



DEPARTMENT OF DEFENSE WASHINGTON
HEADQUARTERS SERVICES
1155 DEFENSE PENTAGON
WASHINGTON, DC 20301-1155



Control No. [REDACTED]

SOLE SOURCE JUSTIFICATION UNDER SIMPLIFIED PROCEDURES
FOR CERTAIN COMMERCIAL ITEMS
UNDER FEDERAL ACQUISITION REGULATION (FAR) 13.5

- 1. AGENCY AND CONTRACTING ACTIVITY:** The Contracting Activity is the Department of Defense (DOD), Washington Headquarters Services (WHS), Acquisition Directorate (AD), Enterprise Security Services Directorate (ESSD). The Requiring Agency is the Defense Innovation Unit (DIU).
- 2. DESCRIPTION OF ACTION:** This action requests approval to issue a sole source contract to acquire WireScreen Subscription Licenses from Wire Digital Inc. (650 California Street, San Francisco CA 94108). WHS/AD proposes to issue a firm-fixed priced (FFP) contract utilizing Fiscal Year (FY) 2022 Operations and Maintenance (O&M) funding. The estimated value of this contract is \$278,400.00. The anticipated period of performance consists of a twelve (12) month base period with two (2)-twelve (12) month option periods.
- 3. DESCRIPTION OF SUPPLIES/SERVICES:** DIU has a requirement for one (1) WireScreen® Subscription *from the Wire China* and six (6) additional WireScreen Solution License for the Office of the Under Secretary of Defense for Research and Engineering (OUSD(R&D)), so that DIU and OUSD(R&D) can access information pertaining to China's economic rise, and its influence on global business, finance, trade, labor and the environment, to illuminate Beneficial Ownership, Global Sanctions, State Owned Enterprises, and other concerning networks connected to the Peoples Republic of China (PRC).

Performance Periods	Performance Period Dates	Amount
Base Period	August 1, 2022 – July 31, 2023	[REDACTED]
Option Period 1	August 1, 2022 – July 31, 2023	[REDACTED]
Option Period 2	August 1, 2022 – July 31, 2023	[REDACTED]
Base + All Options		[REDACTED]

- 4. AUTHORITY CITED:** This action is under the procedures of Federal Acquisition Regulation (FAR) 13.5 under the authority of:

☒ 41 U.S.C. 1901, Simplified Acquisition Procedures

- 5. REASON FOR AUTHORITY CITED:** The Defense Innovation Unit (DIU) requires the use of the WireScreen Subscription licenses to compliment the suite of Business Intelligence tools currently deployed within DIU to conduct various types of risk exposure due diligence that spans across financial and market place sectors that DIU engages in and needs to keep abreast with. Specifically, WireScreen will add to a nuanced understanding of where Chinese Government and State-Owned Enterprises (SOEs) contribute capital and who they use to gain momentum within the various DIU portfolio verticals. Furthermore, WireScreen illuminates Beneficial Ownership, Global Sanctions, State Owned Enterprises, and other concerning

networks connected to the Peoples Republic of China (PRC). This solution will aid in monitoring and analyzing risk exposures that may negatively affect DIU Portfolio companies and Federal and Department of Defense stakeholders. WireScreen is a software platform that hosts the most comprehensive registry of information on Chinese public and privately-held corporations and their U.S. based procurement arms, the equity stakes that exist under those arms and within higher echelons of corporations that are considered China SOEs. The solution also illuminates Chinese Defense contractors, arms dealers, security and surveillance companies, as well as who manages these entities, offering licensed users a deeper understanding of China government-controlled entities that are not otherwise listed in their public filings. Since Wire Digital Inc. only sell their products directly to customers, Wire Digital Inc. is the only company capable of providing the required software license subscription to support this requirement.

Failure to support this requirement would adversely affect the National Security responsibilities of DIU. If the J&A is not approved and the services are not provided, DIU's visibility into the continuing economic and national security threat that China poses to the Defense Innovation ecosystem, and America as a whole, will be hampered.

6. EFFORTS TO OBTAIN COMPETITION: WHS reviewed possible unclassified sources listed on GSA Advantage, NASA SEWP and NITACC for potential vendors capable of providing similar/same services. No suitable matches were found to meet the customer's requirement to overcome the limitations of direct lines and network of China based beneficial ownership and corporate structures.

7. FAIR AND REASONABLE COST DETERMINATION: I hereby determine that the anticipated price for this order will be fair and reasonable. The techniques identified at FAR 13.106-3(a), "Basis for Award," will be used to ensure award will be at fair and reasonable prices. Upon receipt of proposal and this analysis complete, the Contracting Officer will make the determination of fair and reasonable pricing prior to award.

8. MARKET RESEARCH: Market research was conducted by surveying the commercial market place to locate vendors capable of providing China based beneficial ownership and corporate structure information. After identifying several commercial products, multiple vendor product demonstrations were conducted. As a result of the demonstrations, DIU determined that Wire Digital's WireScreen platform is the only product capable of meeting the Government's requirement. On July 20, 2022, WHS/AD issued a "Notice of Intent to Sole Source" on Sam.gov's website for three (3) days to comply with FAR 5.203(a)- Publicizing and Response Time. On July 22, 2022, the notice closed without the Government receiving any responses.

Additional market research was conducted by surveying the commercial marketplace to locate vendors capable of providing the WireScreen Subscription Licenses. After conducting discussions with Wire Digital Inc., WHS/AD determined that Wire Digital Inc. only sells their products directly to customers. As a result, Wire Digital Inc. is the only vendor capable of providing the required services since they only sell their products direct and they own the proprietary rights to make updates and changes to the software application.

9. ANY OTHER FACTS SUPPORTING THE USE OF SOLE SOURCE: Not applicable.

10. INTERESTED SOURCES: Not applicable.

11. ACTIONS TO INCREASE COMPETITION: For future requirements, the Government will seek other potential vendors who provide similar/same services that are either compatible with WireScreen Subscription Licenses, or provide additional benefits to the Government.

Is this acquisition for a non-competitive follow-in acquisition previously awarded on a non-competitive basis?

☐ Yes. A copy of the previous justification is attached. The actions to remove any barriers to competition cited on the previous justification ☐ were ☐ were not completed.

☐ No. The original acquisition was conducted on a competitive basis.

☒ Not Applicable. This is a new requirement.

CERTIFICATION

I, hereby, certify that the supporting data under my cognizance included in this justification are accurate and complete to the best of my knowledge and belief.

 Digitally signed



Program Office, DIU

Date

APPROVAL

I, hereby, certify that the supporting data under my cognizance included in this justification are accurate and complete to the best of my knowledge and belief. Therefore, this justification is approved.

 Digitally signed by
WALLACE.KEALON. 



Contracting Officer, WHS/AD

Date