

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)
For
Brand Name Exclusive Licensing Agreements

Acquisition Plan Action ID: 640-17-3-531-0087

- 1. Contracting Activity: Department of Veterans Affairs, VISN 21, Network Contracting Office 21
Customer: Veterans Affairs Palo Alto Healthcare System (VAPAHCS), Public Affairs Office
2. Nature and/or Description of the Action Being Processed: This procurement is for a brand name restriction 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 6.302-1(c) and 6.302. The Government proposes to award a firm-fixed price Indefinite Delivery Indefinite Quantity (IDIQ) contract for cloud-based digital signage at the VAPAHCS.
3. Description of Supplies/Services Required to Meet the Agency's Needs: The brand name restriction applies only to a portion of the acquisition for signage software and licenses. The requirement involves providing hardware, equipment, software, for cloud based digital signage as well as implementation of the signage (delivery, install of software, system testing, activation of the signage, project management, and maintenance). The brand name restriction applies only to the software licenses and software maintenance.

Scala software or equivalent. The equivalent item must be on the One-VA Technical Reference Model list.

Table with 2 columns: Item No., Description. Rows include SW-CMS-DL Scala Content Manager - Dongleless, SW-PLAD Scala PC Player License, RM-CMS-DL Scala Maintenance Scala Content Manager - Dongleless, RM-PLAD Scala Maintenance Scala PC Player License.

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;
() (2) Unusual and Compelling Urgency per FAR 6.302-2;
() (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
() (4) International Agreement per FAR 6.302-4
() (5) Authorized or Required by Statute FAR 6.302-5;
() (6) National Security per FAR 6.302-6;
() (7) Public Interest per FAR 6.302-7;

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) – Upon conducting market research, it was determined that only software approved on the One-VA Technical Reference Model list may be used. As part of a strategic initiative to standardize IT and software, all software and IT must be approved for use on the One-VA Technical Reference Model list. The One-VA Enterprise Architecture (One-VA EA) is a comprehensive picture of the Department of Veterans Affairs' operations, capabilities and services and the business processes and IT capabilities that support them. The VA's architecture is an evolving entity built through ongoing collaboration between business and technology leaders and staff across the administration. The Department of Veterans Affairs One-VA Technical Reference Model (One-VA TRM) is one component within the overall EA that establishes a common vocabulary and structure for describing the information technology used to develop, operate, and maintain enterprise applications. Moreover, the One-VA TRM, which includes the Standards Profile and Product List, serves as a technology roadmap and tool for supporting Office of Information & Technology (OI&T). Individual stations and clinics are required to adhere to the One-VA TRM.

The TRM presents a list of assessed technologies and standards used to develop, operate, and maintain enterprise applications. Entries on this list have undergone a strategic assessment based upon the nature of the technology. Technologies must be operated and maintained in accordance with Federal and Department security and privacy policies and guidelines. Technologies or technical standards that are NOT listed on the Technology/Standard List are considered unapproved for use.

The TRM lists five digital signage software options: Scala, Ooh! Media, Signage Manager, Venus 1500, and Vitalcast. The use of such descriptions in the acquisition is essential to the Government's requirements, thereby precluding consideration of a product manufactured by another company.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: This requirement will be synopsisized and posted to the Government Point of Entry in accordance with FAR 5.201. Authorized resellers identified as small businesses in Sam.gov will be sent a courtesy notice with the Government Point of Entry link to the solicitation.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: This requirement will be competed and solicited on www.fedbiz.gov. In accordance with FAR 13.106-3(a)(1), price reasonableness will be based on competitive quotes or offers. Competition is anticipated as the digital signage software companies have authorized resellers. For example, Scala has approximately 100 certified resellers of its products/services. Five are small businesses. If only one source responds, the Contracting Officer will base price reasonableness on established price catalogs. In addition, Scala software, content players, and maintenance is offered by at least one GSA vendor who is also a small business. Prices for this requirement will be compared to the GSA contract rates, which have already been determined to be fair and reasonable.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

The customer conducted extensive market research which included researching cloud-based digital signage solutions and talking with other VA medical centers that have implemented similar solutions. The customer initially surveyed various types of software for digital signage including Scala, PingHD, and 22Miles. However, upon further research and coordination with other Department of Veteran Affairs Public Affairs Offices, the customer discovered that Scala was an approved software for digital signage as part of a One-VA Technical Reference Model. The VAPAHCS must use software approved on the Reference Model.

The contract specialist published a Sources Sought on www.fedbiz.gov to determine if there were any Service-Disabled Veteran Owned Small Business (SDVOSB) or Veteran Owned Small Business (VOSB) that could provide Scala software or equivalent for cloud-based digital signage. The Sources Sought was posted on March 29, 2017. The contract specialist received one response from MediaNow, Inc. (see vendor information below in #10), a small business and one response from National Institute of Health (NIH) soliciting the use of its Government Wide Acquisition Contract (GWAC). The contract specialist received no response from verified SDVOSB or VOSBs and did not receive any responses for vendors proposing an alternative equivalent to Scala digital signage.

The contract specialist published a Sources Sought on NASA SEWP, a Government Wide Acquisition Contract, mandatory for VA IT acquisitions on March 29, 2017. The Government received no responses.

In an effort to re-verify sources, the contracting officer published a second Sources Sought on www.fedbiz.gov with a draft PWS and capability questions asking for any alternative equivalents to Scala software. The Sources Sought was posted on June 16, 2017. One vendor, Veteran IT Solutions (not verified in VIP), responded proposing Xibo software but failed to specifically describe how this software was at least equivalent to Scala. Their response re-stated the PWS and the end-user was unable to determine what the software was capable of or whether the software satisfied the requirements of the PWS. After this second Sources Sought was posted to FBO, the contracting officer was made aware that software must be approved on the Technical Reference Model list. The Xibo software is not included on the VA approved Technical Reference Model list.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition: None.

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

One source expressed interest in this requirement through the Sources Sought posting on FBO. However, the government expects that there will be adequate competition as each brand software has authorized resellers. The Government will attempt to provide a courtesy notice to those vendors registered in Sam.gov as a small business. Through market research, we have identified at least five small business vendors that are certified resellers of Scala. The requirement will be posted on the Government's point of entry, www.fedbiz.gov.

MediaNow, Inc.
1 Maple Ave. Suite E
Netcong, NJ 07857

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: There are no barriers to competition because there are resellers of these brand name products. This

requirement will continue to be competed for the maintenance services. The Performance Work Statement (PWS) requires that any code, hardware, and equipment will become property of the Government. The only portion of this requirement that will continue to remain proprietary are possibly the maintenance licenses which is anticipated to be less than \$10,000 per year.

- 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.

_____	_____
Regina Uimari	Date
Title	
Facility	

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.

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Nicole Do	Date
Contracting Officer	
Network Contracting Office 21	

- 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.

_____	_____
Mark Mikus	Date
Division Chief I	
Network Contracting Office 21	