# SOLE SOURCE JUSTIFICATION

- 1. <u>Contracting Activity</u>: Department of Veterans Affairs (VA) Office of Acquisition Operations Technology Acquisition Center 1701 Directors Blvd Austin, TX 78744
- 2. This requirement will be accomplished via:
- [X] New Purchase Order
- [] Modification No.
- [] Purchase Card

Purchase Order will be:

- [X] Firm Fixed Price [] Cost Type Contract:
- [] Time and Materials [] Other (Specify):
- Type of Funds (e.g. Supply Fund, Franchise Fund, IT, etc.):
- [X] Information Technology

#### 3. Description of Supplies or Services.

#### [X] Services

Item name:

1. Purchase of one new perpetual license of Xerox FreeFlow Variable Information (VI) eCompose Multi-User 2+ software in the base year.

2. Annual software maintenance support subscription of new license in the base year.

3. The option to procure maintenance support renewal in Option Year one for the perpetual license of Xerox FreeFlow Variable Information (VI) eCompose Mulit-User 2+ software procured in the base period.

Part of or used with: Xerox printing devices

Quantity being procured: 1 software licenses, 1 first year maintenance support subscription of new license in the base peiod, and 1 option for software maintenance renewal of the software license procured in the base period.

Option quantity, if option will be included in solicitation: One maintenance renewal.

Estimated unit cost: As shown in the table below.

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Estimated total cost (including option quantity, if any):

### 4. Authority Cited.

### [X] FAR 13.106-1(b)(1)

For purchases not exceeding the simplified acquisition threshold. Contracting officers may solicit from one source if the contracting officer determines that the circumstances of the contract action deem only one source reasonably available.

[ ] Other FAR Authority \_\_\_\_\_

### 5. Reason for Authority Cited.

The proposed source for this action is Xerox Corporation, 8260 Willow Oaks Corporate Drive, 6<sup>th</sup> Floor, Fairfax, VA 22031-4528

[X] Explain need for sole source: The Legacy Document Repository (LDR) formally known as Virtual Veterans Affairs (VVA) is a document repository which was recently merged under Veteran Benefits Management System (VBMS). As a result, VBMS is establishing a development environment within the VBMS enclave to support VVA sunset activities to include Batch Feed Imports (BFIs) feed redirection and document migration efforts. Furthermore, this will allow us to reduce our footprint (i.e., hardware and software) and dependency on external partners supporting operation and maintenance activities. LDR requires software

licenses and maintenance to renew, update, upgrade, reinstate and procure software maintenance and licensing for existing servers that support the deployed LDR solution. This will bring all LDR Windows server software back into compliance with VA Standards of Software Maintenance. This software encompasses the full LDR product, meaning any and all software used to create, maintain, service and produce all LDR products and documents used by the Compensation and Pension (C&P) claims adjusters to create C&P documents for the Veterans. LDR uses the Xerox FreeFlow eCompose to extract page information to process high-volume documents from Batch Feed Imports (BFIs) feeds. Employing templates of various sorts and PostScript code encapsulated in a language known as VIPP (Variable Intelligent PostScript Printware). FreeFlow produces pdf-format documents and associated metadata from ASCII files containing the data needed to make each of the letters or documents required. In a high-level, FreeFlow merges the design template and variable data file to the "printer" to produce electronic documents in PDF format. Xerox FreeFlow VI eCompose, brand name or equivalent software allows the LDR user to generate Adobe PDF documents from VIPP based (VI) variable data applications. Xerox FreeFlow VI eCompose software seamlessly integrates Xerox VIPP with the Adobe PDF engine. Only Xerox can provide maintenance services due to the proprietary aspects of the Xerox FreeFlow VI software and its source code. No other known brands of software could be determined equal to, compatible or interoperable with the existing Xerox Xerox printers in use by LDR. Competing for new software and printer would not result in savings, and the purchase of the Xerox software maintenance is more advantageous to the Government.

