

Special Operations Forces Industry Conference



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Director of Procurement

AT&L Efficiencies and Contract Effects



Procurement



Overview

- Organization & Mission
- Key Statistics
- Upcoming Source Selections
- USD (AT&L) Directed Initiatives





A Unique Organization

A Unified Combatant Command...

- Command of all U.S. based SOF
- Plan and Synch DOD activities in OCO
- Deploy SOF to support GCCs as directed, conduct operations globally
- Plan & execute pre-crisis activities

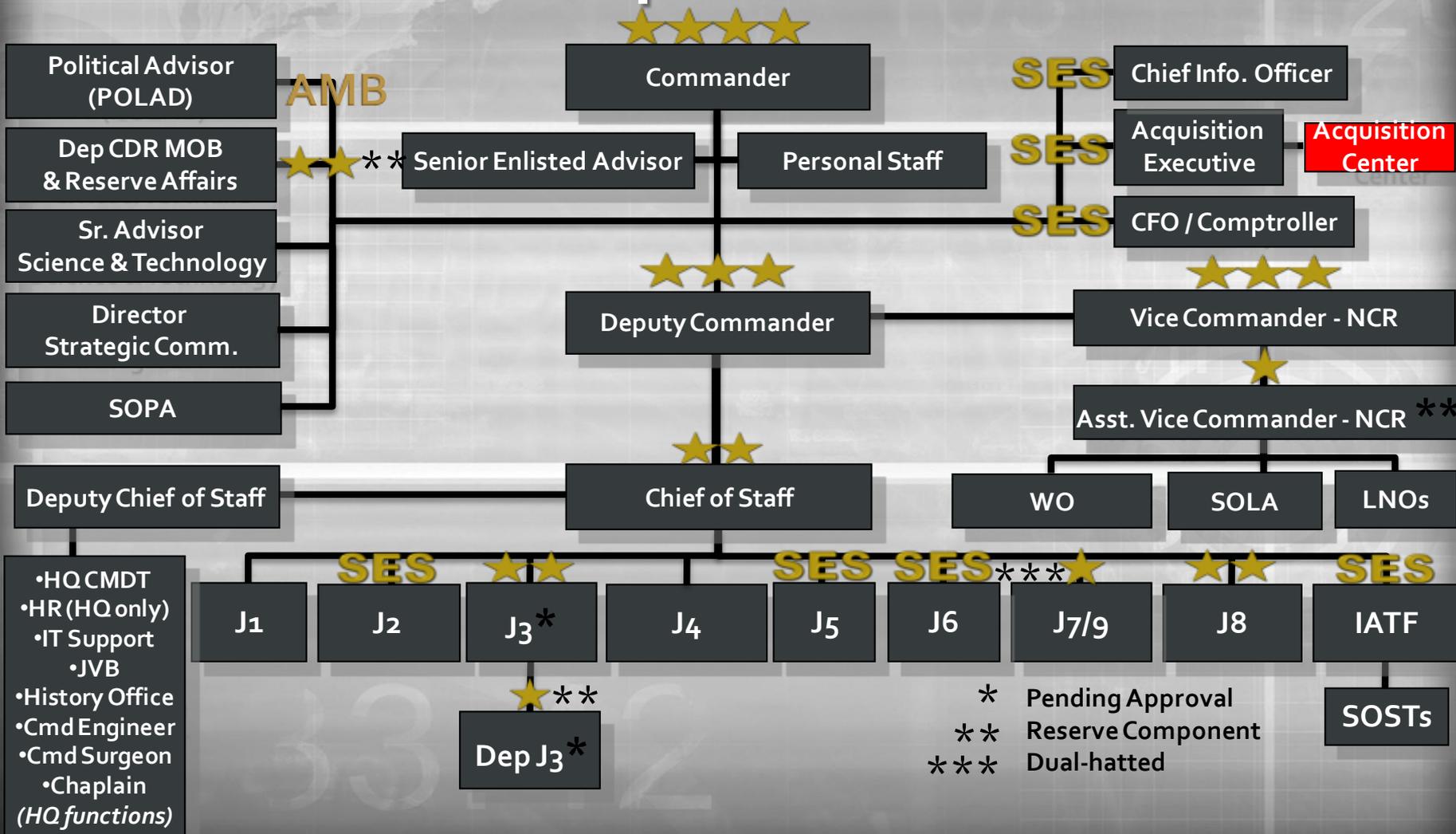


...with Service & MILDEP-like responsibilities

- Organize, train, equip SOF
- Develop Strategy/Doctrine/Tactics Program and Budget
- Monitor SOF personnel
- Ensure interoperability
- Procure SOF-peculiar equipment & training**

