and passionate about their purpose. There is no better example to support this belief than our deployment mission. We have associates volunteer to deploy to the most dangerous parts of the world, working in the harshest of conditions.

We have directorates that develop remarkable strategies to support this highly complicated mission. You will not find anyone else outside of the Exchange who can develop and execute business plans like our team does to make us successful in these locations. And, you will not find a single competitor with associates who are more dedicated to their customers and their mission. Our mission and associates clearly provide us with a competitive edge.

Are there any other thoughts you would like to share?

I've been fortunate to have a few assignments in headquarters and many in the field. It has given me a keen understanding and appreciation of how everyone contributes and their importance to our mission. It really is a team sport. I hope everyone understands we are not only in the retail, food and services business, we are in the people business.

It is always about our associates, customers and business partners. I am so very proud of them, our accomplishments and our mission. You should be, too. X

CyberSecurity **Awareness** Month

By Rebecca Burkheart

In partnership with **I** the Department of Homeland Security, the Exchange IT security cvber aware.

team encourages all associates to become One popular type of scam is email phishing. Like fishing, bait is thrown out... it looks good, but contains a hook and line to reel you in. Once you click the link or open an attachment, cyber crooks could gain

One tip for safe surfing is before you click, hover your mouse over the link to be sure the URL links to a legitimate site

access to your personal information

or maybe even find a way into the

Exchange computer system.

Find more tips and information by signing up for the DHS's Stop. Think.Connect.™ newsletter. X



The Exchange Post goes fully digital January 2017.

Read the Exchange Post from your computer, smartphone or tablet.

Retirees only: to receive the Exchange Post in your personal email inbox each month, send vour name and email address to exchangepost@aafes.com.



Using Metrics to Improve Customer Service

By Julie Leenders

A nyone who has phoned a 1-800number knows the importance of friendly, timely assistance from the agent at the other end of the phone. Customer Contact Center associates are the "voice" of the company.

Last year, the Customer Contact Center and e-commerce call centers merged, creating a single hub to serve military customers. The team quickly found opportunities to streamline and ensure superior customer service by introducing "Managing by Metrics."

Now, the Customer Contact Center relies on detailed analytics to improve the speed, quality and efficiency of calls by tracking performance in areas like wait time, calls transferred and many others.

"Before, we looked at a few basic measurements," said Kimberly James, Call Center Manager. "Now we have 15 detailed metrics."

If the metrics show a particular type of call is being transferred a lot, managers know they may need increased training on that concept. Long waits at particular times during the day could mean that management has understaffed for that shift.

The new system doesn't just benefit customers and management; it's helping Contact Center associates.

The best part of the new metrics, according to James, is that it puts all of the supervisors on the same page.

"Instead of each floor supervisor using a different method to evaluate performance, they all utilize the same metrics, which means more consistency and clearer expectations for associates, and that means better service for the customer."

The new system doesn't just benefit customers and management; it's helping Contact Center associates.

"Associates are telling us they like to see how they are doing on an individual basis," said Charlotte Stadler, director of credit operations. "They can get real-time feedback on where they're excelling and even where they can improve."

Like cashiers and other Exchange associates, Customer Contact Center associates receive performance reviews based on their accomplishments. Now, associates have standard metrics to define expectations and measure achievements.

"We're even seeing associates use the information for friendly competition," said James.

In just the first few months since the program began, Customer Contact Center associates have already increased their "available time" by 28 percent. That's not just another number – that translates to shorter wait times and faster resolutions for those who call in. No matter how you measure it, the Customer Contact Center is making great strides in providing a best-in-class service experience for field associates and customers. X

THE EXCHANGE CUSTOMER CONTACT CENTER BY THE NUMBERS:

Average # of calls	Exchange Credit Program	E-commerce	TOTAL
Per day	3,500	1,150	4,650
Black Friday	9,015	9,363	18,378
Cyber Monday	7,087	8,427	15,514
Monthly (normal)	103,346	33,748	137,094
December (holiday)	142,899	108,714	251,613

Customer Service Week is

October 3-7. The Contact Center recognizes associates during this week with special events and fun theme days throughout the week.

SHARE YOUR STORY

Associates Share Their Stories of What Family Serving Family Means to Them

Proudly Serving the Military Community

By Steve Smith

Joe, Nancy and Ereneo Copada

Joe Copada, his wife, Nancy and father, Ereneo, exemplify the Exchange phrase "family serving family."

The Copadas have served America's troops and their families for more than 90 years combined.

For 30 years, Ereneo, worked in what was then known as the "data processing" department. Joe worked in maintenance and retail for more than 30 years and retired in 2011. Today, his wife, Nancy, is a general manager in the Middle East.

"As my father, who always talked about AAFES, I am proud to have helped military families worldwide," said Joe, "You get the satisfaction of serving the military families and learning the love that families share."

To Nancy, general manager for Iraq, Kuwait and Jordan, family serv-

ing family "means so many things to me with our daughter in the Navy serving in San Diego. I also have the opportunity to deploy and work closely with the military. Being able to support the troops with opening of facilities and seeing the joy in their faces when they get to shop at AAFES again brings a feeling of home to Soldiers here in contingency."

Jerry Carroll

Jerry Carroll has similar experiences being deployed to Southwest Asia and the Middle East.

