Marine Corps Systems Command
Purchasing & Evaluation of Power Items

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AGENDA

• Requirements
• Business Strategy
• Market Research
• Acquisition Strategy
• Contracting Strategy
• Statements of Work / Specifications
• Product Sample Evaluation
• Test & Evaluation Strategy
• Procurement Phase Issues
• Fielding Issues
• Questions
Requirements

• Nothing happens without a validated requirement
  – Marine Corps Combat Development Command
  – For Power & ECUs: Logistics Integration Division
  – Most power items are covered under “Family of” programs
    • Mobile Electric Power
    • Advanced Power Sources
    • Environmental Control Equipment

• JUONS are outside the regular validation process

• Science and Technology does not require a validated requirement (but should be linked to one)
  – Office of Naval Research
  – Marine Corps Warfighting Laboratory
  – Office of Comparative Testing / International Programs
Business Strategy

- How fast are items needed
- How defined, understood and available is the end item
  - May require Market Research
- How often are items needed
  - One-time-buy,
  - Life-of-item buy,
  - Life-cycle sustainment management
  - Interim solution
- Who is the customer
  - Defined / manageable
  - Varied / predictable
  - Unpredictable
- Joint Service interests
  - Other service lead / USMC follow
  - USMC lead / other service as paying customer
Market Research

- Prescribed by Acquisition Regulations
- Done right, can truly help a program
- Done wrong – wastes everyone’s time & money
- Multiple methods
  - In-house (formal or informal)
  - External data call (Sources Sought / RFI)
  - Site visits (pre-solicitation, allows interchange)
- Regardless of method – should be formally documented
- Best research / intention only achieves 75% of intended purpose
  - Like in a movie audition – a call-back is good
- If contacted, then Gov’t really is looking for your input
- Don’t be scared away by support contractor contacting you on behalf of a Gov’t Program Office
  - Support contractors are key members of Gov’t Program Offices
Acquisition Strategy

- Market Research should define / focus the strategy
- Research and Development Strategy
  - Defined scope / defined product
  - Defined scope / undefined product
  - Follow-on procurement effort planned?
- Procurement & Fielding Strategy
  - Commercial Item procurement (FAR part 12)
  - Developmental phase with follow-on procurement
- Operations and Support Strategy
  - Full and Open procurement
  - Sole Source Procurement (commonality with current item)
  - Federal Supply Schedule procurement
  - Military Interdepartmental Procurement Request (MIPR)
Contracting Strategy

Where the magic happens

• 3-way collaboration
  – Program Management shop
  – Contracting Officer
  – Lawyer
• Risk vs the “RUBBER TRIANGLE”
  – Cost
  – Performance
  – Schedule
• USMC uses FAR PART 12 to fullest extent possible
  – Nature of our business
    • COMMERCIAL ITEM PROCUREMENT
    • Modification of Commercial Item
  – Urgency of situation
  – Minimal R&D dollars to develop a solution
Specifications and Statements of Work

• **Specification Types**
  - Standard Performance Specification (MIL-PRF)
  - Program Unique Specification
  - Military Standard (MIL-STD)
  - Purchase Description
  - Commercial Item Descriptions (CIDs)

• **Work Statement Types**
  - Guidance in Military Handbook MIL-HDBK-245D
  - Statement of Work - Do as I say
  - Statement of Objectives - You tell me
  - Combined Solicitation / Synopsis - Short & sweet

You build to our spec
You tell us what you will build
Specifications

• With a Mil-SPEC of Mil-PRF, you are required to meet all requirements
• Failure to do so requires contractual modification / waiver
• With Purchase Description or Statement of Objectives, we list top level requirements
  – These are called CRITICAL PERFORMANCE PARAMETERS
  – These MUST BE MET, or Technically Unsatisfactory
• All other requirements are Objectives / Desires
• With Commercial Item, the offeror proposes his Product Specification for what is possible / being offered
• Best Analogy is Buying a Car
• Selection is made using Best Value
• Best Value does not always mean lowest price
## Selection Criteria

<table>
<thead>
<tr>
<th>FACTOR 1</th>
<th>FACTOR 2</th>
<th>FACTOR 3</th>
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</thead>
<tbody>
<tr>
<td><strong>Operational Effectiveness</strong></td>
<td><strong>Supportability</strong></td>
<td><strong>Past Performance</strong></td>
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<tr>
<td>(a) Technical Approach</td>
<td>(a) Publications and Data</td>
<td>No Sub-factors</td>
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<tr>
<td>(b) Pre-existing Test data and certifications</td>
<td>(b) Warranty provision</td>
<td></td>
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<tr>
<td>(c) Value Added</td>
<td>(c) Training capability and experience</td>
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<td>(d) Management of Configuration and Quality of Products</td>
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<td>(e) Product Sample Evaluation</td>
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Descending order of priority
Product Sample Evaluation

- Entails / requires / assumes Commercial Item
- Strategy has proven very productive
- If your item is a Commercial Item......
  - It should be readily available
- If available.......
  - Lets evaluate it during source selection
  - Test results factored into selection process
- Everyone benefits all around
  - We get your article (temp loan, no cost to us)
  - You get our 3rd party independent test report
Product Sample Evaluation

- But comes with conditions on all parties
  - Test results can make you sink or swim
  - Formal evaluation is costly and timely
  - All parties treated equally
  - You only see your results
  - Contractors normally excluded from test sites
  - Test result are Competition sensitive
  - Test results are not releasable via FOIA requests
- We usually test Critical Parameters first
- Sample may be damaged / destroyed during test
- Can not claim testing as USMC endorsement
Product Sample Evaluation

• Program Success Stories with Product Samples:
  – Marine Corps Bayonet
  – Integrated Trailer – ECU- Generator
  – 9,000 BTU/hr Environmental Control Unit
  – Ruggedized Power Supply (version 2.0)
  – Vehicle Power System
Test & Evaluation Strategy

- **Product Sample Evaluation**
  - Top level
  - PASS-FAIL criteria
  - Critical Performance Parameters
  - Value Added Features

- **Production Verification Testing**
  - To support Full Rate Decision
  - To measure Performance, Reliability, Interfaces
  - Critical data elements

- **Random Production Verification (configuration)**

- **User Evaluations**
  - Field User Evaluations
  - Validation / Verification of Technical Publications
Procurement Phase Issues

• Our contracts must provide maximum flexibility to respond to changes:
  – Money changes
  – Requirements changes
  – Customer demands

• Multi-year contracts are the norm

• Indefinite Delivery Indefinite Quantity (ID-IQ) contracts

• Regulatory issues must be factored into strategy
  – EPA changes
  – Doctrinal changes
  – Urgent requirements
Fielding Issues

• Publications
  – Organizational / Intermediate
  – Depot / rebuild

• Training
  – Curriculum development
  – Initial / New Equipment Training
  – Train-the-trainer

• Copyright release for data
  – Government purpose use
Questions ?