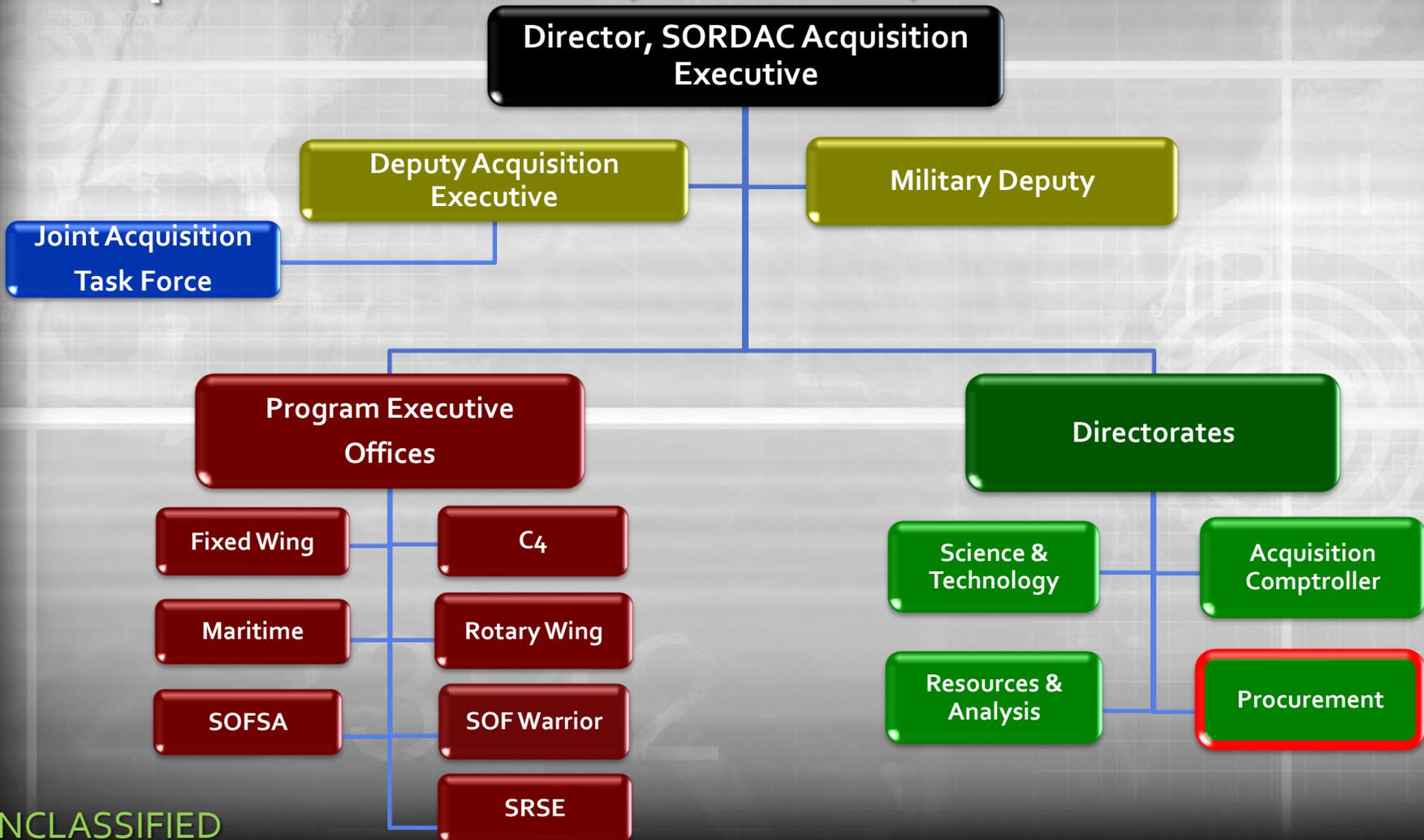


USSOCOM Headquarters





Special Operations Research, Development, Acquisition Center (SORDAC)





Flow of Contract Authority





Definition: Special Operations Peculiar

- Equipment, Materiel, Supplies, and Services with No Service-common Requirement
- Items Initially Used by SOF Until Adopted by a Service
- Modifications Approved by CDR USSOCOM for Application to Items Used by Other DOD Forces
- Critically Urgent Items/Services Supporting SOF Activities

Source: DODD 5100.3, "Support of the Headquarters of Combatant and Subordinate Joint Commands", Certified Current as of March 24, 2004



USSOCOM is a Joint "Acquisition Center"





Directorate of Procurement (DoP)

Mission Statement

- To rapidly transform acquisition strategies into superior technologies, equipment, and services for Special Operations Forces world-wide.