"The camaraderie was much tighter then," said Carroll, who has since transferred back from Kuwait to Japan's Misawa AB. "We were still fresh off of 9/11 and wanted to do something for our country."

"The men slept in plywood rooms

inside the warehouse. Hearing the tops of cans exploding in the night because of the heat was a neat treat."

Sophia Henvill

HR Tech Sophia Henvill at Travis AFB, Calif., recalled the camaraderie and "lifelong friendships" she developed as a deployed associate. Before working at the Exchange, she served in Operation Desert Storm and today is in the Army Reserves.

"I'm with the Exchange today because I love what we stand for," Henvill said. "I still reflect back on the first time I saw the AAFES sign on the front of that large olive-green tent in the middle of the desert." X

See your story in the Exchange Post by sending your family serving family experience to exchangeassoc@aafes.com.



Nancy Copada receives an award from Director/CEO Tom Shull.



Jerry Carroll, left, wrote about the familylike camaraderie he experienced when deployed to the Middle East.



Army Reservist Sophia Henvill served in Operation Desert Storm and now works with the Exchange at Travis AFB.

Exchange Provides Free Olympic Coverage for Troops Worldwide



Service members worldwide watched NBC Olympics' streaming coverage of the 2016 Rio Olympics from their desktops and personal devices due to Comcast NBCUniversal's partnership with the Exchange and U.S. cable, satellite and telecom providers. This benefit was provided at no cost to those who are serving in the U.S. military or are retired military members.

"We're excited to partner with Comcast NBCUniversal to deliver the Olympics to service members and their families, wherever they are called to serve," said Tom Shull, director/CEO of the Exchange.

"Few events unify the world like the Olympic Games, and it is only fitting that we make them accessible for those who chose to serve our country," said Carol Eggert, brigadier general (retired) and vice president of military and veteran affairs at Comcast. "We are thankful to the Army & Air Force Exchange Service for working with us to deliver the excitement of the Olympics to the military community, no matter where they are located."

When Comcast NBCUniversal offered the service, a collaborative team,

including the Defense Media Activity, Defense Information Systems Agency, the Exchange and DHI Telecom (an Exchange Internet, mobile and IPTV provider), swung into action to develop the technical solution.

Impressed with the results of the

program, the NBC team will engage in future projects, including the Winter Olympics in 2018. The Exchange continues to find new solutions to improve the quality of life for Soldiers, Airmen and their families. X

Exchange Olympic Coverage by the Numbers



14 million
ninutes of streaming content were view

minutes of streaming content were viewed by military viewers, twice that of average viewers. **22%** of streamers came from outside the U.S.



54%

of those who streamed live coverage were under the age of 35.



72,000

event. Watch bronze medalist 2nd Lt. Sam Kendricks as he pauses during his pole vault attempt upon hearing the national anthem.



Tell Your Customers to Take the Challenge

October 12 - November 11, 2016

Customers can support their service branch of choice for a chance to win an Under Armour or Exchange gift card. Starting October 12, tell your customers to go to www. MapMyFitness.com/challenges/aaf-

es or have them download the MapMyFitness app.

More information can be found in the BeFit section of the Exchange WK 41/ October 7 Tabloid.



The Germersheim Army Depot

Transforming the Omni-Channel Shopping Experience

Months of preparation and hard work are paying off as the Exchange transforms its omni-channel shopping experience.

The transformation involves relocation of the Exchange distribution center in Giessen, Germany to the Germersheim Army Depot (GAD), Germany. The Exchange serves the military across the world, and whether it's Soldiers and Airmen at the most austere locations in Iraq or Afghanistan, family members back home or dependent children receiving healthy meals at school feeding programs overseas, disruptions or changes to those channels must be mitigated.

As forces relocate in Germany, we're moving our distribution center to better support them. That is why the relocation of the Exchange distribution center for Giessen to GAD is an important, but daunting task.

The Giessen distribution center currently supports delivery of merchandise to numerous agencies and Exchange facilities in Europe, Iraq, all of Southwest Asia and U.S. AFRICOM (Africa Command) contingency sites. Relocating to GAD allows the Exchange to join forces with the Army Material Command and DeCA currently at GAD, while reducing the Exchange footprint from 1.2 million square feet at Giessen to 420,000 at GAD.

The relocation to GAD supports these goals:

- Business-to-business (B2B)
 eCommerce shipping for Europe
- Pick/pack/ship same day shipping
- More efficient fulfillment
- Outbound synergies with other DoD entities

Also, the logistics team is improving processes at other distribution centers. Our CONUS distribu-

tion centers are all expanding online fulfillment capabilities to improve the customer experience as the network is reconfigured to support the Exchange online shopping site. Some of those improvements include:

- Mechanizing eCommerce order fulfillment from a manual process
- Improving speed to customer with same day pick, pack and ship
- Consolidating eCommerce products to a specific area within the DC that limits associate travel for the majority of items ordered
- Moving merchandise closer to the customer reduces transportation cost and improves profitability

The Exchange team is leaning forward to transform the omni-channel processes, while reducing costs. Stay tuned as more changes are still to come. X

Exchange Logistics Fleet Wins Top Honors

The Exchange Logistics fleet took top honors at the 2016 Great American Truck Show in Dallas. Bradley Wacks (pictured right) won first place in the Working Combo class with his red 2011 Freightliner.

Charles Compton (left) took second place in the Working Combo with his 2014 White Freightliner. **X**



Customer Service: These Associates Rock!

