

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval
For
Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VHA, SAO EAST, NCO 7, Ralph H. Johnson VA Medical Center, 109 Bee Street, Charleston, SC 29401

Justification for Other Than Full and Open Competition for purchase request VA2237 #: 534-15-1-025-0009.

2. **Nature and/or Description of the Action Being Processed:** Request for approval for a new, firm-fixed price contract for Immucor to provide a Rental Reagent Agreement, inclusive of rental, and all maintenance and services support for two (2) Immucor Galileo E Echo Blood Bank Automated Analyzers, which are currently in use and have been on site at the Ralph H. Johnson VA Medical Center since at least 2009.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Ralph H. Johnson VA Medical Center has been utilizing Immucor to provide a Rental Reagent Agreement, inclusive of rental, and all maintenance and services support for two (2) Immucor Galileo E Echo Blood Bank Automated Analyzers since at least 2009. Immucor is the sole provider of these services, including rental, preventative maintenance and services necessary to maintain the two (2) Immucor Galileo E Echo Blood Bank Automated Analyzers. Immucor does not outsource or endorse any 3rd party providers of service and support. Thus, Immucor is the sole and exclusive provider of these services.

The estimated period of performance is (twelve) 12 months for the base period, plus four (4) twelve (12) month option periods.

The total estimated value, including options, is \$278,008.80. A further breakout is identified below:

Description	Quantity	Unit	Unit Cost	Total Cost
BASE: 10/1/14 – 9/30/15 Rental Reagent Agreement, inclusive of rental, maintenance and service support for two (2) Immucor Galileo E Echo Blood Bank Automated Analyzers	12	MO	\$4,633.48	\$55,601.76
Option 1: 10/1/15 – 9/30/16	12	MO	\$4,633.48	\$55,601.76
Option 2: 10/1/16 – 9/30/17	12	MO	\$4,633.48	\$55,601.76
Option 3: 10/1/17 – 9/30/18	12	MO	\$4,633.48	\$55,601.76
Option 4: 10/1/18 – 9/30/19	12	MO	\$4,633.48	\$55,601.76

4. **Statutory Authority Permitting Other than Full and Open Competition:** 41 USC §253(c)(1), as implemented by FAR 6.302-1.

☒ (X) (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):**): In accordance with FAR 6.302-1, there is only one responsible source to provide the services to satisfy Agency requirements by being uniquely capable of providing the rental, and monthly preventative maintenance services and support; for the two (2) Immucor Galileo E Echo Blood Bank Automated Analyzers. No other supplies or services will satisfy Agency requirements. The Ralph H. Johnson VA Medical Center (RHJVAMC) has been contracting exclusively with Immucor, to perform the same services since at least 2009. This is because Immucor is the sole and exclusive manufacturer of these Immucor Galileo E Echo Blood Bank Automated Analyzers. The two Immucor Galileo E Echo Blood Bank Automated Analyzers are currently in use and have been on-site at the Ralph H. Johnson VA Medical Center since at least 2009. The two analyzers have been validated according to proprietary standards. The Immucor Galileo E Echo Blood Bank Automated Analyzers are proprietary and contain proprietary software; therefore the requisite maintenance services require special and unique software which can only be provided by the sole and exclusive manufacturer, Immucor. . Because Immucor is the sole and exclusive provider of these services on its proprietary equipment, it is uniquely qualified to perform under this requirement. For purposes of consistency and the RHJVAMC's requirements, utilizing any other company to perform these services is not feasible or practical. The services required can only be provided Immucor. Immucor does not outsource or endorse any 3rd party providers of service and support. Thus, Immucor, is the sole and exclusive provider of these services. Accordingly, Immucor, is the only entity capable of providing the supplies and services described in Section III above without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Prospective sources were provided a meaningful opportunity to demonstrate an ability to meet the Ralph H. Johnson VA Medical Center's requirements with a Notice of Intent to Sole Source.

Notice of Intent to Sole Source Synopsis: A Notice of Intent to Sole Source was issued to FedBizOps on September 11, 2014, with synopsis number: VA247-14-N-1637, to gain knowledge of any other potential qualified sources relative to NAICS 811219 Laboratory Instrument Repair and Maintenance Services (Size Standard \$20.5M)


The Notice of Intent to Sole Source closed on September 16, 2014 with zero (0) responses because Immucor is the sole provider of these unique services and the only entity capable of providing the rental, maintenance and service support on the proprietary, Immucor Galileo E Echo Blood Bank Automated Analyzers. No other vendors have the capabilities and expertise necessary to support this requirement.