Vision Statement

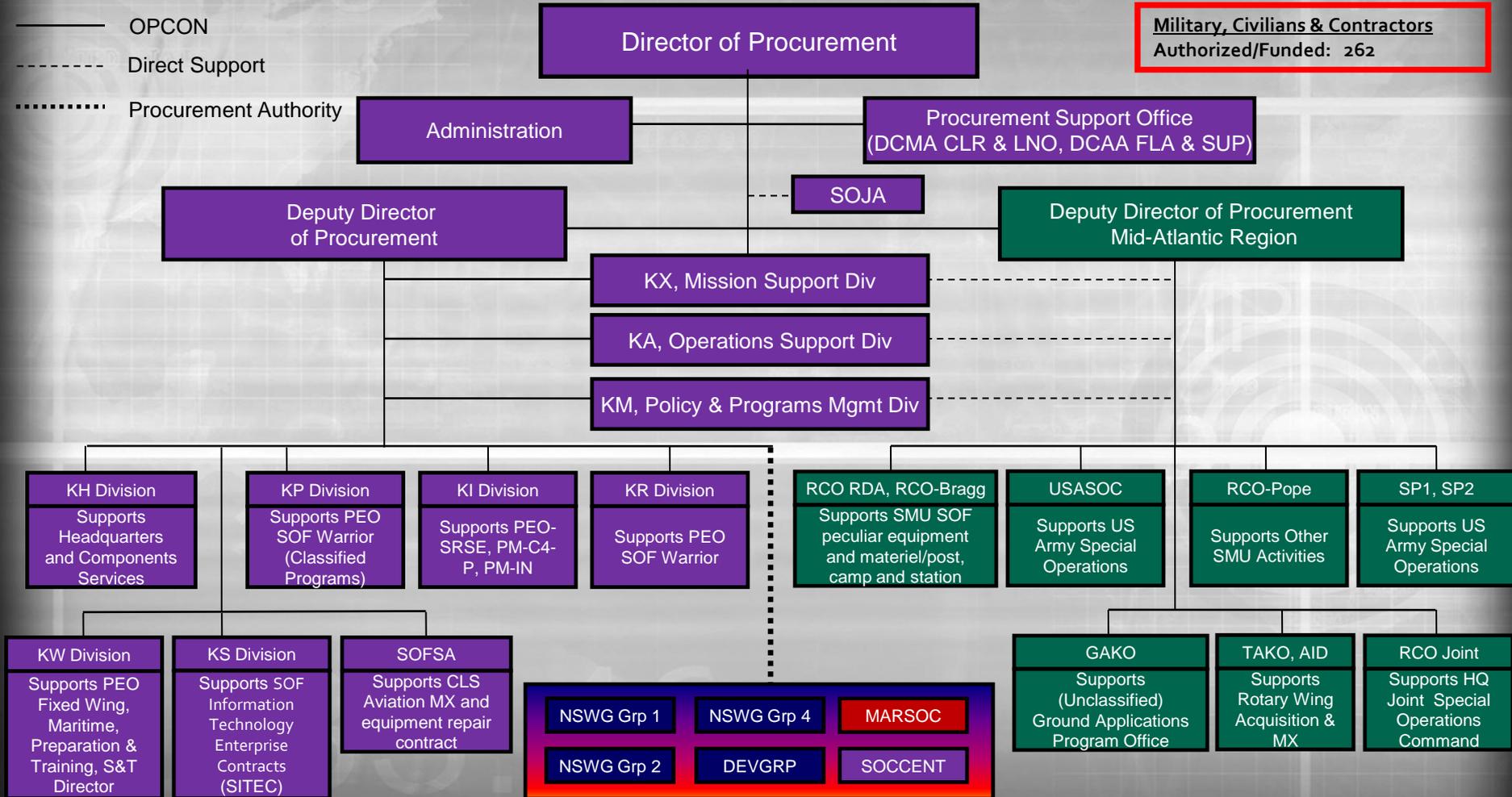
- To be DOD's finest contracting team providing rapid, focused, and innovative support to Special Operations Forces.



DoP Organizational Structure

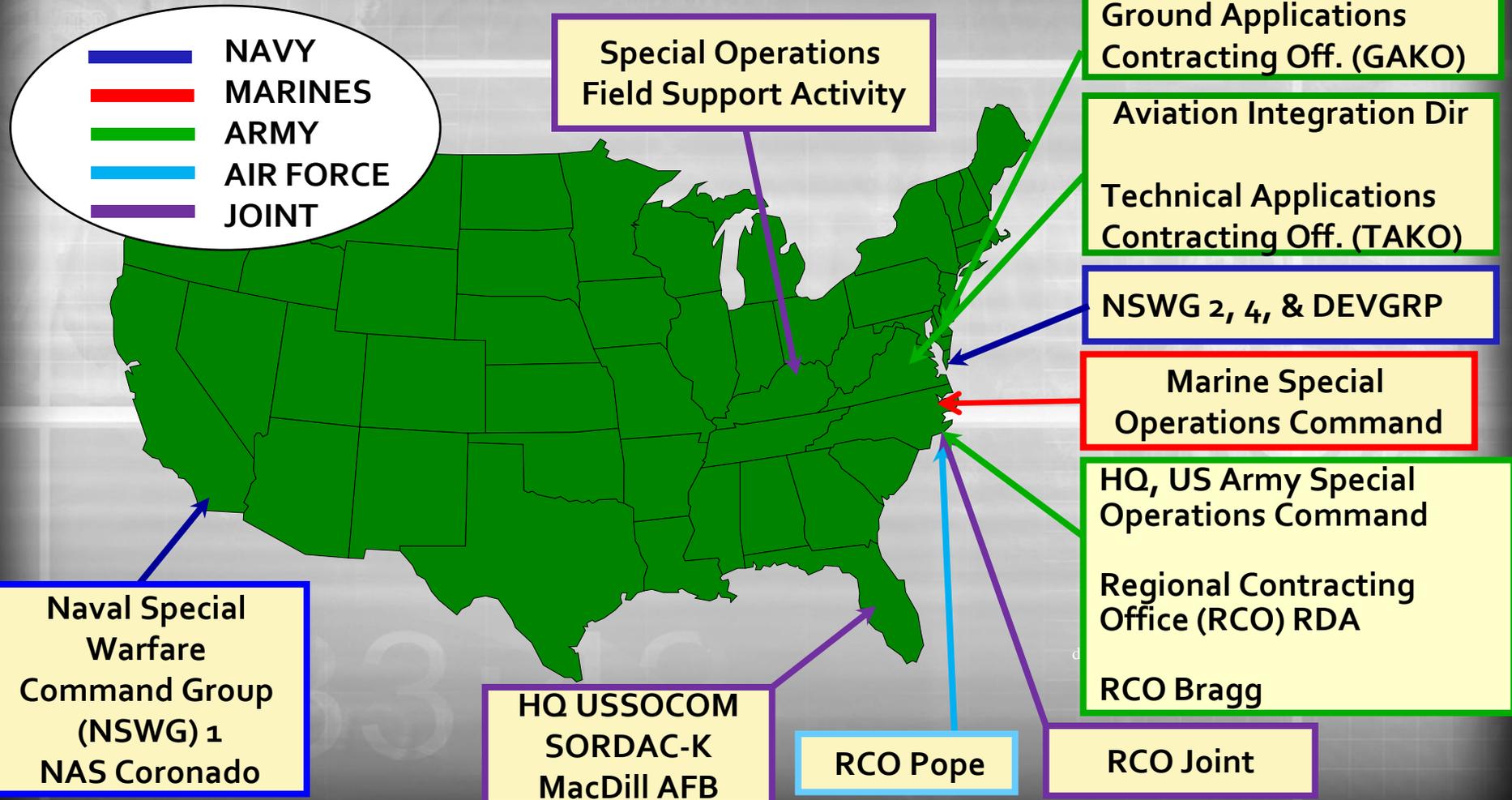
- OPCON
- - - - Direct Support
- Procurement Authority

