

JUSTIFICATION AND APPROVAL  
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
260 Industrial Way West  
Eatontown, New Jersey 07724
  
2. Description of Action: The proposed action is for a firm-fixed price (FFP) Task Order (TO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition Contract (GWAC) to renew extended service and support for brand name Cisco Video-Teleconferencing (VTC) endpoints. The period of performance for this action is 12 months.
  
3. Description of the Supplies or Services: The proposed action is to renew the extended service and support for the Office of Information Technology (OIT) and Veterans Benefits Administration's (VBA) brand name Cisco VTC endpoints located at VACO in Washington, D.C. The service and support includes a service agreement that will provide OIT the ability to renew the technical support for all the Cisco brand name VTC endpoints that currently do not have maintenance service agreements. Endpoints consist of hardware and software that allows communication to be sent to other VTC systems. The service agreement includes repair to hardware when the existing hardware needs to be fixed, software updates to ensure the currently fielded software continues to meet VA's network security requirements, and technical support to ensure the endpoints remain operational.
  
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized".
  
5. Rationale Supporting Use of Authority Cited Above: Based on market research, as described in paragraph 8 of this document, it was determined that limited competition is viable for the aforementioned services. The VACO Campus has been utilizing Cisco/Tandberg brand VTC equipment for five years. No other source other than Cisco or its authorized reseller can provide the aforementioned extended service and support for brand name Cisco VTC endpoints without the Cisco proprietary source code. Without this source code, the Cisco brand name VTC endpoints would no longer be operational. Specifically, this code is needed to repair the hardware because the existing hardware has built in chip sets that any source could not repair without Cisco's proprietary data which is only accessible through the source code. This code is also needed to update the existing software. Updating this software must be completed by patching the change to the current software which can only be accomplished by using Cisco's proprietary data which is only

accessible through the source code. Failure to acquire the aforementioned extended service and support for brand name Cisco VTC endpoints would result in various Veteran Integrated Service Networks (VISNs) no longer being able to communicate among each other. Furthermore, VA senior leadership will not be able to communicate via VTC with the leadership of the medical centers and regional offices. This would incur VA millions of dollars of in travel cost for meeting and thousands of hours lost in productivity. If it is determined that VACO needs to use a different brand of Video Conferencing Equipment, it would take over \$15 million to replace all the Cisco equipment.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. It was determined, however, that limited competition is viable among authorized resellers for this brand name service. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsisized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.

7. Actions to Increase Competition: In order to remove or overcome barriers to competition in future acquisitions for this requirement, the agency will work with the program office to perform additional market research so that other solutions can be considered for future requirements. The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.

8. Market Research: Market research was conducted in July 2013 via a Request for Information (RFI) on the NASA SEWP IV GWAC website to ensure there are no other sources other than Cisco or its authorized resellers that could provide extended service and support on the Cisco VTC endpoints. Three responses were received, all of which proposed only Cisco brand name solutions for maintenance of the VTC systems. A review of the responses was completed by the technical team and it was determined that all vendors can provide the required brand name services. VA technical personnel conducted additional market research in April 2013. This market research consisted of VA technical personnel searching for alternatives for VTC endpoint maintenance service providers other than Cisco. The Government looked at Polycom, however it does not provide maintenance services for Cisco VTC endpoints. Based on research which included extensive reviews of technical bulletins and research of third party software and maintenance services, such as KBZ, the Government's technical experts determined no vendor can meet VA's needs. VA VTC subject matter experts regularly review industry trade publications and conduct internet research to ascertain if any other maintenance solution is available. Based on all of these market research efforts, the Government's technical experts have determined that only Cisco brand name VTC maintenance services meet all of VACO's needs. Finally the Government researched the extent of limited competition in August 2013 by researching the NASA SEWP IV GWAC manufacturing look-up tool and located 35 Cisco resellers that could provide the aforementioned service agreement. Therefore limited competition is anticipated.

9. Other Facts: None