

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A) For Other Than Full and Open Competition (>\$150K)

1. **Contracting Activity:** Department of Veterans Affairs, VISN 22 Network Contracting office. Request For Services #605-16-1-027-0010, 605-16-1-027-0011, and 605-16-1-027-0012.
2. **Nature and/or Description of the Action Being Processed:** This procurement is for the Stryker ProCare Preventive maintenance program for the Government-owned Stryker Endoscope and Communication equipment located at VA Loma Linda Healthcare system (VALLHS), in accordance with FAR 13.5 Test Program for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** VALLHS has a requirement for the Stryker ProCare preventive maintenance service program with Stryker. Stryker will provide service, labor, loaner systems, original equipment manufacturer (OEM) parts, and calibration on all documented Stryker Endoscope and Communication equipment at no additional charge to the VALLHS. The Stryker Endoscope and Communication equipment require factory trained field technicians to perform repairs, maintenance, and diagnostics in accordance with the OEM service manuals, specifications and recommendations. Furthermore, the Stryker Endoscope and Communication equipment will only accept OEM parts to ensure 100 percent compatibility and functionality during everyday usage of the system. The period of performance is from October 1, 2015 through September 30, 2016.
4. **Statutory Authority Permitting Other than Full and Open Competition:**

The authority for applying the Commercial Test Program of FAR 13.5 is (Section 4202 of the Clinger-Cohen Act of 1996) and is implemented by for restricting competition on this procurement via FAR 13.106-1(b)(2).
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**
Only One Responsible Source – Stryker Corporation is the OEM and does not authorize any other entities to perform services to Stryker equipment. Stryker employs and factory trains their employees to be certified in performing these services for all Stryker equipment. Accordingly, Stryker is the only firm capable of providing the services described in Section 3 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:** Sources Sought posted on FBO within the last 12 months and extensive market research has revealed only one small business and one large business capable for performing

services. One small business vendor who is an authorized distributor of Stryker Corporation showed an interest.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

The anticipated dollar value the purchase order is for [REDACTED]. Estimated pricing is based on informational quotations provided by Stryker. The anticipated pricing is determined to be fair and reasonable based on FPDS findings, which compare the historical data of Procure service contract for Stryker video endoscope systems, VA262-14-P-8086, [REDACTED] for one (1) year. Market research indicated no other potential sources for this procurement.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons

Market Research Was Not Conducted: Sources Sought posted on FBO within the last 12 months and extensive market research has revealed only one small business and one large business capable for performing services. A small business vendor who showed an interest is an authorized distributor of Stryker Corporation. In prior procurements, this vendor has developed an agreement with Stryker to provide services for leased equipment. A Service Manager of the Stryker Corporation was contacted and clarified that this small business is an authorized distributor; however, it is not an authorized service provider. Stryker does not authorize any other entities to perform services to Stryker equipment. Stryker employs and factory trains their employees to be certified in performing these services for all Stryker equipment.

Market research was conducted on the various websites, to include www.fpds.gov, www.fbo.gov, and internal VA sources, all of which have concluded that Stryker Corporation is the only entity that can provide the requested services. Furthermore, the following previous acquisitions have been sole sourced to Stryker:

Contract	Period of Performance	Award Amount
VA262-14-P-0922	12/31/2013-05/31/2014	[REDACTED]
VA262-14-P-8086	10/01/2014-09/30/2015	
VA262-14-P-8422	10/01/2014-09/30/2015	
VA262-14-P-8086	10/01/2014-09/30/2015	
VA262-14-P-4600	06/01/2014-05/31/2015	

9. Any Other Facts Supporting the Use of Other than Full and Open Competition: An inquiry e-mail was sent to a Stryker service manager regarding their availability of subcontracting plan and the third party for the preventive maintenance program to their equipment. Stryker responded as they were the only company authorized to provide the support and maintenance for their instruments and equipment and do not train or certify any other entities.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:

A small business vendor who is an authorized Stryker equipment distributor has responded to the Sources Sought notice on FBO.

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:

Preventive maintenance service for the Stryker Endoscope and Communication system at VALLHS may be repeatedly required in the future as Stryker products are in use. Due to the nature of the acquisition and proprietary parts, it is anticipated that this will be a sole source for any subsequent 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.


Bryan Zohn

Biomed Equipment Support Specialist
VA Loma Linda Healthcare System

9-14-15
Date

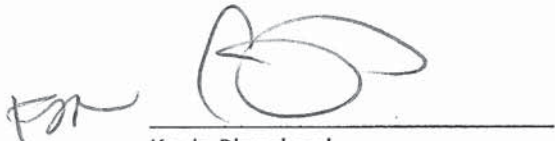
13. **Approvals in accordance with the VHAPM, Volume 6, Chapter VI: OFOC SOP.**

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


Rebecca Gloria
Chief, Services Branch II
Network Contracting Office 22

9/21/15
Date

- b. **Director of Contracting /Designee (Required \$150K and above):** I certify the justification meets requirements for other than full and open competition.


Kevin Blanchard
NCO 22, Director of Contracting
Network Contracting Office 22

9/21/15
Date