Military, Civilians & Contractors
Authorized/Funded: 262



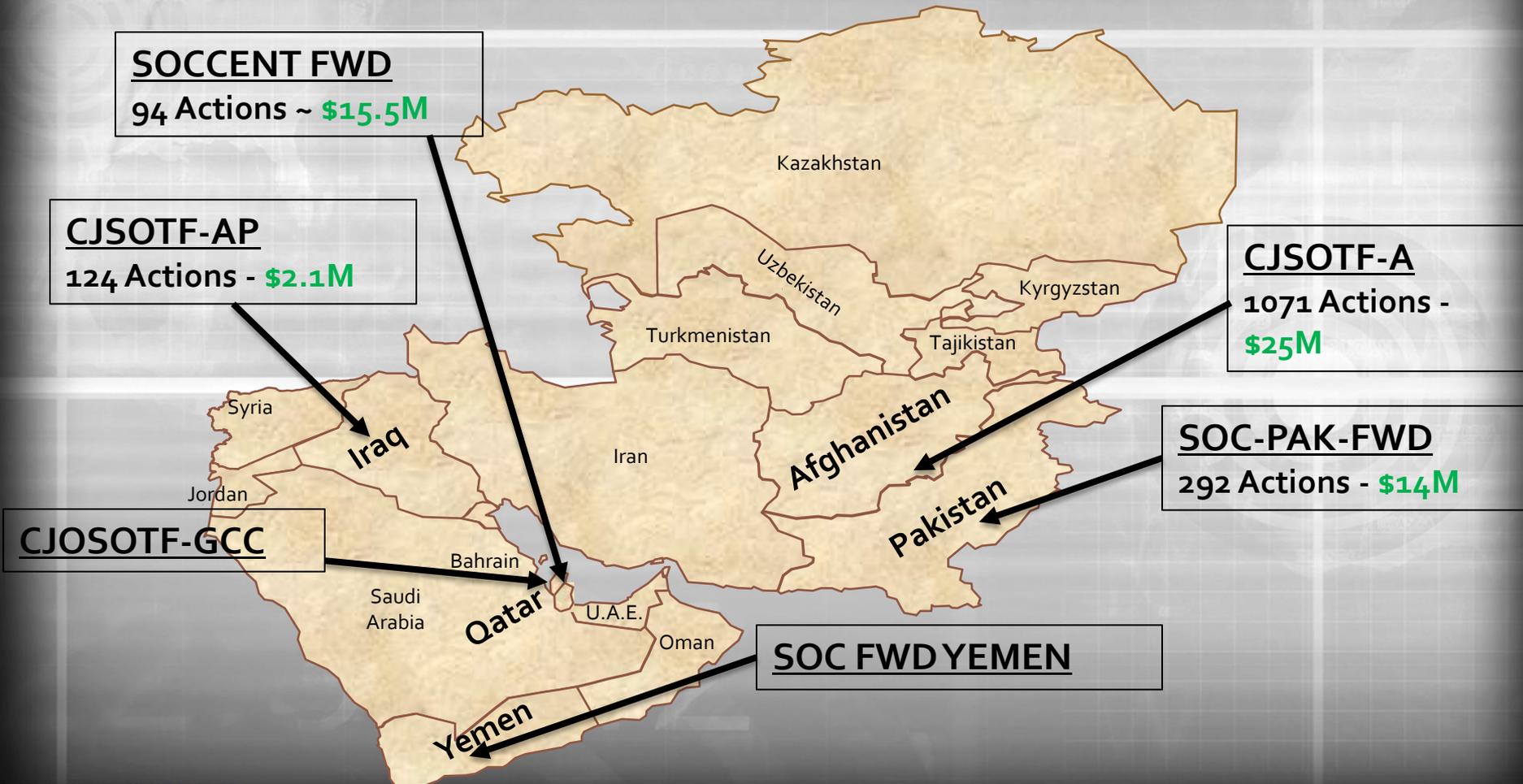


USSOCOM Contracting Offices



