DEPARTMENT OF THE ARMY
JUSTIFICATION AND APPROVAL
FOR OTHER THAN FULL AND OPEN COMPETITION
JA-00885 - W912H25R0020

1. Contracting Agency: .

2. Description of Action: proposes to award a new five-year Firm-Fixed-Price Requirements contract to , Commercial and Government Entity (CAGE) code 11214, for the Shipping and Storage Container, National Stock Number (NSN) , Manufacture Part Number: 16776-101, Army spares sustainment requirements, using Army Working Capital Funds (AWCF).

3. Description of Supplies/Services: The item to be acquired under the proposed contract is the Shipping and Storage Container. CEU that is housed inside the Shipping and Storage container is found only on the M1A2 SEPv2 Abrams Tank. It has the following Acquisition Method Code (AMC) of 3 and Acquisition Method Suffix Code (AMSC) of H. This action will be for a five-year Requirements Contract with an estimated quantity of 198 each. The estimated total maximum value of this contract is $285,514.02.

4. Authority Cited: The statutory authority permitting other than full and open competition for this effort is 10 United States Code (U.S.C.) 3204(a)(1) as implemented by Federal Acquisition Regulation (FAR) 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements. Specifically, FAR 6.302-1(a)(2)(ii)(A) and (B) which states “Supplies may be deemed to be available only from the original source in the case of a follow-on contract for the continued development or production of a major system or highly specialized equipment, including major components thereof, when it is likely that award to any other source would result in (A) Substantial duplication of cost to the Government that is not expected to be recovered through competition; or (B) Unacceptable delays in fulfilling the agency’s requirements.”

5. Reason for Authority Cited: The Shipping and Storage Container is customized/designed to ship and store the CEU.
The United States Government (USG) does not have the pertinent technical data to enable competitive re-procurement.

The USG does not possess a fully detailed level III technical data package (TDP); performance specification or associated intellectual property rights to enable competitive procurement. Therefore, the technical data required to manufacture the container is considered proprietary to .

On 18 October 2024, the Contract Specialist contacted to request if the company would be willing to sell or license the TDP for the Shipping and Storage Container, PN 16776-

101. In their response on 21 October 2024, stated they are not willing to sell or license the TDP for the Shipping and Storage Container, PN 16776-101.

 is the Original Equipment Manufacturer (OEM) of the container and owns the technical data. has developed, tested, passed all qualification testing, and obtained USG approval for the Shipping and Storage Container to be used for the CEU at their own cost. The USG did not fund efforts in developing and testing this item. Only has the required technical and engineering knowledge, production facility expertise, internal configuration control and overall capability to manufacture, perform failure analysis, quality testing, develop inspection and acceptance criteria for components, repair/rebuild and end-item CEU interface testing that meet USG requirements.

Due to the limited technical data available, reverse engineering is the only recourse for the Government to increase competition through the development of a competitive build-to-print TDP. Armaments Center Subject Matter Experts (SME) have estimated the cost of reverse engineering below. Estimates are based on SME knowledge and experience with other programs and items of similar size and complexity.

	Duplication of Cost Through Reverse Engineering		
Paragraph	**Task**	**Cost estimate**	**Est Time to Complete**
a	Reverse Engineer of Application Specific Design of Shipping and Storage Container	$250,000	15 Months
b	Engineering Verification Testing/Analysis/ Inspections of Application Specific Design of Shipping and Storage Container	$150,000	12 Months
c	Logistical Development	$25,000	6 Months
d	End-Item Interface Testing	*$25,000	*3 Months
	Total	**$425,000.00**	**33 Months**

*The End-Item Interface Testing estimated cost and time are included in the Engineering Verification Testing/Analysis/Inspections $150,000 and 12 months.

a) Reverse engineer of application specific Design includes but is not limited to the following: identify all deficiencies; conduct market research on available parts and components; work in conjunction with General Dynamics Land and Systems (Abrams Tank system integrator); obtain existing parts; tear down and understand the design; redesign parts
unavailable from approved sources; redesign parts that may be obsolete at the time of the reverse engineering effort; create a prototype; and generate a new TDP. The new TDP would include components complete drawings, performance specifications, and

qualification procedures. Thus, this effort will cost approximately $250,000 and a [redacted]

b) Engineering verification testing includes but is not limited to operations, functionality, compatibility, and interoperability tests. The assembly must meet the fabrication of custom deck, cradle mount, suspension systems, non-abrasive, water-resistant, vibration dampening, anti-static required to test the Shipping and Storage Container. Analysis includes but is not limited to reviewing the engineering data and preparing technical reports. Inspections include but is not limited to Document Control, Traceability, Lot Control, Manufacturing Process Control, Test Control, Calibration Control, Corrective Actions & Control or Non-conforming Material, Internal Audits, Records Control, and Product Control. This is in addition to any costs for test facilities and extensive M1A2 SEPv2 Abrams Tank systems tests to ensure proper field operation of the CEU. Thus, this effort will cost approximately $150,000 and a [redacted]

c) Logistical Development includes but is not limited to updating Technical Bulletins, provision part (assigning NSN), and developing new technical manuals for the new configuration (Shipping and Storage Container). Thus, this effort will cost approximately $25,000 and a [redacted].

d) Conduct End-Item Interface Testing requires the Shipping and Storage Container to be shipped to a USG testing facility, such as Aberdeen Proving Ground (APG) for testing and to ensure the Shipping and Storage Container interfaces properly and safely with the CEU. Thus, this effort will cost $25,000 and a delay of three months, which is included in Engineering Verification Testing.

