Open Systems Architecture
Data Rights
Breaking Vendor Lock
Competition Lowers Costs and Increases Performance

• The Government must set the stage for a competitive acquisition
  • Periodic - even with good performance
  • Performance Driven - when performance is below exceptional
  • Break Vendor Lock when needed
• Business Strategy that mirrors our technology architecture
  • Platform Integrator, Subsystem Integrator, Component Provider
• Competition is real when the Incumbent can lose
  • The Government must level the competitive playing field
  • Compete regularly and fairly
• Limited IP (proprietary) is allowed in an Open System Architecture
  • Published module interfaces, loose coupling and high cohesion
• Message to Industry
  • There are going to be more opportunities for market penetration
  • We will compete regularly – nothing personal, it’s just business
The Logic for OSA, Modularity, Data Rights and Competition

- What do we want?
- Why competition?
- What about risk?
- How do we reduce complexity?
- What makes competition real?
- How to level playing field?
- How do we start from current state of the program?
- What is our responsibility?
TOOLS FOR THE HARRIED PROGRAM MANAGER
Better Buying Power
Promoting Real and Sustained Competition for the Life Cycle

MEMORANDUM FOR
SUBJECT: Better Buying Power

On June 30, I urged you to take steps to ensure our defense acquisition systems are operating at the highest level of efficiency. It is our responsibility to ensure that our systems are efficient, cost-effective, and capable of providing the necessary support to our military forces. To achieve this goal, we must take steps to ensure that our acquisition systems are efficient, cost-effective, and capable of providing the necessary support to our military forces.

Require open systems architectures
Set rules for acquisition of technical data rights.
Business case analysis & engineering trade analysis for:
open systems architectures and data rights

Since June, the entire leadership of the acquisition community—Procurement, Acquisition Executive (CAE), senior logistics and systems command leaders, industry officials, and program executive officer (PEO) and program managers (PMs)—has been working together to inform and assess this guidance. We have analyzed data from the Department’s practices, expenditures, and outcomes and examined various options for changing the process. We have identified specific actions that can be taken to improve the process. The Department has identified a total of 8 actions that can be taken to improve the process. The Department has identified a total of 8 actions that can be taken to improve the process.

Changing our business practices will require the continued involvement of others. We have taken the steps to ensure that our systems are efficient, cost-effective, and capable of providing the necessary support to our military forces. We have also taken the steps to ensure that our systems are efficient, cost-effective, and capable of providing the necessary support to our military forces.

https://acc.dau.mil/bbpgovonly
The DoD OSA Contract Guidebook for PMs can help you

- Leverage a consistent message to Industry
- Reduce your risk in contracting:
  - Statement of Work
  - Deliverables
  - Instructions to offerors and grading criteria
- Understand what to look for to get OSA products
- Leverage Data Rights for the life cycle
- Capture OSA Best Practices for your program
  - Early and often design disclosure
  - Breaking vendor lock
  - Peer reviews for technology evaluation
  - Minimize duplication / maximize Enterprise value
You can use our Data Rights to get a better deal

- Unlimited Rights (UR)
- Government Purpose Rights (GPR)
- Limited Rights (LR)
- Restricted Rights (RR)
- Negotiated License Rights
- SBIR Data Rights
- Commercial TD License Rights
- Commercial CS Licenses
Why are OSA/Data Rights Important?

- **What you decide may last the whole life cycle:**
  - Maintain potential for competition
  - Flexibility in logistical support
- **Will enable you to:**
  - Take advantage of emerging technologies
  - Quickly introduce new capabilities to war fighters
  - Reduce costs over the life cycle of the program

**GAO findings:**
...Services encountered limitations in sustainment plans for some fielded weapon systems...lack of data rights.

...60% of 47 non-competitive DoD contracts could not be competed...lack of access to data.
Approaches to Breaking Vendor Lock

Establish an Environment for Change
- Publish the intent to compete
- Establish Gov’t/Industry/Academia forum
- Establish a Flexible Contracting Approach

Leverage and Exercise Data Rights
- Assess what you have/need
- Require delivery of non-delivered CDRLs and assert data rights

Change approach to Systems Engineering
- Develop a common architecture across a product line or similar Programs of Record
- Functionally decompose legacy Programs

Hold Competition
- Create an alternative
- Limit Integrator role
- Share GPR for next competition
- Inject OSA through technical insertions
- Use Government Labs for Integration

Incentivize Good Behavior
- Vendor-to-vendor cooperation past performance evaluation
- Associate contractors sink/swim together

Change Contracts
- Incentive fees
- Include OSA as part of evaluation
- Reward reuse in evaluation Criteria
Forge.mil Marketplace Opportunity

1. Free Flow of Information:
   - Allows programs and businesses to communicate and share info on DoD systems

2. Intellectual Property:
   - Identifies government rights to data

3. Trust Between Participants:
   - Enforces both ethical and legal standards

4. Increasing Competition:
   - Drives cost savings and quality
Leadership Challenge

Can a qualified third party – big or small . . .

• add,
• modify,
• replace,
• remove, or
• provide support

. . . based on open standards and published interfaces.
Message to Industry

- The Navy is moving out on OSA, getting a handle on our Data Rights and aggressively pursuing competition to get a better deal
  - More opportunities to win new work by competing
    - Platform, System, Component
  - You current work will be competed
    - Breaking Vendor Lock and getting a better deal is our responsibility