David Wiley Central Region/ Fort Leonard Wood, Mo.

I am thoroughly impressed with David's professionalism.



He turned a possible stressful situation into a positive visit.

Gloria Parker Eastern Region/ Fort Meade, Md.

She greets all customers with a friendly smile, answering

any questions. She has a superb knowledge of taking care of customers.



Sandra Hervey **HQ/Customer Contact Center**

A caller wanted everyone to know that Sandra was exceptional,



outstanding and patient when helping process his first online order.

Holvnd Elliott Western Region/ **Kwajalein Atoll**

• She treats her customers like family and attacks every issue with a smile and a positive attitude.9



Ki-hun Kim Overseas Region/ Yongsan, Korea.

I cannot thank you enough for all your help and amazing kindness. We

left the store feeling really happy with the service we received! 9



Suzi Pizzolato Overseas Region/ Vicenza, Italy

Susi has an outstanding attitude, is very professional and exceeded my expectations.



See their entire customer comments!

Check out who won Thanks Awards and celebrated anniversaries!



Recognizing the Front Lines: Calling Out Top Associates

"You made a daily difference in the lives of our customers, providing a reason for our military service members and their families to shop with us in this competitive world." - Dave Nelson, chief operating officer. Read about them!

EASTERN REGION

Melody Bruhn, Hanscom AFB main store

Treva O'Dell. Fort Gordon Popeyes **Julie Fuentes-McVey**,

Fort Gordon Services

CENTRAL REGION

Robert Tharp, Lackland AFB main store

Shannon Clark, Fort Hood T.J. Mills Food Court **Terri Hill,** Fort Campbell

Services

WESTERN REGION

Nichelle Cody, Cannon **AFB**

Hye Koch, Fort Huachuca Greenly Hall **Jessica Bellotte**, **IB Elmendorf Services**

OVERSEAS/PACIFIC

Jessica Wenzel, Camp Zama Express

Youki Hashimoto, Camp Zama Taco Bell

Chong-hui Kim, Camp Humphreys bike shop

OVERSEAS/EUROPE

Susi Davisson, KMCC main store

Amadeo Mazzillo. Vicenza Burger King

Herbert Turban, Grafenwoehr Vending

Fairchild Associate Takes Top Disability Award

By Steve Smith

Hiromi Allen, supervisory store assistant at Fairchild AFB, Wash., has been named the Exchange's worldwide outstanding associate with a disability.

Eleven years ago, <u>Allen</u> began selling shoes at the Exchange before working her way up to shift su-



Hiromi Allen

pervisor in softlines in 2011. After attending the Exchange's Retail Management Academy, she was named temporary Express manager at Fairchild and soon picked for permanent manager. However, her heart remained at the main store.

She returned to supervising softlines, where she has received numerous awards for her exceptional job performance as the "go to" supervisor, according to her managers.

Inspiring others to join the family

Allen volunteers at Fairchild's Family Readiness Center, where she helps run the Airmen's Attic and mentors high school students. Several students were so inspired by her dedication to serving those who serve that they decided to join the Exchange family.

The Exchange participates in the Department of Defense's Outstanding Associate with a Disability program

by annually honoring an associate for his or her abilities and achievements in overcoming obstacles at work and in their daily lives, while also encouraging coworkers.

Other associates with disabilities named as runners-up:

- Stephen Polak, JB McGuire-Dix, N.J., Eastern Region
- Russell Bradley, NAS Fort Worth JRB, Texas, Central Region
- Raymond Jefferson, Germany's Landstuhl Regional Medical Center, Overseas Region/Europe
- Rachel Blanchard, Yokota AB, Japan, Overseas Region/Pacific
- Linda Kemmitz, Exchange Credit Program, HQ
- **Gerry Tann**, Dan Daniel DC, Va., Logistics Directorate

<u>Check out</u> why these associates are so special. **X**

Exchange Recognized as Best for Vets



By Conner Hammett

U.S. Veterans magazine has bestowed one of its highest honors on the Exchange—a spot on its 2016 "Best of the Best" list, recognizing employers, government agencies and educational institutions that support employment and business opportunities for veterans and spouses.

The Exchange earned placement in the categories of Top Veteran-Friendly Companies and Top Supplier Diversity Programs. The Exchange has been named to the annual list every year since 2013.

"The Exchange is committed to at-

tracting, recruiting and retaining veterans and spouses, and we are honored that U.S. Veterans Magazine recognizes our efforts," said Leigh Roop, chief HR officer. "Our veterans and military family members have made immeasurable sacrifices to protect the freedoms we enjoy every day—the least we can do is provide career opportunities for them."

About 27 percent of the organization's nearly 35,000 associates are military family members; 10 percent are veterans; and 2 percent are active duty, National Guard or Reserve

personnel working part-time during their off-duty hours.

The Exchange participates in veteran-focused career fairs, partners with organizations, such as Hiring Our Heroes and Allies in Service, welcomes active duty military interns through the Operation Warfighter program, and collaborates with installation transition offices to recruit Soldiers and Airmen who are transitioning back into the civilian workforce. X

Get Ready for Open Enrollment



ircle Nov. 7 through Dec. 2 on your calendar as dates to remember.

That's the 2017 open enrollment period when eligible associates can sign up for Exchange benefits. Changes take effect on Jan. 1, 2017.