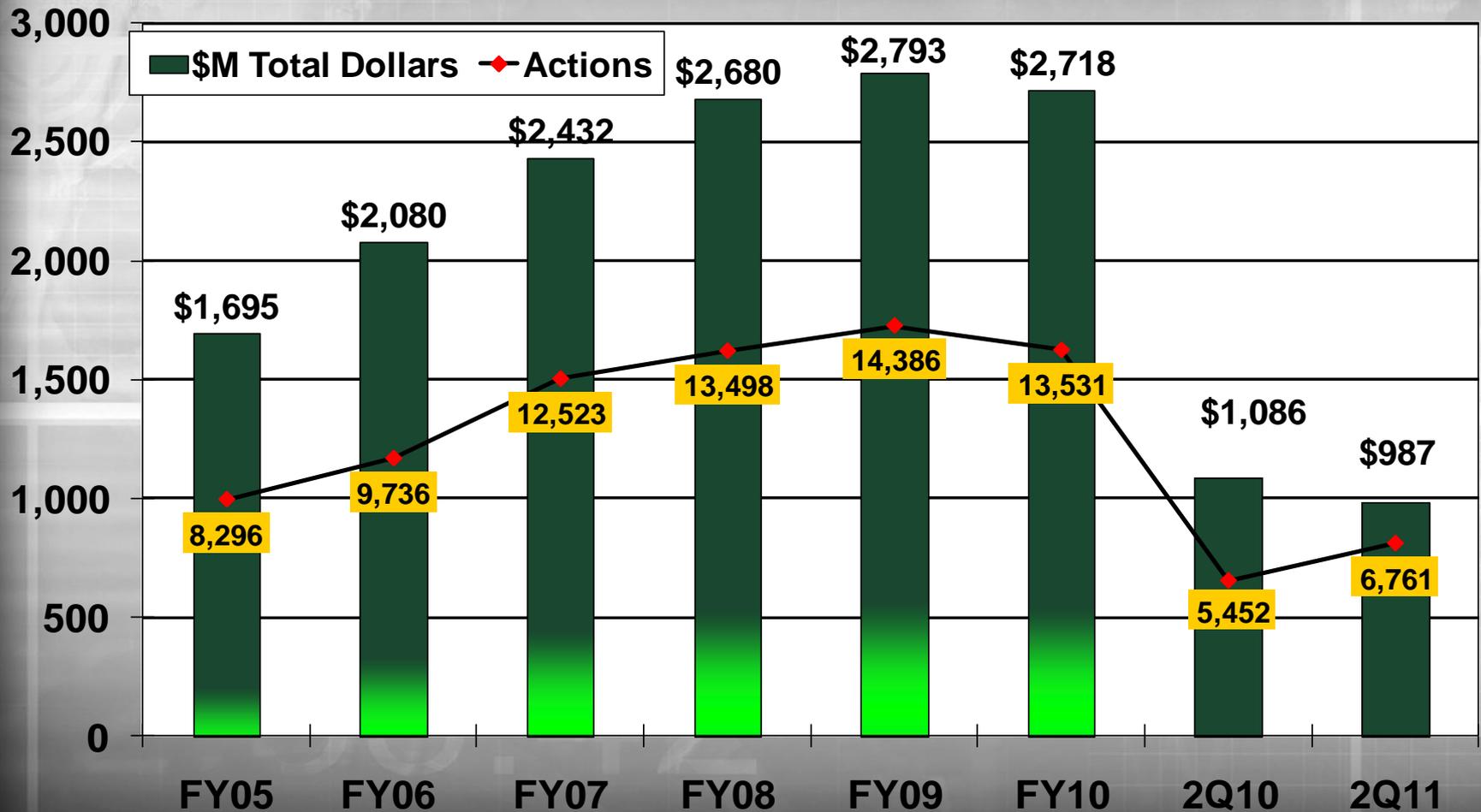


SOCCENT Contracting Footprint





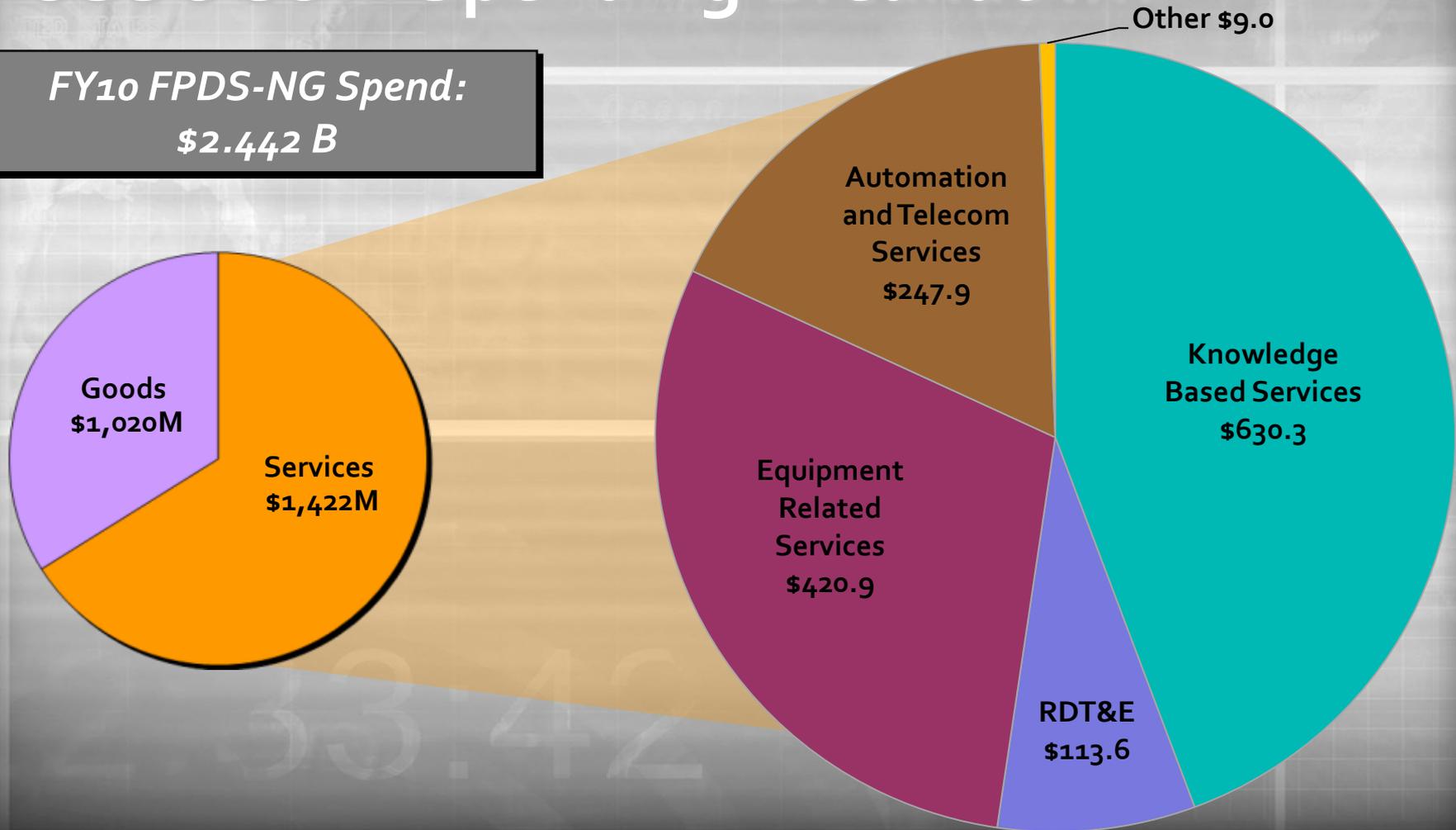
Procurement Activity Levels (FY05-FY11)