7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** In accordance with FAR 13.106-3(a)(2)(i),(iii), (vi) & (vii), the total estimated cost of these rentals, inclusive of all maintenance services is valued at \$278,008.80 over five years. The Contracting Officer has determined that the anticipated cost to the Government will be fair and reasonable based on Market Research whereby zero responses were received from any other potential vendors, Immucor's current price list, previous prices paid, including under the most recent RHJVAMC PO Obligation #: 534-C45006, and the proposed price being identical to the

Independent Government Estimate provided by RHJVAMC Supervisory Medical Technologist and Technical Expert, Joseph P. Pickett.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** As described in Section VI above, market research, in accordance with FAR Part 10, was conducted by synopsis of the proposed acquisition, advising industry of the pending acquisition and soliciting inquiries from interested parties. Zero vendors responded to the Notice of Intent to Sole Source - Market Research conducted using SBA's Dynamic Small Business Search tool using NAICS 811219, Laboratory Instrument Repair and Maintenance Services identified 3,315 potential vendors. A Vetbiz VIP search produced 91 potential vendors under NAICS 811219. However, only one vendor is the sole and exclusive provider of these services- Immucor. These unique services are not found on Federal Supply Schedule and must be purchased "open market". The mandatory sources available on GSA and the NAC VA Federal Supply Schedules were reviewed in addition to examining the acquisition history and experience with the marketplace. Immucor is the only entity offering the specific requirement. GSA Advantage, GSA e-Library and the VA NAC MedSurg Catalog were used to determine sellers of blood bank reagent analyzers, and it has been determined that Immucor is the only company capable of providing these services. Immucor VA NAC Contract V797P-5944X provides reagents only, while Immucor GSA Contract GS-07F-0399U explicitly excludes rental, maintenance and services from being offered on FSS Schedule. GSA Contract GS-07F-0399U is for the purchased equipment only; not rentals. Market research has demonstrated that the only source for obtaining this proprietary, Immucor equipment and associated services is from the manufacturer. The Immucor blood bank testing equipment contains technical data proprietary to Immucor and are licensed, sold, rented and distributed exclusively by Immucor. The two (2) Regent Rental Galileo Echo Automated Blood Bank Instruments, which have been on site at the RHJVAMC since at least 2009, can only be rented and serviced by Immucor. On 9/12/14, Immucor provided an official letter stating that "Immucor is the sole provider of the Echo Blood Bank System and its related service and support. Immucor does not outsource or endorse any 3rd party provider of service and support."
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** The Ralph H. Johnson VA Medical Center (RHJVAMC) has been contracting exclusively with Immucor to provide the same services since at least 2009, because there are no other vendors that can perform these services or support. Immucor is the sole and exclusive provider of these rentals and associated services, thus is uniquely qualified to perform under this requirement. On 9/12/14, Immucor provided an official letter stating that "Immucor is the sole provider of the Echo Blood Bank System and its related service and support. Immucor does not outsource or endorse any 3rd party provider of service and support."
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Zero vendors responded to the Notice of Intent to Sole Source because Immucor is the exclusive and sole provider of these services.
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:** The Ralph H. Johnson VA Medical Center will continue to conduct market research, including interacting with vendors at professional conferences, exhibitions, and trade shows, to identify alternative sources that could be considered for future acquisitions.

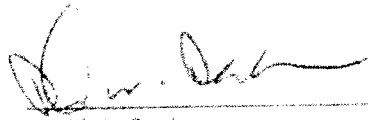
12. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.


Joseph P. Pickett
Supervisory Medical Technologist
Ralph H. Johnson VA Medical Center
VISN 7

September 16, 2014
Date


13. **Approvals in accordance with FAR 6.304**

- a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.


David W. Decker
Contracting Officer
NCO 7

9/16/2014
Date

- b. **NCM/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.


Prudence Y. Howard
Director of Contracting
NCO 7

9/17/14
Date

RAJ
NCO 7QA
9-17-14