Information on the Exchange's insurance programs will be sent soon to your home. You also can go here, nafhealthplans.com, for details.

What actions can I take?

Open enrollment is the time to evaluate your insurance needs. You can enroll in:

- Medical and DoD NAF Dental. You also can choose Aetna Stand Alone Dental if you're not enrolled in the medical benefit.
- Flexible spending accounts for out-of-pocket healthcare or dependent-care costs.

You also can:

- Change your medical plan if more than one is offered in your area
- Add or drop dependents
- · Cancel your medical and dental coverage

Nov. 7 through Dec. 2 is open enrollment time for medical and dental insurance, other benefits

Life insurance, other benefits

At any time during the year, enroll or change these plans, which would be effective immediately:

- Basic, supplemental and dependent-life insurance
- · Disability income
- Personal accident insurance
- Long-term care
- 401(k) retirement savings plan

Life insurance and disability income may require proof of health status.

Review beneficiaries, too

Open enrollment also is a good time to review your beneficiaries. Any changes in beneficiaries would take effect immediately.

Retirees with Exchange benefits also will receive information at their homes or go here. X

Great News for Exchange Retirees

et online access to pension in-Gromation all the time <u>here</u>. Once you have signed in, you can:

- · Change address, direct deposit bank information, tax withholding
- View 18 months of statements and tax forms from current, prior years

• Request stop payments and reissue outstanding checks

Need help with your username or password? Call (877) 247-2769 or for international, (904) 791-2246. X

The Doctor **Can Talk With** You 24/7/365

Ckip time-consuming visits to The urgent-care center if you really don't need to go.

With more than 1 million consultations, a national network of experienced doctors and an average callback time of 10 minutes, Teladoc provides convenient, highquality healthcare to its members.

Teladoc is a feature of DoD NAF medical plans in most U.S states for participants under 65.

By phone or video

Use your Teladoc membership to speak with a licensed doctor 24/7/365 via phone and avoid the hassles of a waiting room. You can even talk to the doctor via video chat, where permitted by law.

But what can they treat?

Teladoc doctors can diagnose and treat many medical conditions, including:

- Cold and flu symptoms
- Allergies
- Bronchitis
- Skin problems
- Respiratory infections
- Sinus problems

For added convenience, download the Teladoc app.



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Core Value: The Courage to Use Good Judgment

LP Busts Largest Credit-Card Fraud Ring in 10 Years

By Steve Smith

Little did Kassandeira Perry, an Exchange safety and security associate at Shaw AFB, S.C., know that her attention to detail would help bust the Exchange's largest creditcard fraud case in 10 years.

Authorities accuse nine suspects of using phony or stolen credit cards to buy 684 gift cards and merchandise between April and June, bilking 278 victims and 98 Exchanges across 15 states out of nearly \$268,000. No MILITARY STAR® accounts were comprised.

The suspects were National Guard members, retired Airmen, dependents and unauthorized shoppers at Shaw AFB, S.C., Robins AFB, Ga., and Fort Campbell, Ky.

Authorities recovered about \$1,500 in Exchange merchandise. Information on what charges the thieves faced was unavailable.

'Watching every move'

The scheme unraveled when Perry spied two men—one wearing sunglasses *inside* the store—on closed-circuit television using credit cards to buy gift cards. Perry smelled something fishy when a "Call Bank" message popped up on the cash register's screen.

"From then, I watched their every move," Perry said. "They went into the GNC store. I went into GNC, pretended to be a customer and told the manager to write down all names and types of credit cards they were

using. The cards also were declined in GNC."

As the pair left in a vehicle, Perry scribbled down their license-plate number and make of car. More sleuthing led investigators to detain their accomplices.

Guns, alcohol electronics

Shaw AFB authorities found stolen gift cards, identifications, three guns, two knives, a box of ammunition, marijuana and \$5,600 in Western Union money orders in the suspect's car. The ring bought clothes, electronics, alcohol, appliances, guns and other merchandise.

Team effort

Associates aiding in the case were:

- LP's Brittany Gentry at Robins and Fort Campbell's Craig Hastings and Andrew Porterfield reviewed transactions and videos, and coordinated arrests with authorities.
- Teresa Palu, manager at Fort Sill, Okla., notified her LP manager immediately when a customer called about 10 phony credit charges. Palu's actions led investigators to link the charges to the suspects.
- LP Systems Analysts Danielle Tompkins, Araceli Rodriquez and Laura Schmidt at HQ combed through point-of-sale transactions from the three CONUS regions. X



I had a gut feeling they were up to no good.

–Kassandeira Perry, about the two suspects she was watching on closedcircuit TV at Shaw AFB. S.C.

To Protect Associates

Know Your Smoke Alarms

During Fire Prevention Week Oct. 9-15, Exchange loss prevention offices and fire departments will warn associates and customers about the dangers of houses with no smoke alarms or faulty ones.

Consider these tips:

- Replace smoke alarms every 10 years.
- Ensure that batteries are present and working.
- Use ionization and photoelectric alarms. The first warns about flaming fires; the second, smoldering fires.
- Use alarms with strobe lights and bed shakers for hearingimpaired people.
- Test your smoke alarms once a month.

We Go Where You Go...

