

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA262-17-AP-0171

1. **Contracting Activity:** Department of Veterans Affairs, VISN 22 Network Contracting office. Request For Services #605-17-1-027-0019.
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 Video equipment located at VA Loma Linda Healthcare system (VALLHS), in accordance with FAR 13.5 Simplified Procedures 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 Video equipment at no additional charge to the VALLHS. The Stryker Endoscope and Video 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 Video 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 November 21, 2016 through November 20, 2017.
4. **Statutory Authority Permitting Other than Full and Open Competition:**

(X ) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy  
Agency Requirements per FAR 6.302-1;

**FAR13.5 Simplified Procedures for Certain Commercial Items:** The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 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 (FAR 6.302-1) – 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 on 10/25/2016 and extensive market research have revealed two (2) Service Disabled Veteran Owned Small Business (SDVOSB), three (3) small business, and one (1) large business vendors capable for performing services. Stryker clarified one (1) SDVOSB and one (1) small business vendors are authorized distributors of Stryker equipment; however, not for the maintenance and repair services.
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] and VA262-15-P-8296 [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 Federal Business Opportunities (FBO) on 10/25/2016 and extensive market research have revealed two (2) SDVOSB, three (3) small business, and one (1) large business vendors capable for performing services. A Government Account Manager of the Stryker Corporation was contacted and clarified that this small business vendor and SDVOSB are authorized distributors; however, they are not authorized service providers. 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.

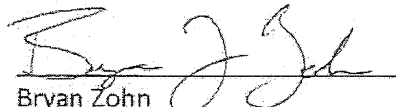
Market research was conducted on the various websites, to include [www.fpds.gov](http://www.fpds.gov), [www.fbo.gov](http://www.fbo.gov), and internal VA sources, all of which have concluded that Stryker Corporation is the only entity that can provide the requested services. Furthermore, the following 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 |              |
| VA262-15-P-8296 | 10/01/2015-09/30/2016 |              |

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 the authorized 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.

Chapter VI: Other Than Full and Open Competition (OFOC) SOP  
Attachment 3: Request for Sole Source Justification Format >\$150K

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: Two (2) SDVOSB and three (3) small business vendors responded to the Sources Sought Notice posted 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 Video equipment 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

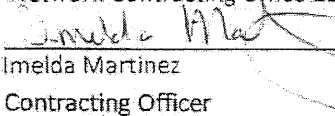
11-3-16  
Date

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

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

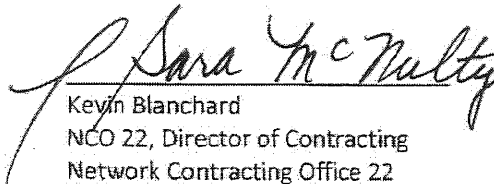
Prepared by:   
Ryoko Foran, Contract Specialist,  
Network Contracting Office 22

11-3-2016  
Date

Approved by:   
Imelda Martinez  
Contracting Officer  
Network Contracting Office 22

11-9-2016  
Date

- b. Director of Contracting /Designee (Required over\$150K but not exceeding \$700K): I certify the justification meets requirements for other than full and open competition.

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

11-9-16  
Date