

LIMITED SOURCES JUSTIFICATION

ORDER >\$3,000

FAR PART 8.405-6(g)

2237 Transaction #s or Vista Equipment Transaction #s: 549-14-1-014-0003

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is for a sole source procurement; therefore, consideration of the number of contractors required by FAR Subpart 8.4 – Federal Supply Schedules, is precluded for the reasons indicated below.

Restricted to the following source:

Manufacturer/Contractor: Olympus America Inc.

Manufacturer/Contractor POC & phone number: steven.wendt@olympus.com 484-896-5436

Mfgr/Contractor Address: 3500 Corporate Parkway Center Valley, PA 18034-8229

☒ The requested material or service represents the minimum requirements of the Government.

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

Veterans Health Administration

Network Contracting Office 17

7400 Merton Minter Blvd

San Antonio TX 78229

VISN:

17

(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:

The Department of Veterans Affairs (VA) intends on placing a firm fixed priced delivery order on the Olympus America Inc. NAC (V797P-2065D) for the purchase of the requested surgical urology instruments. The action being approved is a limited source justification where only one source is capable of providing the supplies. Olympus America, Inc. is the only GSA/NAC vendor that offers the requested items on their schedule.

(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:

Urology Surgical Instruments – 54 Different Line Items (telescopes, cameras, cystourethroscope sheaths, irrigation ports, etc.)

(b) ESTIMATED DOLLAR VALUE: REDACTED

(c) REQUIRED DELIVERY DATE: No later than 30 days After Receipt of Order (ARO); but as soon as possible.

(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE (SEE FAR 8.405-6), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE. (CHECK ALL THAT APPLY AND COMPLETE)

☒ Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.

These instruments were identified as meeting the specific needs of the service and department standardization initiatives. The requested instruments were identified as being required for advanced and complex Urology procedures. Olympus scopes are the only scopes with the pre-cleaning method of residue removal that eliminates the need for traditional methods of cleaning. The NTVHCS selected these instruments because of their ease of cleaning. The Olympus instruments allow a brush to be completely passed thru the instrument for adequate decontamination. The continued use of Olympus America items is essential to the government's requirements; thereby precluding consideration of a product manufactured by another company. Olympus America meets or exceeds all VA National criteria for this program. The VA has a National Directive and has set a goal as an agency to standardize instruments, equipment, and processes. The service already owns three sets of these instruments and this purchase will allow them to standardize all Urology instrument sets. Accordingly; Olympus America Inc. is the only firm capable of providing these items without the Veteran's Health Administration experiencing unacceptable delays in fulfilling requirements.

☐ A patent, copyright or proprietary data limits competition.

☐ These are "direct replacements" parts/components for existing equipment.

☐ The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

☐ The new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.

☐ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

The requested instruments are on the Olympus NAC and GSA has already determined the prices of supplies and fixed-price services under schedule contracts to be fair and reasonable. In addition to this, the Contracting Officer intends to negotiate further discounts in accordance with FAR subpart 8.405-4. The Contracting Officer will ensure that all pricing is at or below the established GSA pricing and seek additional discounts before placing the delivery order. Therefore, it is the Contract Officer's determination that the anticipated cost to the Government will be fair and reasonable and that the order represents the best value consistent with FAR 8.404(d). The requested Olympus America Inc. instruments are proven and have worked well for the NTVHCS. Based on this information, the Contracting Officer has determined the continued use and support of the Olympus America Inc. instruments represents the best value to the government.

<u>Item Description</u>	<u>List Price</u>	<u>NAC Price</u>	<u>Quote Price</u>	<u>Discount</u>
WA20023A, Telescope	\$8,440.00	\$4,849.00	\$4,849.00	42.5%
WA20021A, Telescope	\$8,120.00	\$4,403.75	\$4,403.75	45.7%
A22002A, Telescope	\$6,790.00	\$3,545.75	\$3,545.75	47.8%
OTV-S7PROH-HD-10E, Camera	\$21,700.00	\$14,700.00	\$14,700.00	32.3%
WA02943A, Cope, Occular	\$9,750.00	\$6,296.50	\$6,296.50	35.4%

(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

Market Research was conducted by the Contract Specialist on GSA to locate other schedule contract holders. Currently, Olympus America Inc. is the only GSA/NAC schedule holder who can provide these items. A search of UNICOR and AbilityOne did not produce any results. A search of VetBiz identified one (1) vendor with Olympus capabilities; however, the vendor's capacity stated it was an Olympus service station. A GSA library search of the VetBiz vendor identified that he does not have a GSA FSS. A search of the SBA dynamic search engine identified eleven (11) vendors with Olympus capabilities; however, only four (4) of the vendors were identified as having a GSA FSA. A search of the four SBA GSA vendors' price lists that were available did not reveal any Olympus products offered.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION: N/A

(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

The required equipment is currently only available through one GSA/NAC schedule; that of Olympus America Inc. There are no actions that can be taken at this time to overcome competition barriers. Market research will be conducted on future requirements to determine if changes have been made in the marketplace.

(9) 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. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. *(This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)*

5/14/2014

// SIGNED//

REDACTED

CHIEF, SPS

DATE

(10) APPROVALS IN ACCORDANCE WITH FAR 8.405-6(d):

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

//SIGNED //

REDACTED

CONTRACTING OFFICER
SAO-W, NCO 17

DATE

b. NCM/PCM/DESIGNEE: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

// SIGNED //

REDACTED

DEPUTY DIRECTOR OF CONTRACTING
SAO-W, NCO 17