

**DEPARTMENT OF ARMY
JUSTIFICATION AND APPROVAL
FOR OTHER THAN FULL AND OPEN COMPETITION**

1. Contracting Activity: Army Contracting Command – Detroit Arsenal (ACC-DTA) is the contracting agency for this action.

2. Description of Action: ACC-DTA plans to award a new sole source Firm-Fixed Price (FFP) contract to General Dynamics Land System (GDLS), Sterling Heights, MI. The acquisition is to obtain the Managed Switch Kits [REDACTED]

[REDACTED] Fiscal Year (FY) 2022 Weapons & Tracked Combat Vehicles (WTCV) funds will be used for the acquisition of the Managed Switch Kits.

3. Description of Supplies/Services: The Managed Switch kits will upgrade the current Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance and Reconnaissance (C5ISR) configuration on [REDACTED] Stryker. The Managed Switch Kit uses connectors for Ethernet and power in order to connect and provide internet capability throughout the entire vehicle. The contract will have a production quantity of [REDACTED] Managed Switch Kits noted in Table 1 below and with a total estimated value of \$20.57 million (M). The estimate for this action is based on an Independent Government Cost Estimate (IGCE) dated 31 January 2022.

The Managed Switch Kits will support several variants of the Stryker Family of Vehicles (FoV) fleet worldwide. The table listed provides the kits needed for this procurement.

Table 1

Part Number	NSN	Nomenclature	Quantity
57K9811	NO NSN	Managed Switch Kit [REDACTED]	[REDACTED]
57K9812	NO NSN	Managed Switch Kit [REDACTED]	[REDACTED]
57K9813	NO NSN	Managed Switch Kit [REDACTED]	[REDACTED]
57K9814	NO NSN	Managed Switch Kit [REDACTED]	[REDACTED]
57K9815	NO NSN	Managed Switch Kit [REDACTED]	[REDACTED]
57K9816	NO NSN	Managed Switch Kit [REDACTED]	[REDACTED]
57K9817	NO NSN	Managed Switch Kit [REDACTED]	[REDACTED]

4. Authority Cited: The statutory authority permitting other than full and open competition is 10 United States Code (U.S.C.) Section 2304(c)(1) as implemented by Federal Acquisition Regulation (FAR) 6.302-1(a)(2)(ii)(B), "Only one responsible source and no other supplies or services will satisfy agency requirements," which states "supplies may be deemed to be available only from the original source in the case of a follow-on contract for the continued development or production of a major system or highly specialized equipment, including major components thereof, when it is likely that

award to any other source would result in unacceptable delays in fulfilling the agency's requirements."

5. Reason for Authority Cited:

a. Background:

The intent of this procurement is to [REDACTED]

There are no parts available to produce another unit nor is that Ethernet switch a repairable item. [REDACTED]

[REDACTED] The existing SIXNET switches will be harvested from the vehicles and reintroduced into the Stryker supply system to maintain the rest of the flat bottom fleet until they are in the exchange program for A1's.

Currently, the Managed Switch Kits cannot be procured, within the United State Government's (USG) timeline, from sources other than GDLS. Regarding [REDACTED] for the Managed Switch Kit, the Government does not have/possess the [REDACTED] necessary for competitive procurement of the Managed Switch Kit. The GDLS [REDACTED] is intended to be installed in the Digital Beach Head 670 (DBH-670) component of the Managed Switch Kit in order to enable the switch [REDACTED]. Without the capabilities of the [REDACTED], the Managed Switch Kit cannot function as required.

