

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Procurement Acquisition and Logistics
Technology Acquisition Center (TAC)
23 Christopher Way
Eatontown, NJ 07724

2. Description of Action: The proposed action is for a firm-fixed-price contract for the renewal of software maintenance and support services for brand name Unicom products.

3. Description of the Supplies or Services: The VA Office of Information and Technology (OIT), Demand Management Division, Architecture and Engineering Service (AES), has a requirement to renew Unicom software maintenance, updates, and manufacturer telephone and web-based technical support services for six (6) Unicom products and two (2) add-on's (i.e. System Architect Client, System Architect XT Read, System Architect XT Read/Write, System Architect Publisher, Focal Point, Focal Point Stakeholder, System Architect FEA Add on, and System Architect – Publisher Add on) in use throughout AES and VA. The maintenance and support services shall include resolution to problem tickets via the Unicom Support Web Portal, resolution to phone calls via the Unicom Support Help Desk, release of software hotfixes and software version updates, electronic distribution of maintenance updates or new releases, and authority access control methods. The period of performance (POP) for the software maintenance and support shall be October 1, 2019 through March 31, 2020 with four (4) 12-month option periods. The total estimated value of the proposed action is \$.

4. Statutory Authority: Pursuant to Federal Acquisition Regulation (FAR) 6.302-1, the following brand name requirement is being justified and approved as an exception to fair opportunity under the statutory authority of Section 41 U.S.C. 3304(a)(1) entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."

5. Rationale Supporting Use of Authority Cited Above: Based on market research, as described in section 8 of this justification, it was determined that limited competition is available for the required Unicom brand name software maintenance and support services.

VA information technology (IT) Enterprise Architecture infrastructure is based on existing Unicom System Architect and Focal Point products for which VA currently owns perpetual licenses. These products reside in the VA Enterprise Architecture Modeling Suite (VEAMS) system, and the Government requires preservation of the system's security, redundancy and operations in the event of failure. Implementing new products into the system will not properly utilize the current datastores or processes since data will not be compatible with a new software stack, presenting a severe interoperability issue. Implementing new products into VEAMS would also create gaps in functionality,

Unicom System Architect and Focal Point Software Maintenance Renewal
Control Number TAC-20-55709

preventing Enterprise Architects from providing the necessary levels of support to Enterprise Architecture customers.

Only through itself or its reseller can Unicom troubleshoot configuration, put into operation, and provide customization of Unicom products in use throughout VA's IT software and system solution delivery process. This is achieved by requirements management through design, modeling, change and configuration management, and test and quality management that requires access to the proprietary codes. Additionally, access to these maintenance and support services allows OIT implementation teams to obtain hotfixes and patches needed to identify security vulnerabilities, defect resolutions, and infrastructure compatibility reengineering releases, allowing the tools to be Section 508, Security, and Enterprise Architecture compliant. Without the necessary software maintenance and support, OIT project and program requirements will not successfully integrate project designs, changes, issues, risks, requirements, and testing data, with project scheduling data into another data collection system. Additionally, it would prevent project and program managers from managing full software development methodologies, ensuring complete traceability of stated business requirements and reference models into functional requirements, change orders for software, and test cases and evidence.

It is common in the marketplace that each source maintains its own proprietary source code and application programming interfaces, which doesn't allow other items to interoperate. Only Unicom, itself or through its reseller, can provide the software maintenance and support because of the proprietary source code required to develop and implement software updates for proper configuration. Due to this and the Government's requirement for the software to be maintained at the same source code levels, no vendors other than Unicom or its reseller can perform the services. Unicom was contacted on July 31, 2019 to inquire whether Unicom's source code was for sale, which might then permit other vendors to provide these maintenance and professional services. Unicom informed the Government that it would sell its proprietary source code for each product at approximately \$10,000,000.00 per product. Additionally, Unicom stated it would sell the source code of its products exclusively to the VA for non-commercial use. Should VA choose to purchase the Unicom products, VA would be responsible for hotfixes, software updates, and software releases. VA does not have the resources to assume this responsibility, nor the budget to procure the 6 source codes at a total of approximately \$60,000,000.00.

Accordingly, only Unicom, itself or through its reseller, can provide the Unicom software support services and maintenance that meets all of VA's needs and ensure complete interoperability, compatibility, and continuity of operations.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional products or sources that can meet the Government's requirements. It was determined, however, that it is in the Government's best interest to issue the subject solicitation on an open market basis on the Federal Business Opportunities (FBO) website as limited competition is viable among authorized resellers for the required

Unicom System Architect and Focal Point Software Maintenance Renewal
Control Number TAC-20-55709

Unicom brand name software maintenance and support services. In accordance with FAR 6.302-1(c)(1)(ii)(c) and 5.102(a)(6) this justification shall be posted with the solicitation. Furthermore, the proposed action will be synopsisized on the FBO Page in accordance with FAR 5.201. Any proposals that are received shall be evaluated.

7. Actions to Increase Competition: IBM sold these products to Unicom in January 2016. Since that divestiture, the number of resellers of the required maintenance renewal has been small, but Unicom is expected to increase the number of resellers of these services to include the resellers of all their other proprietary software products. OIT and AES researched Sparx Systems, Signavio and Trisotech to determine if these brands could potentially add capability to AES's Enterprise Architecture (EA) tools environment. These brands each offer fragments of EA capabilities but, do not meet the breadth and depth of requisite Unicom product capabilities (e.g. modelling, relational database and solution design). Many VA organizations are trained in and are using these products to support a variety of enterprise, segment and solution level architecture. Integration processes are already established to seamlessly coordinate these federated architecture efforts across the VA. Therefore, VA is continuing to use Unicom at this time. In the meantime, VA will continue to monitor the increasing number of resellers and assess the continued position of these products in the marketplace to determine the best in breed products for EA strategic planning and development.

8. Market Research: Market research was conducted in August 2018 through May of 2019 to ascertain the ability of any source other than Unicom or Unicom resellers that could provide the requirements described above. OIT and AES researched vendors providing similar services, including Insignia, Prospere, and Booz Allen Hamilton. Although these vendors possess similar maintenance and support capabilities, only Unicom has access to the proprietary source code specific to the maintenance for this particular software. Only Unicom has access to the proprietary data and source code of the software to provide Unicom product software maintenance, updates, and manufacturer telephone and/or web-based technical support services. Based on this research, the Government's technical experts have determined that only Unicom, itself or through its reseller, can meet the Government requirement to provide software maintenance and support.

Additional market research was conducted in July 2019 utilizing the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) Provider Lookup Tool and confirmed that there were multiple resellers of Unicom Government, Inc. products. In addition, the VIP database was reviewed for SDVOSB and Veteran owned small business vendors using the North American Industry Classification System code 541519 and keyword Unicom. The VIP search yielded zero matches.

Based on this prior market research, the TAC issued Request for Quotation (RFQ) 36C10B19Q0666 to the NASA SEWP V GWAC on August 27, 2019. An Amendment was issued on September 4, 2019 to provide an account number for the acquisition to resellers and to extend the RFQ to allow additional time for vendor responses. On September 6, 2019, the RFQ closed and no quotes were received. The Contract

Unicom System Architect and Focal Point Software Maintenance Renewal
Control Number TAC-20-55709

Specialist contacted Unicom to ascertain if any additional information was needed so that resellers would be able to provide a quote. After receiving requests for extension from multiple vendors, the RFQ was reopened on September 9, 2019 to allow additional time for vendor responses. On September 10, 2019, the Contract Specialist asked Unicom to provide a list of resellers for Unicom products, but did not receive a response. On September 11, 2019, the RFQ closed again and still no responses were received. The Contract Specialist received feedback from multiple vendors who had been unable to obtain pricing from Unicom due to the six (6)-month POP for the Base Period. The Contract Specialist also received email confirmation from Unicom that the POP for the Base Period needed to be changed or pricing information would not be provided to resellers. Another Amendment was issued on September 11, 2019 to reopen the RFQ and change the POP for the Base Period. On September 12, 2019 multiple resellers of Unicom products provided feedback to the Contract Specialist stating that Unicom would still not provide pricing information despite the change to the Base Period POP. On September 12, 2019, the Contract Specialist again contacted Unicom to ascertain if any additional information was needed so that resellers would be able to provide a quote and again requested a list of resellers for Unicom products.

On September 13, 2019, Unicom provided written confirmation that Unicom does not have a small business authorized partner nor an SDVOSB authorized reseller of System Architect and Focal Point. Accordingly, the required maintenance can only be provided by either Unicom Global, or a separate subsidiary Unicom Government, its only reseller, both Large Businesses, and therefore, there is no reasonable expectation of competition among small businesses of any kind. Accordingly, this effort will be solicited under full and open competition on the open market as a combined synopsis/solicitation.

9. Other Facts: Due to current market conditions, soliciting under NASA SEWP is not viable. Therefore, the new strategy will be to utilize FBO to award a stand-alone contract on an open market basis.

Unicom System Architect and Focal Point Software Maintenance Renewal
Control Number TAC-20-55709

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Date: _____

Signature: _____

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on comparison to the Independent Government Cost Estimate. Additionally, price competition is anticipated among the resellers of the required brand name Unicom products.

Date: _____

Signature: _____

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

Date: _____

Signature: _____

Unicom System Architect and Focal Point Software Maintenance Renewal
Control Number TAC-20-55709

Approval

In my role as procuring activity Advocate for Competition, based on the foregoing justification, I hereby approve the acquisition of software maintenance and support services for brand name Unicom products on another than full and open competition basis pursuant to the authority cited in paragraph 4 above, subject to availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

Date: _____ Signature: _____