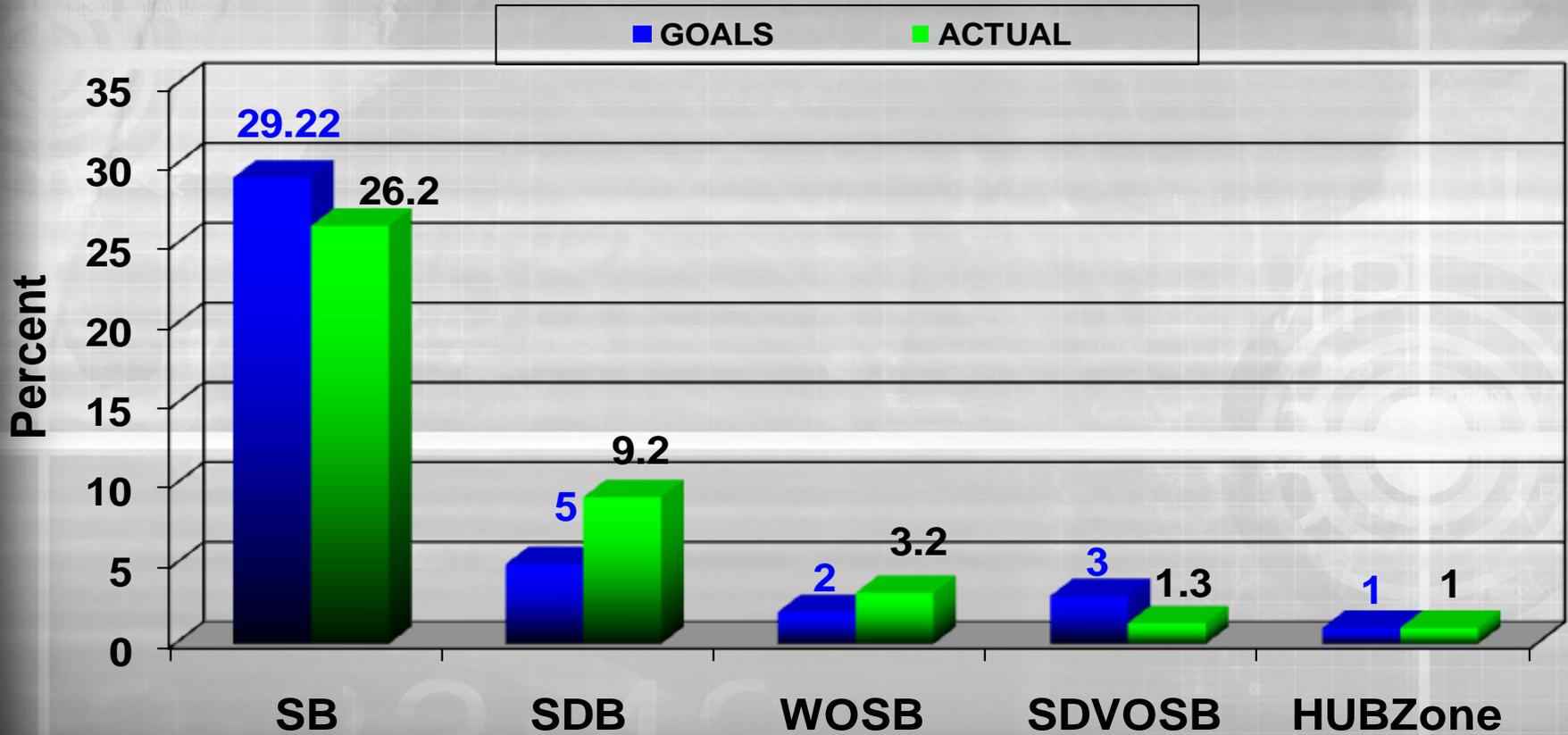
Fiscal Year 2010 USSOCOM Spending Breakdown