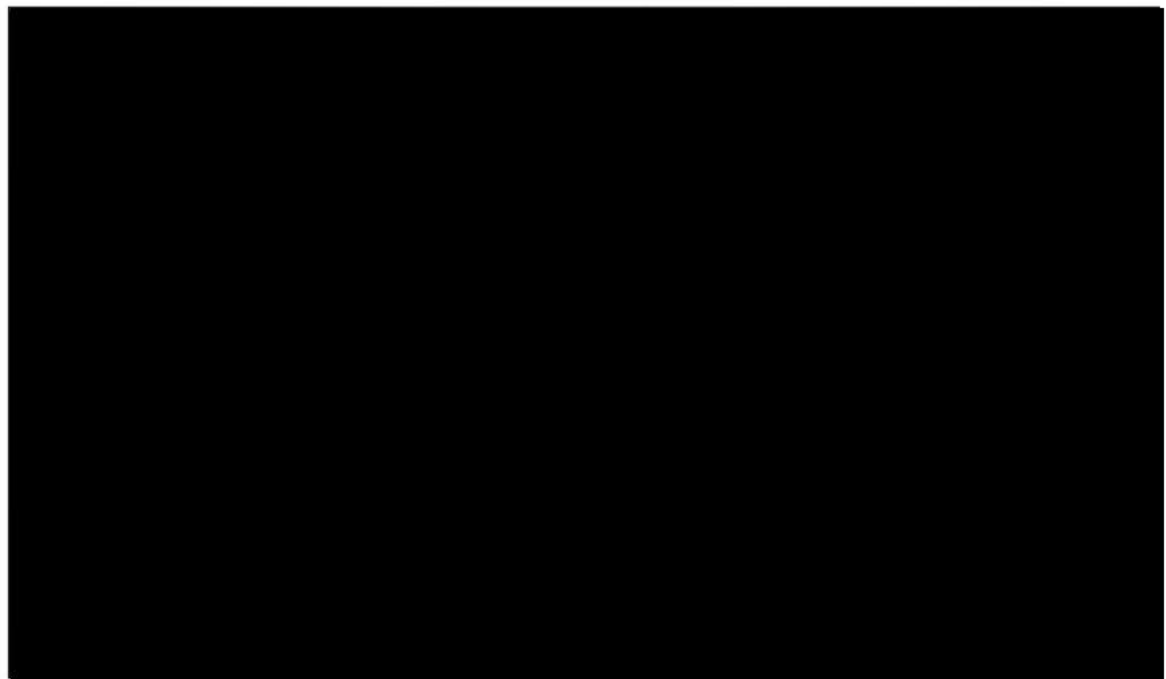
Regarding the Managed Switch Kit Technical Data Package (TDP), the Government has the relevant TDP (has taken delivery of it in the past) but does not have sufficient data rights in the TDP for competitive procurement of the Managed Switch Kit. Program Management Stryker Brigade Combat Team (PM SBCT) started examining the technical detail of the drawings in hopes of developing a TDP to qualify for use in future competitive procurement. However, PM SBCT identified areas of concern due to insufficient data rights. On 12 May 2022, PM SBCT engineers determined that the Government does not have sufficient data rights of the engineering specifications for all the associated wiring harness components of the Managed Switch Kit. The Government has requested, but GDLS declined to negotiate special license rights to the [REDACTED] and TDP sufficient for the Government to competitively procure the Managed Switch Kit

- b. Unacceptable Delay: As the only source having access to the requisite comprehensive technical data, GDLS possesses the unique engineering expertise and knowledge of the current configuration and standards required to produce the kits reference above. A sole source acquisition with GDLS meets

current configuration standards and the current timeframe of 15 months inclusive of [REDACTED]

[REDACTED] This timeline is necessary to meet the Retrofit window of [REDACTED], specifically the Integrated Tactical Network Fielding which will occur on [REDACTED]. Conversely, completing this acquisition competitively requires a high level technical knowledge that no other contractor except for the OEM possesses. The total estimated time it would take to award, deliver, and complete kitting for this effort from another contractor is approximately [REDACTED]. Figure 1 below demonstrates the contrasting timelines in a graph. The [REDACTED] for competitive action are further described below [REDACTED]

[REDACTED]



- i. Based on a USG engineer estimate, this effort will take [REDACTED] to develop a similar engineering specification appropriate for the Managed Switch Kit. The engineering team effort would be necessary after GDLS declined to license the [REDACTED] to the USG. The USG reached out to GDLS on 31 May 2022 and GDLS responded on 31 May 2022 that the company was not considering selling the data rights to the USG.
- ii. Based on a USG engineer estimate, the software engineering effort will take [REDACTED] to redevelop the [REDACTED] to load into the DBH-670.
- iii. Based on similar acquisitions, there is a [REDACTED] Acquisition Lead Time (ALT) to solicit, evaluate proposals, and award a contract.
- iv. [REDACTED] for the Production Lead Time (PLT) to obtain the material and assemble the First Article.

