

JUSTIFICATION
FOR EXCEPTION TO FAIR OPPORTUNITY

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: This proposed action is to include brand name specifications in a Firm-Fixed-Price Delivery Order to be issued against the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V GovernmentWide Acquisition Contract (GWAC).
3. Description of Supplies or Services: Department of Veterans Affairs, Office of Information Technology, Service Delivery and Engineering, Enterprise Operations (EO) requires six IBM QRadar Security Core Appliances and associated hard drive retention and maintenance support. The required IBM QRadar Security Core Appliances will replace the functionality of the existing production event processors that are nearing end-of-life in the current IBM QRadar Security Incident Event Management (SIEM) system architecture. SIEM monitors, alerts, correlates, and provides Information Technology (IT) Security threat intelligence for all data processed by systems managed by EO including collected network flows. The SIEM remote processors and data collectors centralize all security incident event visibility to a management console for a central view of all SIEM event management and alerting activities. Delivery of the hardware is required 30 days after receipt of order. The period of performance for implementation and delivery of the required appliances, hard drive retention, and associated maintenance shall be 12 months from date of award.
4. Statutory Authority: The statutory authority permitting this exception to fair opportunity is Section 41 U.S.C. 4106(c)(2) as implemented by the Federal Acquisition Regulation (FAR) 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 extensive market research, as described in section 8 of this justification, it was determined that limited competition is viable among resellers for the required brand name security appliance, hard drive retention, and support. VA currently uses IBM QRadar hardware appliances in its SIEM architecture. No other brand hardware can interoperate and function with the current IBM architecture. The brand-specific functionality that this hardware supports in the existing overall architecture includes event processing, net flow processing, metadata communication, deduplication, encryption, compression, risk manager, and internal data and event correlation. The IBM QRadar software licensing VA currently uses for its SIEM architecture is specific to the required QRadar appliance hardware. No other brand of hardware can interoperate with the existing QRadar brand software.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in section 8 of this justification. This effort did not yield any additional sources that can meet the Government's requirements. It was determined however, limited competition is anticipated among authorized resellers for the required IBM QRadar appliance hardware, hard drive retention and maintenance support on the NASA SEWP V GWAC. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), the resulting contract action will be synopsisized and the justification will be made publicly available within 14 days of award on the Federal Business Opportunities Page.

7. Actions to Increase Competition: The Government will continually conduct market research by surveying the marketplace to determine if there are any other security appliances that can meet VA's needs.

8. Market Research: The Government's IT security specialists performed market research between September 2014 and January 2015 by researching other similar solutions, to ascertain if these items could meet and be compatible with VA's existing SIEM architecture connectivity, licensing and management requirements. The Government's IT Security specialists reviewed similar solutions from McAfee NitroSecurity, eiQnetworks, Trustwave, and Splunk. After review of these solutions, it was determined that the only product that could meet VA's needs was IBM QRadar Security Core Appliance through IBM or an authorized reseller. None of the other solutions can interoperate with current IBM SIEM architecture as discussed in section 5 of this justification.

In May 2015, market research was conducted by utilizing the Quick RFI tool found on the National Aeronautics and Space Administration (NASA) Solutions for Enterprise Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) website. The RFI yielded five resellers of part numbers D14RALL, D14RCLL. And D14RDLL. To make progress against VA's small business goals, the solicitation for this action will be issued among NASA SEWP V GWAC holders in all four groups under the NAICS code 541519 as a Service-Disabled Veteran-Owned Small Business (SDVOSB) set-aside. There are currently at least 26 SDVOSB GWAC holders that could compete for this effort as authorized resellers of IBM products and services. NASA SEWP has a dynamic catalog for each of its GWAC holders where line items can be added based on customer requests; therefore, as long as the required item or service is within scope of the NASA SEWP GWAC, items and services can be added to GWAC holder catalogs on a daily basis.

9. Other Facts: None