

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724
2. Description of Action: The proposed action is for a firm-fixed-price contract for Cisco Systems, Inc.'s (hereinafter referred to as Cisco) brand name SMARTnet Maintenance and Advanced Services Support for Cisco networking, telephony, TelePresence, Unified Communications, and Unified Computing devices and applications deployed throughout VA. The period of performance for this action includes a 12-month base period, with four 12-month option periods, if exercised.
3. Description of the Supplies or Services: This action is required to renew Cisco SMARTnet Maintenance and Advanced Services Support for the network infrastructure support that expires September 30, 2014, and consolidate a separate Cisco SMARTnet Telepresence support contract expiring May 15, 2015. The objective is to form a single, cohesive Enterprise Service Agreement (ESA) that will provide Cisco brand name SMARTnet Maintenance and Advanced Services Support for the VA Office of Information and Technology managed Cisco equipment and applications worldwide. VA has made a significant investment in the existing networking, video, and unified computing infrastructure, which consists primarily of Cisco systems equipment and associated software. In fact, VA has more than 180,000 Cisco devices in its network, video (TelePresence), and unified computing infrastructure, and requires Cisco SMARTnet Maintenance and Advanced Services Support for each of these devices and applications. Cisco SMARTnet Maintenance and Advanced Services Support is a proactive and reactive technical support service that provides anytime access for VA staff to Cisco engineers and Cisco.com resources to resolve critical issues related to Cisco Networking, Telephony, Unified Communications, TelePresence, and Unified Computing (server and converged virtualization) devices and applications. Cisco SMARTnet provides the following support for all covered products: registered access to Cisco.com for online technical assistance; software updates and support on devices and licensed operating system software, (including all maintenance, minor, and major releases); access to the Cisco Technical Assistance Center 24 hours a day/seven days a week; equipment firmware updates; and advanced warranty replacement exchange of failed hardware either by next business day or 24 hours a day/seven days a week/four hour delivery, depending on the type of equipment and its criticality to on-going operations. Cisco Advanced Services provide support for network optimization consisting of design support, software strategy, performance engineering and optimization, knowledge transfer, and mentoring service modules. This proposed action is only for services and ancillary items necessary to complete repairs. No new software or devices will be procured under this contract. [REDACTED]
[REDACTED]

4. Statutory Authority: The statutory authority permitting other than full and open competition is 41 U.S.C. 3304(a)(1) as implemented by the Federal Acquisition Regulation (FAR) Subpart 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."
5. Rationale Supporting Use of Authority Cited Above: Based on market research, as described in paragraph 8 of this document, it has been determined that limited competition is available for this procurement. Accordingly, this is a brand name justification in support of FAR 11.105, Items Peculiar to One Manufacturer; namely, Cisco. Cisco does not conduct business directly with the Government. Only Cisco resellers are authorized to provide Cisco brand name hardware, applications, and support services. Only an authorized Cisco reseller can provide the aforementioned services on the Cisco brand name items due to proprietary data constraints. The Government's technical experts contacted Cisco in July 2014 to ascertain if its proprietary data was for sale. However, Cisco advised that this data is not for sale. Any source other than an authorized Cisco reseller would need access to that proprietary data in order to provide the required services and the ability to configure, maintain, and support updates necessary to ensure the items remain operational and secure. In addition, only authorized Cisco resellers can provide direct access to the core Cisco software, licensing, and support necessary for maintenance and support of these essential devices and applications. VA requires that each device and system operating on the VA's network has the most current software updates to defend against potential operational impacts and security threats, while also requiring fully interoperable software and hardware replacements in the event a specific device or application fails. Without Cisco SMARTnet Maintenance and Advanced Services Support, critical security and operational updates to VA's installed base of Cisco Networking, Telephony, Unified Communications, TelePresence, and Unified Computing (server and converged virtualization) devices and applications will be eliminated, thereby placing the sustainability and reliability of VA services at high risk. Due to the criticality of both the equipment and applications, as security threats and operational issues are identified, updates to the devices and applications must be made. If the core network or other key applications were to fail due to either a software or hardware failure, both vital VA medical and support operations would be severely compromised. Without the requisite Cisco SMARTnet Maintenance and Advanced Services Support, VA's primary mission of providing timely access to quality health care and benefits would be diminished. Based on the above information, the Government's technical experts concluded that only authorized Cisco resellers have the required access to maintain Cisco equipment and associated software in order to extend the warranties and ensure critical security updates are provided to the Government.
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, or whose solutions can be modified to meet, the Government's requirements, other than authorized Cisco SMARTnet resellers. It

was determined however that limited competition is viable among authorized resellers for this brand name item. Additionally, the proposed action will be synopsisized on the Federal Business Opportunities (FBO) Page in accordance with FAR 5.201, and the justification along with the solicitation will be made publicly available in accordance with FAR 6.302-1(c)(1)(ii)(C). Any proposals that are received through the synopsis posting shall be evaluated.

7. Actions to Increase Competition: 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 June 2014 by posting a Request for Information (RFI) on the FBO website. [REDACTED]

[REDACTED] The RFI yielded [REDACTED] responses consisting of [REDACTED] authorized Cisco resellers and [REDACTED] non-Cisco resellers. The [REDACTED] non-Cisco resellers [REDACTED] neither [REDACTED] adequately addressed the RFI and merely provided marketing materials minimally related to the Government's requirements. Without access to Cisco proprietary data, which is only available through authorized Cisco resellers, neither of these companies can meet the Government's requirements. The Government's technical experts contacted each of these [REDACTED] sources in July 2014 and advised them of the Government's assessment that they could not meet VA's needs; no objections were received. The remaining [REDACTED] Cisco resellers demonstrated their respective ability to meet VA's needs and thus, limited competition among Cisco resellers is anticipated. Based on the analysis of the responses received, limited competition will be pursued under FBO on an other than full and open competition basis.

9. Other Facts: The services identified in this procurement are commercially available through Cisco resellers. The Government has no data packages or rights to any of the hardware or software identified in this procurement.