

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office 15, Consolidated Mail Outpatient Pharmacy Acquisition Team. Justification for other than full and open competition for Panther Auto-Apply Labels and print ribbon to be utilized on the SP Sprint Automated Packaging Systems automatic Rx packer in reference to 766-14-2-401-0301 for Charleston CMOP.
2. **Nature and/or Description of the Action Being Processed:** Department of Veterans Affairs, NCO 15, CMOP Division plans to solicit via open market on the Government-wide point of entry at www.FBO.gov for Panther Auto-Apply Labels and print ribbon that are not found on contract.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Charleston CMOP is a state of the art, automated pharmacy with a daily output of approximately 110,000 prescriptions; we rely heavily on several unique pieces of high output, automated dispensing equipment. Charleston CMOP is currently installing and testing a \$14 million high speed tablet and capsule dispensing system. As part of this new high speed system there are 2 SP Sprint Automated Packaging Systems being installed. These systems are the SP Sprint Automated Packaging System and will require the Original Equipment Manufacturers (OEM) Panther Auto-Apply Labels and print ribbon to be utilized on these systems during the testing and acceptance phase for the SP Sprint Automated Packaging Systems.

Panther Auto-Apply Labels, 4.00" x 6.00", Blank White Paper, Thermal Transfer (Requires Ink Ribbon), Permanent Adhesive, Non-Perf., 3" Core, 14" O.D. (1968', 600M), 3800 Labels per roll; and

Ribbon, 4.33"x1968',(110mm x 600M) Blk, Resin Enhanced Wax,1"Core, W.O., 24 Rolls Per case, labels and ribbons are matched in length so customer can change them both at the same time.

The estimated annual dollar value is [REDACTED]

4. **Statutory Authority Permitting Other than Full and Open Competition:**

- (XX) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- () (2) Unusual and Compelling Urgency per FAR 6.302-2;
- () (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
- () (4) International Agreement per FAR 6.302-4
- () (5) Authorized or Required by Statute FAR 6.302-5;
- () (6) National Security per FAR 6.302-6;
- () (7) Public Interest per FAR 6.302-7;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** The Charleston CMOP is in the process of installing a new \$14 million dollar high speed tablet and capsule dispensing system which includes 2 SP Sprint fully Automated Packaging System. The SP Sprint Automated Packaging Systems require the Original Equipment Manufacturers (OEM) Panther Auto-Apply Labels and print ribbon to be utilized on these systems during the testing and acceptance phase for the Sprint Automated Packaging System. The source we are proposing to use is the manufacturer for the labels and ribbon systems and they have worked exclusively with the Zebra to design and produce these products for this printer design. While Panther Industries has authorized distributors and vendors for various Panther systems, Panther Industries is the only provider for the Ribbons and labels of the systems. Procurement of the proper materials will ensure optimum results for the testing and acceptance phase of this project and equipment.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A pre-solicitation notice will be publicized on the Federal Business Opportunities website at www.fbo.gov . The request for quote will follow the pre-solicitation notice and will also be posted on the FBO website.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The Charleston CMOP submitted a funded purchase request (2237) 766-14-2-401-0301 in which pricing was estimated at [REDACTED] from the manufacturer. A published price list will be requested from the manufacturer in order to determine price reasonableness.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** There are no other labels and ribbons that can meet the Government's Requirements for testing. Panther Industries is the manufacturer and sole provider for the Panther Auto-Apply Labels and Ribbons. Only the Original Equipment Manufacturers (OEM) Panther Industries' Auto-Apply Labels and print ribbons may be utilized in the existing Charleston CMOP equipment, during the testing and acceptance phase for the automated packaging system.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Not Applicable.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Not applicable, as this will be procured by way of an open market solicitation. Panther Industries does not currently have any authorized retailers or distributors for the auto-apply labels and ribbons.
11. **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:** If we are unable to secure these operational supplies in a large enough quantity we will not be able to complete acceptance testing of the new high speed Tablet/Capsule Automation (TCA) system to include the SP Sprint Automated Packaging System. This will have a negative impact on Veterans Health Administration as well as the vendor who is completing the installation of the system. The Charleston CMOP must complete the testing and acceptance phase of this contract by May 14, 2014. Delays in testing and acceptance will have a negative effect on patient care. During the six month testing and acceptance phase, CMOP and NCO 15 will be conducting efforts to increase competition for a future Blanket Purchase Agreement (BPA).