The USG would not be expected to recover, through subsequent competition, the duplication of costs involved in either procuring the proprietary data or reverse engineering the item to create a competitive package within a reasonable time. At the current average usage rate of [redacted] units each year, a current unit cost of $1,441.99, and assuming the 25% saving achieved through competition, the estimated $21,629.85 in annual savings would take about 19 years to offset the estimated $425,000 cost of reverse engineering the item.

[redacted]. The aggregate delay in the acquisition process for reverse engineering this item will take 33 months. [redacted]

6. Efforts to Obtain Competition:

a. Effective competition: Due to the reasons cited in section 5 above, the Government is not pursuing competition for this item. Notices required by FAR 5.201 shall be published, and any bids or proposals received shall be considered.

b. Subcontracting competition: The solicitation and resulting contract will include subcontracting clauses, including FAR clauses 52.219-8, "Utilization of Small Business Concerns"; 52.244-5, "Competition in Subcontracting"; 52.219-16, "Liquidated Damages--Subcontracting Plan";" and Defense Federal Acquisition Regulation Supplement (DFARS) 252.219-7003, "Small Business Subcontracting Plan (DoD Contracts)," to maximize small business opportunities and utilization.

7. Actions to Increase Competition:

8. Market Research: The Contract Specialist conducted market research via internet searches on 18 October 2024 using the NSN, P/N, and Nomenclature, concluding the item is not commercially available, and Manufacture Part Number: 16776-101 is owned by (CAGE 11214). A Sources Sought Notice was posted to www.SAM.gov on 18 October 2024 and was open for 14 days. Two sources responded. One source, BHPE LLC expressed interest via automatic email reply. The Contrast Specialist sent out a follow-up on 30 April 2025, and BHPE has since been unresponsive. The second source, Choctaw Defense Manufacturing LLC (7H9J3), a small business, showed capabilities and interest to manufacture the part on 01 November 2024. The Contract Specialist sent out a follow up email on 14 May 2025 to verify that they have the necessary technical data to manufacture the part. Choctaw responded that they do not have access to the necessary technical data hindering them from manufacturing the part.

Additional Market Research Efforts:
Combat Capabilities Development Command (DEVCOM) Armaments Center (AC) - Rock Island Configuration Management/Engineering conducted market research on 07 April 2025 by performing an internet search for the NSN, Government P/N, and Nomenclature. The search was conducted using Google, Ability One, Unicor (Federal Prison Industries), and Haystack Gold to find existing suppliers. Google searches did not find the item to be available from distributors or new manufacturing sources. Ability One and Unicor returned no results.

9. Interested Sources: To date, no additional sources have expressed an interest in this acquisition.

10. Other Facts:

(1) Contract Number: W56HZV-20-D-0085
Award Date: 20 July 2020
Contractor: General Dynamics Land Systems Inc. (7W356)
Contract Value: $ 240,882.00
(2) Competitive Status: FAR 6.302-1, Sole Source
(3) Authority: 10 United States Code 2304(c)(1) as implemented by Federal Acquisition Regulation 6.302-1.
(4) There are no current plans to acquire a competitive TDP because funds are not available to acquire the data necessary to support a competitive acquisition.
(5) No prior contract for this requirement was accomplished using full and open competition.
(6) No unusual patterns have been revealed by the history of this contract.
(7) No significant changes from this J&A to the previous Sole Source Justification (SSJ).

(1) Contract Number: W56HZV-20-P-0097
Award Date: 29 January 2020
Contractor: Hardigg Industries, LLC (11214)
Contract Value: $ 79,268.00
(2) Competitive Status: FAR 6.302-1, Sole Source
(3) Authority: 41 United States Code 253(c), as implemented by FAR 13.106-1(b)(1), "Soliciting from a Single Source."
(4) No plans to increase competition; procurement remains restricted to Hardigg Industries, LLC.
(5) No prior contract for this requirement was accomplished using full and open competition.
(6) No unusual patterns have been revealed by the history of this contract.
(7) No significant changes from this SSJ to the previous contract.

11. Technical Certification: I certify that the supporting data under my cognizance which is included in the justification is accurate and complete to the best of my knowledge and belief.

Name: [redacted]
Title: ENG Branch Chief
Signature:

X _____

12. Requirement Certification: I certify that the supporting data under my cognizance which is included in the justification is accurate and complete to the best of my knowledge and belief.

Name: [redacted]
Title: Procurement Branch Chief
Signature:

X _____

13. Fair and Reasonable Cost Determination: I hereby determine that the anticipated cost to the Government for this contract action will be fair and reasonable. This determination will be based on the results of a detailed cost and/or price analysis. The contractor will be required to submit other than certified cost or pricing data as the expected value of this procurement falls within the threshold. This item is non-commercial.

Name: [redacted]
Title: Contracting Officer
Signature:

X _____

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

Name: Title: Contracting Officer
Signature:

X _____

Approval

Based on the foregoing Justification, I hereby approve the procurement of Shipping and Storage, NSN: 8145-01-535-5578 on an other than full and open competition basis pursuant to the authority of 10 United States Code (U.S.C.) 3204(a)(1) as implemented by FAR 6.302-1(a)(2)(ii)(A) and (B) “Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.” This procurement is subject to the availability of funds, and provided that the property herein described has otherwise been authorized for acquisition. The total estimated value of this acquisition is $285,514.02.

Signature:

X _____

Contracting Officer