

JUSTIFICATION
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center (TAC)
23 Christopher Way
Eatontown, New Jersey 07724
2. Description of Action: This proposed action is for a firm-fixed-price Delivery Order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Government-wide Acquisition Contract (GWAC) for Aternity, Inc. (Aternity) Frontline Performance Intelligence (FPI) Platform software licenses and associated technical support services.
3. Description of Supplies or Services: VA, Office of Information and Technology (OI&T), Service Delivery and Engineering, Enterprise Operations (EO) requires 10,000 Aternity FPI Platform software licenses and technical support services which include software updates, technical assistance, and professional services for the 10,000 licenses. The Aternity FPI Platform software is a desktop agent approach to Real End User Experience management. This is achieved by uniquely monitoring, aggregating, analyzing, and correlating all metrics associated with three components (Application, Desktop, and User Performance) that constantly interact to both define and impact the end user experience. The Aternity FPI Platform software provides precise insights into how applications are used, enabling organizations to understand the usage trends and trails of their users, the number of business processes executed, and the details of any usability issues. The software updates and technical assistance will ensure the 10,000 software licenses remain up-to-date and operational by providing minor product updates and bug fixes. The professional services will be used to configure, unit test, and validate creation and implementation of new signatures to the Aternity Console for deployment of the 10,000 licenses, which will assist with transitioning users when updates are done, and recommend server or infrastructure to improve performance.

Previously, VA struggled with correlating end user experience on VA Intranet applications with the performance metrics obtained from backend monitoring of the application, application servers, and databases, which eventually became a critical issue for the Veterans Benefits Management System. Without actual monitoring of application performance on the desktop, OI&T and the National Service Desk (NSD) were unable to proactively monitor end user issues. In 2014, VA acquired 2,000 Aternity FPI Platform software licenses to resolve this issue by providing the capability to monitor the actual experience of the user on a workstation on a "per application" specific basis. In April 2015, 4,000 additional licenses were acquired. In July 2015, another 10,000 additional licenses were acquired. As a result of utilizing this software OI&T and the NSD are immediately aware of end user issues and are able to correlate these issues to the information technology infrastructure and any associated service degradation that may be occurring. VA requires an additional 10,000 Aternity FPI

Platform software licenses to continue to provide these same capabilities. Delivery of software licenses is required 30 days after contract award. The period of performance for the maintenance and professional services is 12 months from software delivery and acceptance. The total estimated price of the proposed action is [REDACTED]

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: Based on market research, as described in section 8 of this justification, it was determined that limited competition is available for Aternity FPI Platform software licenses and associated technical support services among authorized resellers. The Aternity FPI Platform software is the only software in the application monitoring marketplace that can meet VA's functional requirements for monitoring end-user experience on a per custom application and custom transaction basis, while at the same time, monitoring and relating the end users' desktop hardware performance to instances of application performance degradation. No other software provides this VA functional requirement.

In addition, a prior implementation of Aternity FPI platform licenses already exists in the EO office. VA is currently utilizing the Aternity Software for desktop monitoring and even if another product existed with capabilities that would meet VA's requirements, implementation of a different software suite would require completely separate license agreements to support this new software product. However, other licenses are not compatible with the existing Aternity infrastructure due to Aternity's proprietary source code, intellectual property rights, and application programming interfaces (API's). The API's are composed of proprietary source code and will only integrate with other Aternity proprietary software. It is common in the marketplace that each source maintains its own proprietary source code and APIs, which doesn't allow other items to interoperate. Because access to the proprietary software is needed to perform the associated technical support services, no vendors other than the original equipment manufacturer and authorized resellers are permitted to access or perform services on the software. Aternity, was contacted on July 14, 2016, to inquire whether Aternity's source code was for sale, which might then permit other vendors to provide these maintenance and professional services. Aternity confirmed that the FPI source code is proprietary and not for sale. Therefore, the Aternity FPI platform software is the only product currently capable of meeting VA's requirements, as no other product is capable of monitoring VA's full suite of applications on user desktops.

6. Efforts to Obtain Competition: Market research was conducted in April 2016, details of which are in section 8 of this document. This effort did not yield any additional sources that can meet the Government's requirements. Although the Government is limiting competition, there are multiple authorized resellers of the required licenses and maintenance on the NASA SEWP V GWAC. In accordance with FAR 5.301 and

16.505(b)(2)(ii)(D), this action will be synopsisized and the justification will be made publicly available on the Federal Business Opportunities Page within 14 days after award. In addition, in accordance with 16.505(a)(4)(iii)(A), this Justification for an Exception to Fair Opportunity will be posted on the NASA SEWP V website with the solicitation.

7. Actions to Increase Competition: The Government will continue to conduct market research to see if there are changes in the market place that would enable future requirements for a desktop agent approach to Real End User Experience management to be competed. The Government will conduct market research to determine if any other product will be compatible with the existing Aternity FPI Platform software.

8. Market Research: In April 2016, the Government's technical experts reviewed similar software products to ascertain if they could meet VA's requirements. The Government's technical experts utilized numerous publications, to include Forrester Research and Gartner Research, and conducted Web-based research on technical monitoring websites and forums related to desktop side monitoring to identify potential software solutions. This market research has identified only two products in the desktop monitoring space, Aternity and KNOA, both of which were reviewed. Of the products that were identified, only the Aternity FPI platform is capable of meeting the Government's requirements for desktop application monitoring of user experience on a per application and per transaction basis. KNOA's software cannot provide the monitoring required for the applications used by VA, because KNOA's software is only capable of working with SAP SE systems, which are not used by OI&T. Additionally, the KNOA software is not compatible or interoperable with the existing Aternity FPI Platform license infrastructure. Finally, KNOA cannot monitor end-user experience on a per custom application and custom transaction basis, while at the same time, monitoring and relating the end users' desktop hardware performance to instances of application performance degradation. KNOA only works with SAP SE and VA systems are not SAP based. Therefore, only Aternity FPI software is capable of meeting the Government's requirements. Furthermore, for the software maintenance and professional services, Aternity and its authorized resellers are the only vendors with access to the proprietary source code and Intellectual Property rights, which are necessary to access the software and provide the required support.

Additionally, Market research was conducted in July 2016 through the issuance of a Request for Information (RFI) on NASA SEWP V GWAC to identify potential sources for the required Aternity software and associated maintenance and support services. The RFI the customer posted resulted in responses from one (1) Small Business, GMC Tek, and one (1) Service Disabled Veteran Owned Small Business (SDVOSB)/Historically Underutilized Business Zone (HUBZone), Premier Technical Services. On July 15, 2016 VA TAC's RFI closed and resulted in bid intentions from one (1) Small Business, Red River Computer Co. Inc., and two (2) SDVOSB's, Four Points Technology, LLC. and NAMTEK Corp. Additional market research was conducted via the NASA SEWP Provider Lookup Tool. It was determined that there are eight (8) NASA SEWP V GWAC holders that are resellers of Aternity FPI Platform licenses and maintenance, including

Four Points Technology and NAMTEK, who are both SDVOSB's. Therefore, there is a reasonable expectation that limited competition exists on the NASA SEWP V GWAC.

9. Other Facts: None.