**FY10 FPDS-NG Spend:
\$2.442 B**





Small Business Program (FY11) (SORDAC-RA OSBP)

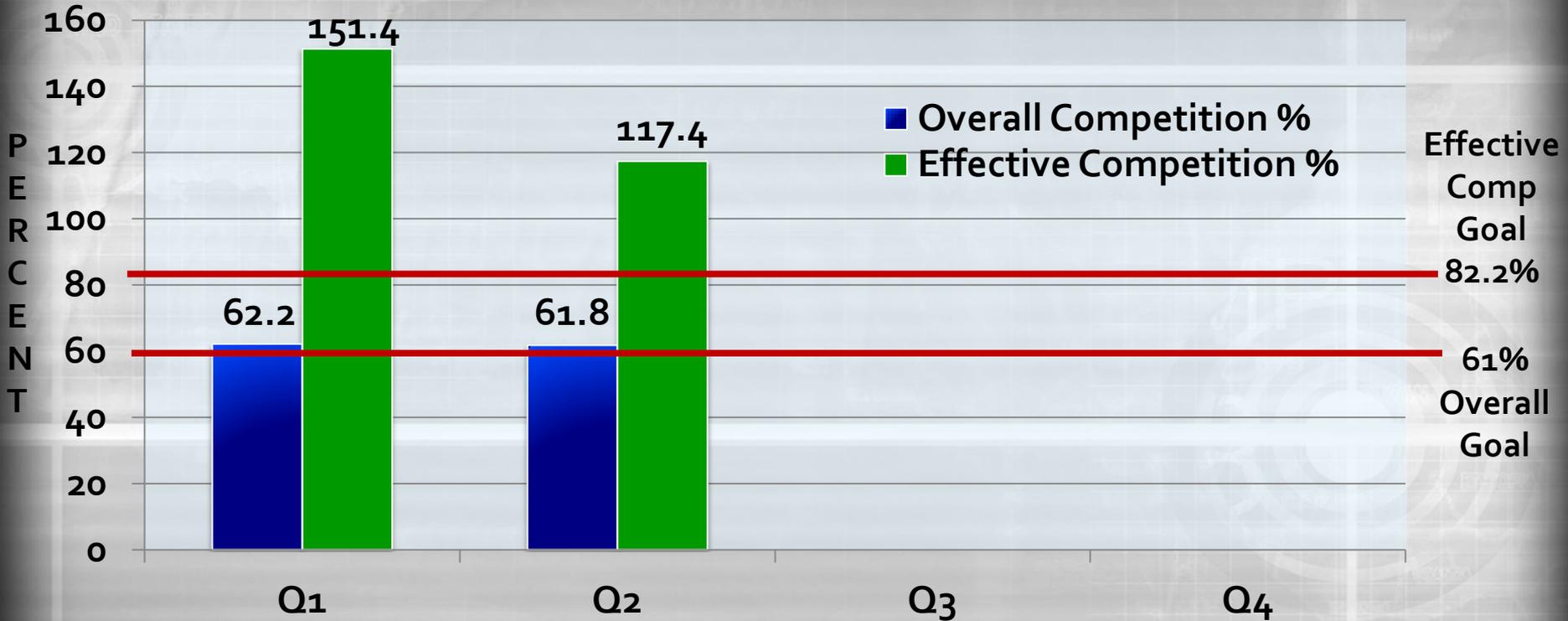


FY10 (\$M)	780.5	297.2	93.3	50.5	23.9
FY11 (\$M)	226.9	79.0	28.2	11.9	9.1

(2Q)



Effective Competition by Quarter



OBLIGATED:	\$376M	\$880M
COMPETED:	\$234M	\$544M
ALL COMPETED OFFERS:	\$234M	\$544M
ONE OFFERS:	(\$120)M	(\$94)M

Competition % calculations are adjusted for exceptions to fair opportunity



Upcoming Source Selections

TITLE	BRIEF DESCRIPTION	EST AMOUNT	EST/ACT RFP RELEASE	EST AWARD DATE
SITEC Specialty Services	Provides unique IT Enterprise Management Support to JSOC and TSOC along with Special Access Program Support Task Orders	TBD	Nov-11	May-11
Family of Terminals (SDN-M Recompete)	Non-developmental production ready Special Operations Forces Tactical Assured Connectivity System (SOFTACS) and Product Distribution System (PDS) family of terminals (FoT).	\$500M	Jul-11	Jan-12
Tactical Local Area Network (TACLAN)	Tactical Local Area Network (TACLAN) is a modular, scalable family of computer network equipment and workstations.	\$500M	May-11	Aug-11
SPEAR Backpack	Replace existing Load Carrying System	\$49M	Aug-11	Mar-12
Fully Integrated X-Ray Imaging Tool	Development of a fully integrated X-Ray imaging Tool	under \$10 M	May-11	Aug-11
Special Operations Eye Protection (SOEP)	Ballistic Goggles and Sunglasses	\$49M	Jun-11	Jan-12
Precision Sniper Rifle (PSR)	The PSR system (weapon and ammunition) will enhance operational effectiveness and sniper survivability.	\$252M	Jun-11	Apr-12
Ammunition and Weapon Testing	Engineering services and rapid response testing support for characterizing, testing, and documenting the performance of weapons, ammunition, munitions, and energetic systems, components and related systems	\$15M	Jun-11	Sep-11
Hard Armor Recompete	Hard armor ballistic plates, Non-commercial	\$49M	Mar-12	Jan-13
Modular Gloves System	Suite of integrated gloves, from thin, fire-resistant to extreme cold weather mitten	\$50M	Feb-12	Nov-12
Spot on Target (SPOTR)	A device to be used in conjunction with the Handheld Laser Marker (HLM) that allows operators to verify that their 1064-nm energy is on target at the intended ranges of the HLM.	\$45M	May-11	Nov-11
All Terrain Vehicles (ATVs)	Replace aging ATV fleet with "off-the-shelf" vehicles	\$32M	Aug-11	Oct-11
Ground Mobility Vehicles (GMVs)	Modified Commercial-Off-the-Shelf, medium weight vehicle	\$375M	Sep-11	Apr-12
Non-Standard Commercial Vehicles (NSCVs)	Provide SOF operators with covert mobility by acquiring commercial vehicles that are representative of indigenous operating environments and modified to meet SOF unique requirements.	\$105M	Dec-11	Apr-12