[REDACTED]

- v. A minimum of [REDACTED] to complete a First Article Test (FAT) (to include FAT testing, FAT report production & delivery, and Government approval of FAT report)
- vi. [REDACTED] to begin delivery of the remaining kits (if first article test is successful).

The timeline above would make the earliest kit delivery date [REDACTED]. This new timeline to acquire the kits from another contractor fails to meet the Retrofit window of [REDACTED] and impacts operational readiness, as units would not have the [REDACTED]

Failure to field the Managed Switch Kits within the sole source timeline can result in the collapse of the Integrated Tactical Network Fielding scheduled for [REDACTED]. This is a critical Army requirement and a congressional directive to [REDACTED]

[REDACTED] This capability is required to complete current, on-going training objectives and for Stryker vehicles in Garrison and deployed in a theater of operations. If the current [REDACTED] timeline is not met, the Integrated Tactical Network Fielding scheduled for [REDACTED] would be missed. [REDACTED]

[REDACTED] Loss of these capabilities subjects Soldiers to a greater risk of injury or death.

6. Efforts to Obtain Competition:

- a. Effective Competition: The Government intends to solicit only GDLS for this acquisition based on the rationale provided in paragraph 5. However, this acquisition will be synopsized at the SAM.gov website as required by FAR 5.201, which allows interested firms the opportunity to identify their interest and capability to respond to the requirement or submit proposals. Any information received from responsible sources will be considered.
- b. Subcontracting Competition: To ensure the contractor competitively awards subcontracts to the maximum extent possible, the contract will contain FAR Clauses 52.244-5 "Competition in Subcontracting," 52.244-2 "Subcontracts," and 52.219-8 "Utilization of Small Business Concerns." GDLS will also be required to submit a subcontracting plan for review and approval in accordance with 52.219-9 "Small Business Subcontracting Plan."

7. Actions to Increase Competition: As stated above in paragraph 5, the Government has requested, but GDLS declined to negotiate special license rights to the [REDACTED] and TDP sufficient for the Government to competitively procure the Managed Switch Kit. The USG reached out to GDLS on 31 May 2022 and 08 June 2022 about the sale of all of the data rights and the usage [REDACTED]. GDLS responded on 31 May 2022 that the company was not considering selling the data rights to the USG at this

time. Additionally, GDLS responded on 08 June 2022 that it will not be considering usage or sale of its [REDACTED] to the USG. As future requirements are identified, assuming the [REDACTED] and TDP for competition are obtained in the future, the Government should compete future requirements.

8. Market Research:

FAR Subpart 10.002 recommends researching if the existing need can be met by a commercial item. On 14 February 2022, an internet search was performed to see if any commercial items existed to satisfy the current need. The capabilities being sought for the items being procured are not generally available in the commercial marketplace due to its military application. However, the main component of the managed switch kit is a Curtiss-Wright digital beachhead 670 (DBH-670) and must be a specialty order that comes with a [REDACTED] that is unique only to the Stryker family of vehicles (FoV). Specifically, the [REDACTED] is configured only to the DBH-670. Additionally, the [REDACTED] needed to allow the digital beachhead to work in the vehicles is currently proprietary to GDLS. On 08 June 2022, the USG contacted GDLS regarding data rights to use the [REDACTED], but GDLS was not willing to negotiate data rights at that time.

Initially, the USG believed that the GDLS [REDACTED] was [REDACTED] into the DBH-670, allowing vendors to buy directly from Curtiss-Wright and that was reflected in the Sources Sought Notice. The Sources Sought Notice was issued on 22 February 2022 through Sam.gov and two responses were received [REDACTED] [REDACTED]). However, as of 07 June 2022, the USG received information that GDLS was not willing to [REDACTED] [REDACTED] into the DBH-670. Therefore, the Sources Sought Notice was updated to remove information regarding [REDACTED] and added that the requirement needed the GDLS [REDACTED] as part of the description/capabilities of the Managed Switch Kit.

The Sources Sought notice was re-issued on 08 June 2022 through Sam.gov with current information about GDLS [REDACTED] and Curtis Wright's DBH-670. All responsible sources were encouraged to submit a capability statement to the USG to by 14 June 2022. To date, no responses were submitted to the USG.