Coldest and Northernmost



Thule AB, Greenland

The temperatures regularly drop to -40 Fahrenheit in the winter, with storms that can lead to frostbite on exposed skin in less than a minute. Thule is without sunlight four months of every year, and ice blocks sea access for nine months. The base is 947 miles from the North Pole.

Highest Elevation



Air Force Academy, Colorado

At 7,258 feet above sea level, the Air Force Academy is the highest elevated base.

Most Remote



USAG Kwajalein Atoll

Just six square miles, Kwajalein lies 2,561 nautical miles from Hawaii.



Every installation serves a purpose. So climates, while others are located thousan of a blistering desert. No matter where texchange is there supporting Soldiers and

EXTREME EXCHANGES



me are beachfront property in tropical ds of feet above sea level or in the middle hey are located, extreme or remote, the Airmen—just like we have for 121 years.

Hottest



Camp Buehring, Kuwait

Kuwait City is one of the two hottest cities on average in the world (the other, Ahvaz, Iran). In 2015, Camp Buehring's high reached 124 Fahrenheit. The installation is also susceptible to massive sandstorms like the one shown above.

Southernmost



American Samoa

The southernmost U.S. military installation, American Samoa is the only one below the equator.

As a result of the unique needs of our customers, the Exchange has operated in subzero Greenland, on mountain tops in Afghanistan and even near the hottest city in the world. No matter how desolate, dangerous or difficult the location, Exchange associates salute smartly and set up shop. 9

-Tom Shull, director/CEO



Exchange Opens New Name-Brand Dining and Shopping Options



Scott AFB, Ill. — From left, Kim Allen, McAlister's general manager; Matt Fox, president of Midwest Deli Developments; Col. Chris Buschur, 375th Air Mobility Wing vice commander; Paula Gunderson, regional VP; Dave Couture, services business manager, and Adam Hubbard, area manager, Midwest Deli Developments.



Ramstein AB, Germany — Col. Brandon Hileman, vice commander of the 86th Airlift Wing; Col. Geoffrey De Tingo, commander of the Exchange's Overseas Region/ Europe; and Marc Floyd, general manager of the KMCC Exchange, participate in a ribbon-cutting ceremony to kick off the store's opening.



Fort Hood, Texas — Col. Todd M. Fox, garrison commander, and Command Sgt. Maj. Antonio Leija, garrison sergeant major, assist Vicky Roldan, services business manager, and Chipotle General Manager Carrie Penick.

With all that military members and their families sacrifice to protect American freedoms, it's the least we can do to bring the services and products that remind them of home right where they live, work and play.9

-Marc Floyd, Ramstein AB general manager

▲ Intensify National Brands



























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Director/CEO Coins & Awards





HQ Dallas — Director/CEO
Tom Shull, left, presents Chief
Logistics Officer <u>Karen Stack</u> for
her 40 years with the Exchange

By Staff Sgt. Aaron Eastman



Dallas HQ — Director/CEO Tom Shull presents extraordinary achievement awards to, left to right, IT Chief Technology Officer **Mickey Bradford**; Logistics Vice Presidents **Alan French** and **Jay McCartin**; and IT Project Manager **David Adams**.

Read about their extraordinary accomplishments. By Staff Sgt. Aaron Eastman



COO Coins





Fort Hamilton, N.Y. — Chief Operating Officer Dave Nelson and Region Vice President Rebecca Santee, second from left, stands with coin recipients, left to right, Hien Nguyen, Joy Tabona, Migdalia Velasquez, Monica Card, Melissa Canter, Kirkpatrick Lamorty, Mimi Say and Angela DeRosa. All photos by Lot Weymeyer

Check out Dave Nelson's first Exchange Post column as our new Executive Vice President/Chief Operating Officer, Page 4.



U.S. Military Academy, N.Y.
— Chief Operating Officer
Dave Nelson and his coin
recipients, left to right,
Kathryn Klapkowski,
Lorena Eisenhauer, James
Dunn, Jeremy Janson, Maria
(Pinky) Depuy and Yun
Huddy.



Dave Nelson receives a "welcome coin" from General Manager Angela DeRosa

See these photos and more on Flickr.















Associate Awards & Recognition



Fort Bliss, Texas — Associate Bonita Haston receives her 35-year service award from GM Mike Brennan in front of a wall of Exchange historical readers.

By Matthew Beatty

EXCHANGE HISTORY FUNFACT

See those posters on the wall? Get them on your computer!

The displays behind Bonita and Mike, above, are Exchange history readers that tell you everything about our 121-plus years of history. For example, at what PX did Elvis' soon-to-be wife, Priscilla, buy all his records? At what BX did Johnny Cash buy his first guitar? Where are the most forbidden places on Earth where we've operated exchanges? Did you know Julius Caesar had "exchanges?" Did you know we had an exchange thousands of feet deep inside a mountain?

<u>Check</u> them out on Flickr. Download them. Put them up in your store.



Japan DC — Associate Carmelita Salvatore, a supervisory office assistant, received her 35-year service award from Manager Fumio Okabe. By Jeovany Garza



Okinawa DC, Japan — Foreman Tomomi Kinjo receives his 35year service award from Manager Jeovany Garza. By Jeovany Garza

Don't Be Left Out!

Don't be left out of the Exchange Post news. Send your news items and pictures with all the details to exchangepost@aafes.com.



Fort Riley, Kan. — GM Robin Ayling, rear, joins Ave Toala, Kisha Castro-Haruo, Eden Tesfayohanneswebb, Noila Ehrler, James Savage and Marvelia Hererra, who were named #1 associates at the Big Red 1 Express. By Nenty Anjain

HISTORY FUNFACT

Check out what preceded Fort Riley's post exchange.



Vicenza, Italy — Stephanie
Maculan, left, is awarded for
achieving her department's highest
MILITARY STAR® penetration rate.
Colleague Nena DeMarchi joins her.
By Cindy Brown















See these photos and more on Flickr.

▲ Intensify National Brands





Express yourself with Damage-Free Decorating

3M



Find great 3M products at your Exchange and online at *shopmyexchange.com*.

Creating Excitement and Building Talent



Carlisle Barracks, Pa. — Courier Barry Thumma and Subway Manager Tiffanie Sharpe show the sandwiches associates made and Thumma delivered to welcome colonels, lieutenant colonels and foreign leaders in the Army War College's Class of 2017. By Trish Jones



Robins AFB, Ga. — HR's Rod Houston hosts a management class for supervisors, managers and RMA students. By Shulun Chang-Reuter



Fort Bragg, N.C. — HR's Jennifer Anderson teaches RMA/ROMA students about performance management. By Shulun Chang-Reuter



Fort Detrick, Md. — HR's Hazel Barnes scouts for talented people to work at the Exchange at the post's career day. By Denise Moots



Fort Drum, N.Y. — Meaghan Leary, Andreea Downs, Hope Crawford and Breyona McFadden prepare national brands for a back-to-school fashion show. By Jacqueline Bellis



Aberdeen Proving Grounds, Md. — The Express' Meagan Jones and Steven Dey grill hot dogs for a booksigning event by former Baltimore Ravens Ray Lewis. By Meagan Jones

Creating Excitement for Our Customers



Keesler AFB, Miss. — HQ's Raul Claudio, Amber Campos and Robert Woods enjoy a potluck organized by Denise Mock—getting the kiss—as thanks for their work resetting the main store. By Patricia Barr



Redstone Arsenal, Ala. — Franc Mulder, center, receives a COO coin from managers Kim Sumpter and Roberto Montalvo for his exemplary work at the firearms counter.

By Roberto Montalvo



Dallas HQ — HR management trainees and their teachers pose for a picture before 16 weeks of intense training. They include John Castaneda, trainee; HR Chief Arna Yarbrough; Regional HR Manager Jason Summons; Stephanie Davenport, trainee; Regional HR Manager Janie Marjonen; Vice President Joyce Bowers; Ashley Arthur, trainee; and Regional HR Manager Anna Jeffries. Inset, the three trainees tour the **NAS Fort Worth JRB** store.

By Anna Jeffries and Janie Marjonen



Barksdale AFB, La. — Manager Ellen Henderson, left, and Group Commander Col. DeDe Halfhill present a veteran with a vacation. Read more! By Conner Hammett





Offutt AFB, Neb. — Popeyes Manager Lynn Matt, left, and Food Court Manager Traci Cadwell interview applicants during a base job fair. By Anna Jeffries

Creating Excitement for Our Customers



Fort Bliss, Texas — Dressed in red T-shirts to show their support for the troops, associates Mireya Bretado, Genoviva Mora, Virginia Moore and vendor reps Terry Lopez and Jennifer Curry, both right, help the Military Clothing store celebrate Soldier Appreciation Day. A main attraction was the 20-foot boot. By Willie Davis



Waco DC, Texas — HR's Scott Brinker teaches DC supervisors about labor and employee relations. By Anna Jeffries



Fort Campbell, Ky. — Starbucks Manager Sheila Peets is recognized by her district manager, Tesh Burke, as being a new "coffee master."

By Cecilia Luna



Presidio of Monterrey, Calif. — Associates enjoy a pro baseball game as recognition for improving MILITARY STAR $_{\odot}$ penetration.

By Jeff Carroll



Fort Bliss, Texas — Loss Prevention's Ollie Anthony, left, and the post's Tina Hunt and Fredrick Wallace pass out pencils, refrigerator magnets and other antiterrorism information to customers. By Vanessa Mike



Little Rock AFB, Ark. — Maureen Marshall and Seretha Rolfe get ready for the successful Back-to-School fashion show. Check out the results! By Michelle Pointer

Creating Excitement for Our Customers



Misawa AB, Japan

— Supervisor Turiko
Kimura passes out
chicken wings made
by Manager Takanori
Hosogoe, inset,
as part of a
product demo.

<u>Check out</u> these tried-and-true tips from a pro for giving great product demonstrations.



Vicenza, Italy — Visual Merchandiser Keti Nai lends a hand to her manager, Alba Gee, as teammate Trish Lane laughs. The trio were preparing a back-to-school display at the store's front entrance. As of mid-August, back-to-school sales were already up nearly 14 percent. By Cindy Brown



Vicenza, Italy — Customer Service Associate Suzi Pizzolato shows handmade pastries that a customer made for her exemplary service.

By Cindy Brown

By Clifica Brow

Check out Suzi's "customer shoutout," Page 10.

Branded Apparel, Gifts and Accessories for Exchange Associates and Retirees

This could be you, sporting the Exchange brand!

These items can be purchased with your personal credit card and delivered to your home from our vendor, American Eagle Imagewear, Inc.



