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JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

I. Contracting Activity.

This Justification and Approval is to request authority for Other Than Full and Open Competition supporting requirements generated for the Air Force Sustainment Center (AFSC), 638 Supply Chain Management Group (SCMG), 407 Supply Chain Management Squadron (SMCS)/GULD. The contracting activity for this requirement is Robins Air Force Base, DLA/AWB. The purchase request number supporting this contracting action is FD2060-23-00087.

II. Nature and/or Description of the Action Being Processed.

Due to the circumstances described herein, the activity requests authority to acquire the item listed in the document using Other Than Full and Open Competition as prescribed by FAR 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements. This effort will result in the award of a new sole source C type contract with a one year period of performance (PoP), projected to be 30 Nov 2023 through 29 Nov 2024. Resultant CLINs will be Firm-Fixed Price (FFP) with Data Not Separately Priced (NSP).

This sole source requirement will be purchased from the following company:
Rolls Royce Corporation
450 S Meridian Street
Indianapolis, IN 46225
Cage Code 63005
Large business

III. Description of the Supplies/Services Required to Meet Agency Needs.

This requirement is for the procurement of spares for RQ-4 Global Hawk Pump Aux Scavenge Pump, National Stock Number (NSN): 2915-01-597-3485TM, Part Number (P/N): 23088351. The Global Hawk system provides a broad spectrum of intelligence collection capabilities to support joint forces in worldwide peace, crisis, and wartime operations. The Global Hawk system is expected to remain in service until 2027. The contractor will be required to produce assets in accordance with the test requirements and specifications. The auxiliary scavenge pump is a two part component that is necessary to prevent oil foaming at high altitude, it also recovers scavenged oil from the engine and accessory-driven gearbox (ADG) and return it to the oil tank.

The projected requirement are as shown below.

Noun	NSN	Cost Type	BEQ	U/I	Unit Price	Total Cost
Pump Aux Scavenge Assembly	2915-01-597-3485TM	FFP	3	EA		

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Data		NSP				
					Total	██████████

Total estimated contract value is ██████████. The basis for the estimated cost was derived from the Forecast Unit Price on the March 2022, D200 Summary computation. Additionally, the estimated quantity was computed using the D200A requirements system. The anticipated delivery schedule is 269 days after receipt of assets.

This NSN was screened and assigned Acquisition Method Code (AMC)/ Acquisition Method Suffix Code (AMSC) of 3/R. AMC “3” indicates acquire, for the second or subsequent time, directly from the actual manufacturer. AMSC “R” indicates the Government does not own the data or the rights to the data needed to purchase this part from additional sources. It has been determined to be uneconomical to buy the data or rights to the data. It is uneconomical to reverse engineer the part.

IV. Statutory Authority Permitting Other Than Full and Open Competition.

10 U.S.C. 2304(c) (1), as implemented by FAR 6.302-1, Only One Responsible Source and No Other Supplies or Services will Satisfy Agency Requirements.

V. Demonstration that the Contractor’s Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (Applicability of Authority).

The Government's minimum needs can only be satisfied by the unique supplies and services available from Rolls Royce Corporation, the only qualified vendor of the Pump Auxiliary Scavenge Assembly. This item is peculiar to the RQ-4 Global Hawk. The USAF has never purchased these items, therefore there is no procurement history for this item in Contracting Information Database System (CIDS). Additionally, there is no previous Justification and Approval (J&A) for the procurement of this item. Rolls Royce Corporation manufactures these Aux Lube Pumps for the OEM Northrop Grumman. Northrop Grumman is the platform OEM and maintains OSS&E authority over all approved suppliers/vendors. In this case, the Government will bypass Northrop Grumman and purchase the items directly from Rolls Royce Corporation, the approved vendor. Rolls Royce Corporation is the sole owner of the technical data package and intellectual property for the item sought under this effort.

Rolls Royce Corporation is the Original Equipment Manufacturer (OEM) of the Pump Auxiliary Scavenge Assembly. They own the technical data package (TDP) and all data rights and are identified on the design requirements and source controlled drawings. A complete TDP is required in order to manufacture the Pump Auxiliary Scavenge Assembly. The Government does not possess sufficient engineering drawings or full access to the TDP and lacks internal component knowledge. The Government contacted Rolls Royce Corporation via email on 20 July 2022 to inquire on their interest in selling the TDP to the Government. The company responded via email 25 June 2022, stating “Rolls Royce is not willing to sell the rights to this unit.”

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The Government does not have proprietary data rights that would allow for a competitive solicitation, nor does the Government own sufficient data required to implement an open competition. The projected timeline for a reverse engineering effort of this magnitude, would be a minimum of two or three years at a cost between [REDACTED] to [REDACTED], based on inquiries in the past such as the Global Hawk Airborne Database Computer. Qualification of a new source of supply would take a minimum of two years, not including contract lead time, from the receipt of funding. The new source would be required to supply at a minimum: functional block diagrams, outline drawings including reference designators, schematic diagrams (electrical, mechanical, and electro-mechanical) Identification of special tooling, Environmental Qualification Procedures, Acceptance Test Procedures, and Special Test Equipment requirements. Obsolete parts and identification of alternatives or requisite redesigns, and the means to validate all of the above would take a vendor approximately two years to accomplish given the historical data on similar projects. An additional year would be required for the Government to gain Rolls Royce approval, since the Government does not have the system integration test capabilities. Production could not start until all the aforementioned steps were completed. The Government has determined that this would cause a break in supply, which will cause unacceptable delays and would seriously impair the mission capability, to include increase Mission Impaired Capability Awaiting Parts (MICAPs) and the inability to accommodate surge requirements. Therefore this instant acquisition is necessary for the continued performance of a highly specialized item/system.