Market Intelligence. The capabilities being sought for the items being procured are not generally available in the commercial marketplace. Components such as the adapters, connectors, and screws needed to assemble the Managed Switch Kit are commonly found in the commercial workplace. However, the Ethernet switch/Curtiss-Wright DBH-670 and GDLS [REDACTED], which is the main component of the item, is not available to the marketplace. Additionally, within the drawings, there are several sub-components that include specific sources to procure the spares from. The manufacturing of the component items associated with the items in table 1 are the only other manufacturing requirements for this acquisition. The [REDACTED] requirement is a necessity to enabling the DBH-670 switch and is critical to the overall acquisition. This [REDACTED] is only attainable from GDLS, and no other vendor can produce it.

9. Interested Sources:

- a. [REDACTED] spent a majority of their defense contracting time supporting the Mine Resistant Ambush-Protected (MRAP) FoV, Light Armored Vehicle (LAV), and High Mobility Multipurpose Wheeled Vehicle (HMMWV). Their expertise is in development and manufacturing of complex electronics devices and wire cable harness assemblies. [REDACTED] is not a viable source because they lack the rights to the technical data and [REDACTED] required to sufficiently produce the Managed Switch Kit.
- b. [REDACTED] was previously owned by Northrop Grumman and provided the spares and kitting through DLA for portions of the WIN-T program. [REDACTED] is a long-time supplier of Explosive Ordnance Disposal (EOD) robotic vehicles to the DOD. [REDACTED] operates a 60,000+ sq. ft. manufacturing facility in Clinton, TN. All aspects of manufacturing are executed from this site to include procurement, supply chain management, material management, kitting, manufacturing, acceptance testing, and logistics support. [REDACTED] is not a viable source because they lack the rights to the technical data and [REDACTED] required to sufficiently produce the Managed Switch Kit.

10. Other Facts:

- a. Procurement History: This is the first procurement of these kits; however, the Government contracted with GDLS to design the kits on the following contract action:
 - i. Contract Number: W56HZV-19-D-0046
Task Order: W56HZV-19-F-0162
Award: 14 February 2019
Nomenclature: Stryker System Technical Support
Price: \$155,212,584.15
Contractor: GDLS
Competitive Status: Sole Source
Authority Used: 6.302-1, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."
Note: This contract involves the design of multiple kits, not solely the Managed Switch Kits.
- b. Other facts: This is a one-time procurement. The Managed Switch Kit is intended to be integrated into production of new DVHs, so acquiring the switch kit through a supply procurement is not necessary.

11. Technical Certification: I certify that the supporting data under my cognizance which are included in the justification are accurate and complete to the best of my knowledge and belief.

Typed Name: Joseph Hurley
Title: Director of Engineering

Date: 28 July 2022
Signature: // Joseph B. Hurley//

12. Requirements Certification: I certify that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

Typed Name: Cynthia Macheske
Title: Director of Logistics, PSM PM Stryker

Date: 28 July 2022
Signature: //Cynthia Macheske//

13. Fair and Reasonable Cost Determination: I hereby determine that the anticipated cost to the Government for this contract action will be fair and reasonable. A price and cost analysis will be performed to determine fair and reasonableness. The contractor will be required to submit certified cost and pricing data IAW FAR 15.403-4(a)(1).

Typed Name: [REDACTED]
Title: Contracting Officer

Date: 02 Aug 2022
Signature: [REDACTED]

14. Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.

Typed Name: [REDACTED]
Title: Contracting Officer

Date: 02 Aug 2022
Signature: [REDACTED]

Approval

Based on the foregoing justification, I hereby approve the procurement of the Managed Switch Kits in the total estimated amount of \$20.57M. This approval is based on an other than full and open competition basis pursuant to the authority of Federal Acquisition Regulation (FAR) 6.302-1(a)(2)(ii)(B), "Only one responsible source and no other supplies or services will satisfy agency requirements". This approval is subject to availability of funds and provided that the services and property herein described have otherwise been authorized for acquisition.

8/10/2022

X Daniel J. Gallagher

Daniel J. Gallagher

Senior Contracting Official ACC-DTA

Signed by: GALLAGHER.DANIEL.JOSEPH.1034297360