Associate attire program for retail associates remains unchanged. The availability of these logo items for associates to order (aafesbrand.com) does not change the official Exchange associate attire program for retail associates outlined in EOP 40-11, Chapter 11. If you have questions about your work attire, ask your supervisor.

Tweets From Around the World



Dallas HQ — Service Business Manager Training 2016 #growing thebusiness #buildingthebench. Exchange Associates @ExchangeAssoc



Dallas HQ — #FeelGoodFriday (Mike Howard) is retiring after 44 years of dedication to #ServingThoseWhoServe! the Exchange @EXCHANGE_STYS



Nellis AFB, Nev. — @ExchangeAssoc Nellis RMA/ROMA Final Presentations. #take always so important to us. Thank you! Brenda Goodie @Brenda_Goodie



JB Elmendorf, Alaska — Fort Richardson Express Shift Manager Janna Weddington is recognized for excellence by Mike Immler JMMElmendorf @JMMElmendorf



Fort Riley, Kan.— Award Ceremony at Riley Exchange, Thanks for all your hard work.

Maria Berrios Borges @BerriosBorges



Fort Leonard Wood, Mo. — @boston market Prep for tomorrow's roll-out @fort leonardwood #chickenmarsala #garlicandchivemashed Ashley Richards @Ashes607Ashley



Fort Polk, LA — Fort Polk is rocking #BacktoSchool! #BTS @ ExchangeAssoc

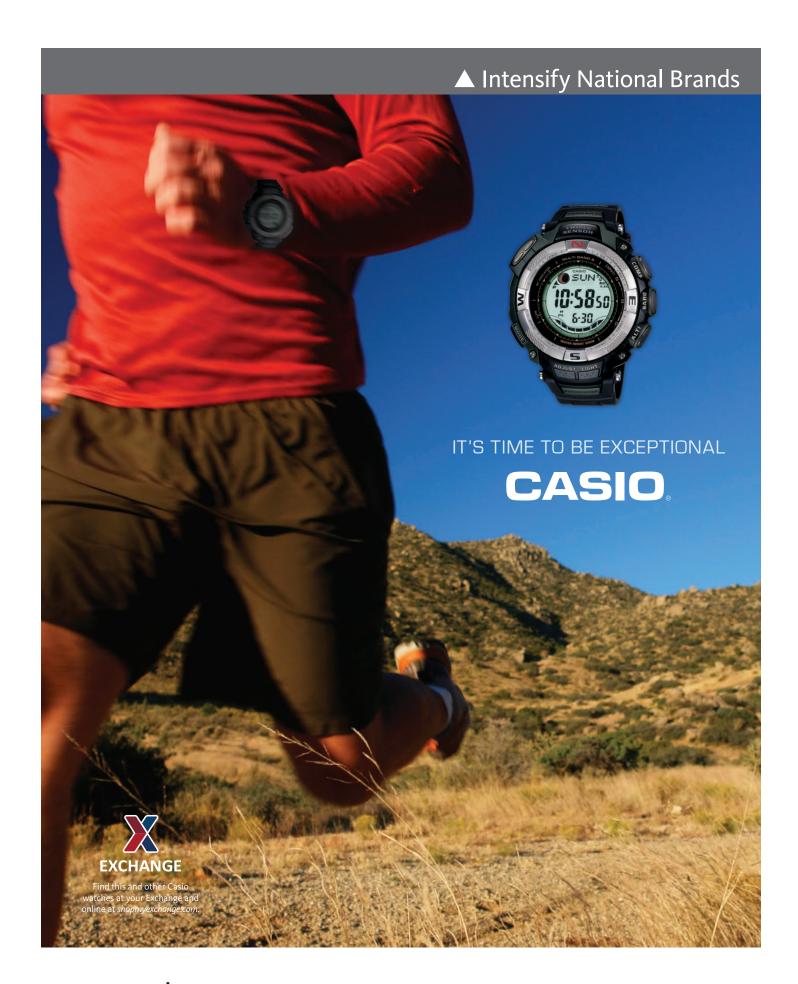
Gregory Templeton @GregTempleton8



San Antonio, Texas— We have the best customers in the world #afsa #airforce #sergeants #airforcenco Mark Matthews @MarkMatthewsX



RAF Lakenheath, UK— Services Associate Magdalena Wojtania shows off her Exchange Spirit!! Lakenheath MainStore @LakenheathBX



TRANSFERS

Lisa Avallone – sales & merchandise manager, Schofield Barracks, to e-learning designer and developer, HQ

Amanda Burke – regional HR manager, Eglin AFB, to HR support center assistant manager

Jack Burnette – end user computer technician, Fort Knox, to applications systems program analyst I, HQ

Joanne Cahalan – region retail program specialist, HQ, to general manager, Fort Meade

Michaela Campbell – restaurant manager, Lackland AFB, to food court manager, Redstone Arsenal

Michael Chastain – end user computer technician, Giessen DC, to end user computer technician, Germersheim DC

Mario Connor – HR manager II, Scott AFB, to HR manager, JB Andrews

Samantha Davis – store manager, Yongsan, to store manager, Ramstein/ Baumholder

Carnetta Florence – food court manager, Fort Huachuca, to food court manager, Fort Bragg

Ruth Freeman – supervisory store assistant, JB Andrews, to shift manager, Thule AB

Dwana Harper – accounts payable supervisor II, HQ, to accounting supervisor, Germersheim DC