# 6. Efforts to Obtain Competition.

[X] There is only one responsible source for this item. Efforts made to locate additional sources are described under the "Market Research" paragraph of this document. There is no competition anticipated for this acquisition. Procurement data does not include any unnecessary requirements that may inhibit competition.

# 7. Actions to Increase Competition.

[X] Other actions that will be accomplished to increase competition: As detailed in the market research section below, procuring the brand name Xerox Freeflow eCompose software maintenance is the only way to satisfy the Government's needs. Prior to future acquisitions the market will be assessed to determine the emergence of any authorized resellers that would enable competition. The market will also be assessed to determine the emergence of other brand name software that could meet the Government's needs.

## 8. Market Research.

Market research was conducted by issuing three Requests for Quotes (RFQ) on National Aeronautics and Space Administration (NASA) Solutions for Enterprise Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) during the time of April through June 2017. In addition, a Request for Information (RFI) was issued on FedBizOps (FBO) in June 2017. The methods used and results are as indicated below:

[X] A Request for Information notice soliciting additional sources of supply was published in the Federal Business Opportunities Page on June 16, 2017.

[X] No response was received.

[X] The following companies were contacted by telephone and each one stated they did not make a product that would be interchangeable in form, fit and function with the item being procured.

EFI Micro Press and Fiery Central brands.

[X] The market research consisted of the following:

The Government's technical expert conducted internet market research that consisted of a review of similar software. Specifically, the subject matter experts looked at EFI Micro Press and Fiery Central brands. As a result of the market research, the technical experts confirmed that these branded products do not have access to Xerox's proprietary source code. Therefore, only Xerox and its authorized resellers are capable of developing and issuing software updates and fixes for the FreeFlow VI software necessary to support existing requirements. Additionally, this same market research confirmed that no other software could be used to operate the Xerox printing devices due to proprietary code patented by Xerox Corporation. Furthermore, the technical personnel determined that the software is not compatible with other components installed on the same server.

[X] Other, as follows:

On a similar action for the same software and maintenance support a solicitation was issued in April 2017 on the NASA SEWP V to contract holders in Group B(2) SDVOSB under NAICS code 541519 and resulted in zero responses. The solicitation was reissued to NASA SEWP Groups B(1) -HUBZone and B(2) – SDVOSB. No responses were received. Therefore, a solicitation was reissued in June 2017 to groups B(1) -HUBZone, B(2) –SDVOSB, and C-Small Business. Again, no response was received. Subsequently, a Request for Information

(RFI) was issued on FedBizOps (FBO) in June 2017. No responses were received. The CS conducted additional market research by contacting the Xerox VA Account General Manager to inquire about the availability of small business authorized resellers that could provide the required Xerox software maintenance. The Xerox VA Account General Manager stated that they were not able to locate any authorized resellers for the required maintenance. Finally, the CS reviewed several Xerox GSA contracts and the subject software maintenance are not an established contract items. As a result, it was determined that the required software maintenance must be procured on a sole source basis from Xerox via the open market with the contract awarded September 18, 2017.

## 9. Interested Sources.

[X] No other source has expressed written interest in supplying this item.

[X] Solicitation covering this procurement will be synopsized in the Federal Business Opportunities Page and any bids/proposals received shall be evaluated.

10. <u>Technical and Requirements Certification</u>. I certify 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.

Preparer

Name: Michael J. LittrielloDate: 1/11/2018Title: Office of Information Technology, ITOPS, Region 5

Signature:

11. **Determination of Fair and Reasonable Price.** I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on price analysis performed in accordance with FAR 15.404-1(b).

Name: Lateefah S. Parker Title: Procuring Contracting Officer Date:

Signature:

12. **Procuring Contracting Officer Certification.** I certify that this justification is accurate and complete to the best of my knowledge and belief.

Name: Lateefah S. Parker Title: Procuring Contracting Officer

Date:

Signature: