

JUSTIFICATION
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
260 Industrial Way West
Eatontown, New Jersey 07724
2. Description of Action: This proposed action is for a firm-fixed-price (FFP) Delivery Order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition Contract (GWAC) to acquire NEC brand name Private Branch Exchange (PBX) devices and to upgrade the existing NEC 2400 IPX- Ultra Module Group (UMG) system. Delivery is required 30 days after DO award.
3. Description of Supplies and Services: VA, Office of Information Technology (OIT) James A Haley VA Hospital (JAHVAH) currently utilizes an NEC PBX system, which provides telecommunication services to support Veterans Health Administration (VHA) employees in providing quality healthcare to our nations Veterans. This proposed action will provide PBX devices and will upgrade the existing NEC 2400 IPX-UMG system, which will include corresponding phones and peripheral devices, Internet Protocol software licenses, voice messaging computer system equipment and installation, and a 12-month warranty. The total estimated value of the proposed action is \$786,044.58.
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), as modified per FAR 16.505(a)(4)(ii). An exception to fair opportunity is allowed where only one manufacturer 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 Above: This is a brand name justification in support of FAR 11.105, Items Peculiar to One Manufacturer. Based on market research, as described in paragraph eight of this document, it was determined that limited competition is viable among authorized resellers for this brand name item. NEC brand name PBX devices and systems are the only PBX items that can continue to build upon VISN 8’s existing NEC-based telecommunications infrastructure. The telephonic devices and systems currently implemented within VISN 8 are manufactured by NEC and run NEC’s proprietary NEC Fusion Network. The telecommunication system integrates with the NEC Fusion network to use an automatic call distributor processor (ACDP) from an alternate node for automatic call distributor (ACD) purposes. ACD integration allows callers to seamlessly transfer from site to site. All ACD data is monitored by VA’s Global Navigator system, which allows for call statistics, advanced routing abilities,

and data used for staffing purposes. VISN 8's current telecommunications system communicates through a source code that is based on NEC's proprietary data. Any other brand name telecommunications device is not able to integrate with the currently fielded NEC brand name telecommunication equipment and VA's Global Navigator system. Without device interoperability, the devices will not perform their intended functions and will not allow callers to seamlessly transfer from site to site. This will lead to network delays and interoperability issues, leading to work stoppages and erosion in supporting VA's overall mission to serve Veterans. Additionally, only a NEC authorized reseller can provide the installation services and warranty services due to the proprietary technical data required to perform those services. Without that technical data no other source has the ability to install the items and configure them within the current infrastructure which consists of NEC brand name equipment.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. Limited competition is anticipated for the required brand name commodities and services.
7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be fully competed.
8. Market Research: Market research was conducted, by members of OIT Converged Technology in April 2013 by researching other brand name devices and services that are similar to NEC brand name devices. Avaya and Cisco systems were the only other brand name items with similar capabilities. However, neither could satisfy VA requirements to integrate in the existing NEC telecommunications infrastructure. NEC infrastructure communicates through a source code that is based on NEC's proprietary data. No other PBX device or system researched can provide seamless and full communication capability without the NEC proprietary source code.
9. Other facts: None.