Kathryn James – services business tech, Fort Hood, to services business manager, Redstone Arsenal

Richard Laden – food court manager, Camp Zama, to restaurant manager, Fort Riley

Kathleen Litterer – store manager (BR/Gas), Seymour Johnson AFB, to store manager (MS), Robins-Moody AFB

Cedric Martin – food court manager, Fort Bragg, to food court manager, Fort Benning

Jeremy McLaughlin – services business manager, Malmstrom AFB, to services business manager, JB Elmendorf

George McNamara – operations manager, Tinker AFB, to general manager, Grand Forks AFB **Chad Mullins** – restaurant manager, Katterbach–Illesheim, to restaurant manager, Robins AFB

Jerry Myers – financial analyst III, HQ, to financial analyst III, Okinawa

James Osborne – services business manager, JB San Antonio, to general manager, Fort Drum

Neal Purtee – store manager (BR/Gas), Wright-Patterson AFB, to retail business manager, Laughlin AFB

Natascha Richardson – field account II, HQ, to field accountant III, JB Andrews

James Robinson – restaurant manager, Fort Riley, to food court manager, Camp Zama

Kelly San Nicolas – sales & merchandise manager, Schofield Barracks to sales & merchandise manager, Barksdale AFB

See the complete list of transitions.

IN MEMORY

Kathryn Anderson, 86, died March 9 in Springfield, Va. The Exchange supervisory accounting technician retired in 1988.

Melba Ashner, 86, died July 18 in Duncanville, Texas. The HQ associate retired in 1993.

June Augustoni, 87, died June 8 in Madera Beach, Fla. The Mid-Atlantic Area accounting technician retired in 1980.

Willie Bell, 84, died July 8 in Atlanta, Ga. The Dobbins AFB store associate retired in 2009.

Marianne Blanch, 80, died July 13 in DeSoto, Texas. The HQ purchasing assistant retired in 1997.

Pia Boriths-Dobbins, 54, died June 27 in Widefield, Colo. She was an associate at Fort Carson.

Charles Brooks, 63, died June 21 in Dallas, Texas. The HQ customer service manager retired in 2007.

Mattie Cooke, 94, died July 20 in Columbia, S.C. The Fort Jackson sales associate retired in 1985.

Mary Dillard, 83, died June 22 in Landover, Md. The JB Andrews store associate retired in 2002.

Benjamin Donathan, 81, died June 23 in Sparks, Nev. The Katterbach-Illesheim warehouse foreman retired in 1991.

Elizabeth Eans, 77, died July 24 in Duncanville, Texas. The HQ purchasing technician retired in 1991.

Jennie Harvey, 83, died May 11 in Duncanville, Texas. The HQ personnel clerk retired in 1984.

Phyllis Hazy, 62, died July 20 in Las Vegas, Nev. The Nellis AFB visual merchandiser retired in 2012.

Judith Holley, 72, died July 27 in Dayton, Ohio. She was a store associate at Wright-Patterson AFB.

See the complete list of obituaries.

RETIREMENTS

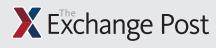
Marie-Louise Abellano, UK Consolidated, 36 years **Yolanda Biar,** HQ, 21 years

Marsha Bolt, Scott AFB, 16 years

Mary Bowen, NAS Fort Worth JRB, 12 years

Barbara Cruz, Andersen AFB, 18 years **Sandra Evans,** HQ, 15 years **Michael Howard,** HQ, 41 years

See the complete list of retirements.



Army & Air Force Exchange Service

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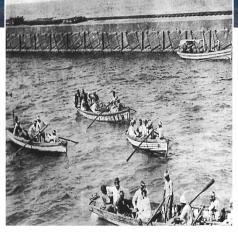
October Important Date

October 13, 1775 — U.S. Navy Birthday

Today's U.S. Navy traces its origins to the Continental Navy, which was established Oct. 13, 1775, during the Revolutionary War. As the Navy celebrates 241 years of service, we take a look at the history of the Navy Exchange and how, at one point, it crisscrossed with our own.



In the early days, Sailors at sea were served by bumboat merchants, like the ones above, much like itinerant sutlers served Soldiers in isolated military camps in the developing western part of the U.S.



In 1908, bumboats sail to U.S. battleships in the "Great White Fleet," which President Theodore Roosevelt ordered to sail around the world to show off their might.



A Sailor-run canteen aboard a Navy ship in the early 1940s. Just like sutlers being replaced by Army post canteens, Navy ships opened canteens, or "slop chests," as a bumboat alternative.

VIETNAM FUNFACT

Dec. 26, 1965



The day AAFES assumed operations of Vietnam exchanges from the Navy. The Navy had operated the exchanges since the early 1950s, but didn't have land-based capabilities to serve hundreds of thousands of American combat troops readying for deployment to the country.

NAVY EXCHANGE FUNFACT

April 1, 1946



The day the Navy Exchange
System opened its first stores on
board Navy ships and at Navy
installations. This past April
marked its 70th anniversary. The
Navy Exchange is based at Virginia
Beach, Va.

Check out the Navy Exchange's **2015** Annual Report.

DIVIDEND FUNFACT

\$4.4 million



The amount of 2015 dividends the Army & Air Force Exchange Service provided to Sailors and their families for their quality of life programs. That's about 2 percent of the total Exchange dividends to all armed services branches.