Accordingly, Rolls Royce Corporation is the only firm capable of providing the requirements described in Section III above without the U.S. Air Force experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

VI. Description of Efforts Made to Ensure that Offers are Solicited From as Many Potential Sources as Practicable.

A Sources Sought (SS) was posted to beta.SAM web page on 8 August 2022 with a response date of 18 August 2022 under Notice ID NSN 2915-01-597-3485TM, Pump Aux Scavenge Assembly. The SS requested responses from interested vendors that possess the expertise, capabilities, and experience to meet qualification requirements for this effort. The synopsis did not produce any responses from vendors.

The requirement will be synopsisized in beta.SAM in accordance with FAR 5.201. It is anticipated that sources having an interest in subcontracting may be identified through synopsis. Although the Government does not own the data to support procurement of the Pump Aux Scavenge Assembly, any source who responds to the Government as a result of this synopsis will be identified to the prime contractor as a potential subcontracting possibility.

VII. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable.

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The overall cost of this acquisition will be fair and reasonable to the Government. In accordance with FAR 15, the Contractor will be required to provide certified cost or pricing data to be used to support the Government's evaluation of the proposed cost. The proposed skill mix of labor, labor hours, type and quantities of material and other direct costs, and direct and indirect rates will be negotiated by the Government based on recommendations from the Defense Contract Management Agency and expert technical personnel supporting the program. The contract price will be negotiated in accordance with the procedures in FAR 15, ensuring the ultimate cost to the Government is fair and reasonable.

VIII. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research was not Conducted.

Market research was conducted during 3 August 2022 and completed on 15 August 2022 in accordance with FAR Part 10.001 and 10.002.

The market research techniques used are as follows: Internet searches, using the following search "Aircraft Engine Parts Manufacturing" and the applicable North America Industry Classification System (NAICS) code 336412. Searches did not yield any potential vendors suitable to satisfy this requirement.

As described in Section VI above, a SS was posted to beta.SAM advising industry of the pending acquisition and soliciting inquiries from interested vendors. The SS was posted on 8 August 2022 under Solicitation Number NSN 29150-01-597-3485TM, Pump Aux Scavenge Assembly. No one responded to the SS/RFI.

The market research techniques used are as follows:

The Internet searches were used to try to identify any other manufacturers of Global Hawk (RQ-4) products. The following websites were searched for alternate manufacturers:

- Google and Haystack: for NSN and Part Number hits
- General Services Administration (GSA) Advantage
- Thomas Net Search Engine (Keywords "Landing Gear Components")
- Dynamic Small Business Search (DSBA Keywords – NAICS codes)
- Small Business Administration (SBA)
- 448W RSS Feed for Small Businesses (Keywords – NAICS codes listed above)

Queries were conducted within Government databases and various internet searches (IHS, Haysatck, GSA Advantage, and Google) were performed using North American Industry Classification System (NAICS) codes listed above.

The Thomas Net search engine was also used to search for companies under the "Lubricating Pumps Suppliers" category, which resulted in 120 companies. None of these 120 suppliers have the technical data to produce Unmanned Aerial Vehicle (UAV)/Global Hawk related lubricating pumps. There is no Global Hawk OEM approved commercially substitute for the acquisition of the part under this effort.

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A search in the Dynamic Small Business website (SBA) was also conducted, using NAICS code “336412,” “ISO-9000” standard, and key words “lubricating pumps” or “jet engine pump”, or “engine pump” but no companies were found.

The final search was performed via the established 448 Wing RSS Feed, which creates a folder of small businesses in the work email. After searching this folder for NAICS codes listed above, several small businesses were obtained. None of these businesses have the required tech data needed to manufacture an OEM approved Auxiliary Lubricating Pump for the Global Hawk platform, and the government is not able to provide them with the technical data since it does not have the access to it.

The market research concluded that there are no additional companies/sub-vendors that have access to the technical data or are approved by the OEM Northrop Grumman for the purchase of the parts required under this effort.

IX. Any Other Facts Supporting the Use of Other Than Full and Open Competition.

None.

X. List of Sources, if any, That Expressed Interest in the Acquisition.

See Section VI above.

XI. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition Before Making Subsequent Acquisitions for the Supplies or Services Required.

Based on the market research conducted and economic analysis performed, there is no plan to foster full and open competition, at this time. The Government did not purchase and does not own the data required to compete this effort. The Global Hawk Original Equipment Manufacturer (OEM) Rolls Royce Corporation, maintains proprietary data specific to the unique items they manufacture. The Technical Data required, remains proprietary despite the Government’s efforts to obtain it. Rolls Royce refused to consider selling the necessary tech data to the Government in an email response dated 25 July 2022. The program office will continue to access contractor’s willingness to sell data to the Government.

XII. Certification by the Contracting Officer.

As evidenced by my signature on the Coordination and Approval Document (CAD), I have determined this document to be both accurate and complete to the best of my knowledge and belief.

XIII. Technical/Requirements Personnel’s Certification.

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As evidenced by my (our) signature(s) on the CAD, I (we) certify that any supporting data contained herein, which is my (our) responsibility, is both accurate and complete.

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