USD(AT&L) Directed Initiatives

**Better Buying Power Highlights:
Guidance for Obtaining Greater
Efficiency and Productivity in
Defense Spending**



USD(AT&L)'s Efficiency Initiatives

(Nov 3, 2010 Memo, 5 Major Areas)

- 1) **Target Affordability**
- 2) **Incentivize Productivity & Innovation in Industry**
- 3) **Promote Real Competition**
- 4) **Improve Tradecraft in Services Acquisition**



1) Target Affordability & Control Cost Growth

Action

- Mandate Affordability as a requirement
 - Milestone A: Establish affordability target in context of analysis of resources available in portfolio or mission area
 - Milestone B: Present trade-off analysis showing how cost varies as design and schedule are traded off against each other
- Drive productivity growth through Will Cost/Should Cost management

Implementation

- Acquisition Managers with large ACAT Programs
- For large ACAT Programs



2) Incentivize Productivity & Innovation in Industry

Action

- Reward contractors for successful supply chain and indirect expense management
- Increase use of FPIF contracts where appropriate

Implementation

- 1 Dec 2010. DPAP will review Weighted Guidelines tying profit and performance
- 1 Jan 2011. Incentive strategy behind profit in acquisition strategy for all programs
- Immediately:
 - Greater consideration to FPIF contracts for efforts moving from development to production
 - Justification for contract type for each proposed contract above \$100M
 - FPIF contracts with 120% ceiling and 50/50 share ratio should be norm



3) Promote Real Competition

Action

- Present a competitive acquisition strategy at each program milestone
- Increase small business role in defense marketplace competition

Implementation

- 1 Dec 2010. One page competitive strategy for all ACAT levels
- Report to USD(AT&L) intent to reduce single-bid competitions
 - Address market research, restricted specs & adequate time for proposal prep. Achieve 2% reduction in single-bid competitive contracts in FY 2011, with continuing reductions thereafter
- 1 Dec 2010. All competitive and non-competitive procurement actions will seek to increase small business participation through weighting factors in past performance and in fee construct



3) Promote Real Competition (cont)

Action

- Remove obstacles to competition

Implementation

- 15 Nov 2010. Contracting officers conduct negotiations with all single proposal offerors. Basis will be cost or price analysis, using certified or non-certified data cost or pricing data as appropriate.
- 1 Dec 2010. Component competition advocates will develop plan to improve overall rate of competition at least 2% per year and 10% per year for effective competition
- 15 Nov 2010. Require open system architectures and set rules for acquisition of technical data rights



4) Improve Tradecraft in Services Acquisition

Action

- Address causes of poor tradecraft in services acquisition (continued)
 - Enhance competition by requiring more frequent re-competes of knowledge-based services

– “1-bid” Proposals

Implementation

- 1 Jan 2010. Report results of review of length of time knowledge-based service contracts are scheduled to remain in effect before re-compete
- 1 March 2011. Provide plan to bring knowledge-based services contracts into closer compliance with a three year limitation
- 1 Dec 2010. When “1-bid” proposals are received, require pricing and cost data as appropriate.
 - Solicitations receiving only 1-bid, that were open to industry for less than 30 days, are to be re-advertised for a minimum period of an additional 30 days unless a waiver is obtained from the HCA.



4) Improve Tradecraft in Services Acquisition (cont)

Action

- Address causes of poor tradecraft in services acquisition (continued)
 - Limit the use of T&M and award fee contracts for services
 - Require that services contracts exceeding \$1B contain cost efficiency objectives
- Increase small business participation in providing services

Implementation

- Immediately. Ensure services acquisitions favor CPFF or CPIF initially
- When robust competition exists, or there is recent competitive history, ensure services favor FFP contracts
- Immediately. services contracts valued at more than \$1 billion contain provisions to achieve productivity improvements and cost efficiencies throughout the term of the contract.
- Immediately. DPAP ensure Office of Small Business Programs is included as member of OSD peer reviews of service acquisitions
- 1 Jan 2011. Seek opportunities to compete Multiple Award/IDIQ contracts among small businesses



Take Aways

- 1) Taking Action to increase competition
- 2) Taking Action to increase accuracy of price and cost
- 3) Taking Action to Incentivize Productivity & Innovation in Industry



Questions



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