



Creating the Environment for Continuous Competition

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CSCHR Introduction

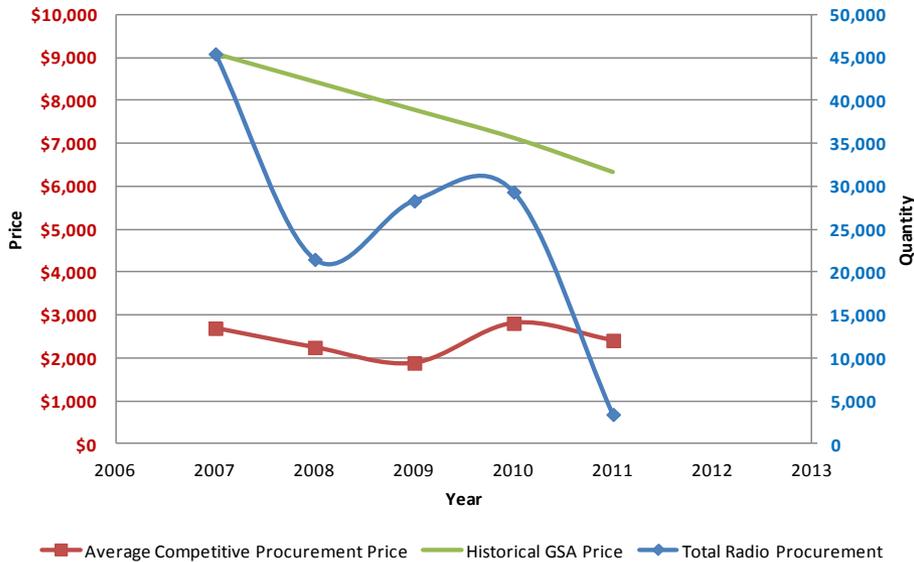
Consolidated Single Channel Handheld Radio

- Software Defined Tactical Handheld Radio Contract:
 - Lowest Price Technically Acceptable (LPTA)
 - Firm Fixed Price (FFP)
 - Indefinite Delivery/Indefinite Quantity (IDIQ)
 - Multiple Award
- Delivery order competitions between awarded vendors:
 - LPTA
 - Best Value
 - Split Awards
 - Sole Source

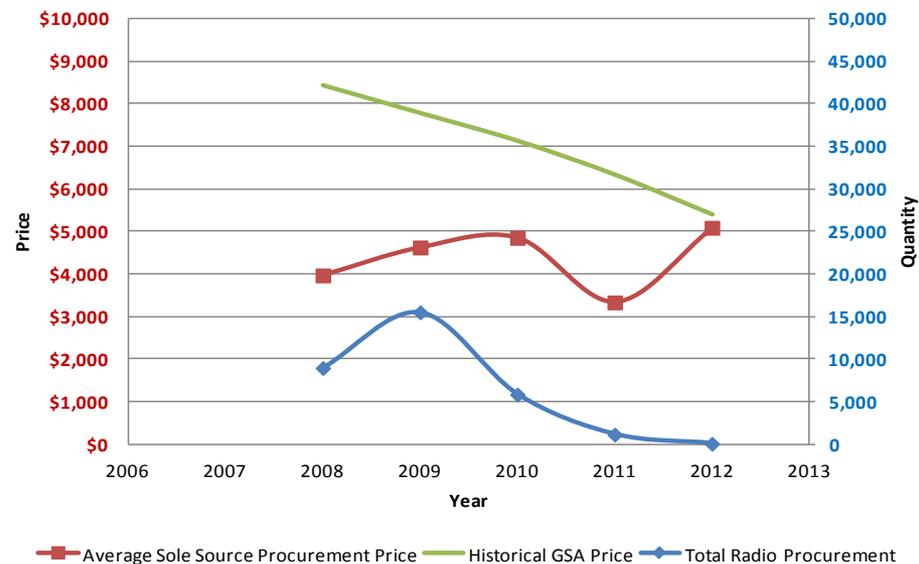
CSCHR Cost Savings

Average of 40% cost savings over the life of the contract

Competitive Procurement - Average Price and Quantity of Radios Procured per Year



Sole Source Procurement - Average Price and Quantity of Radios Procured per Year

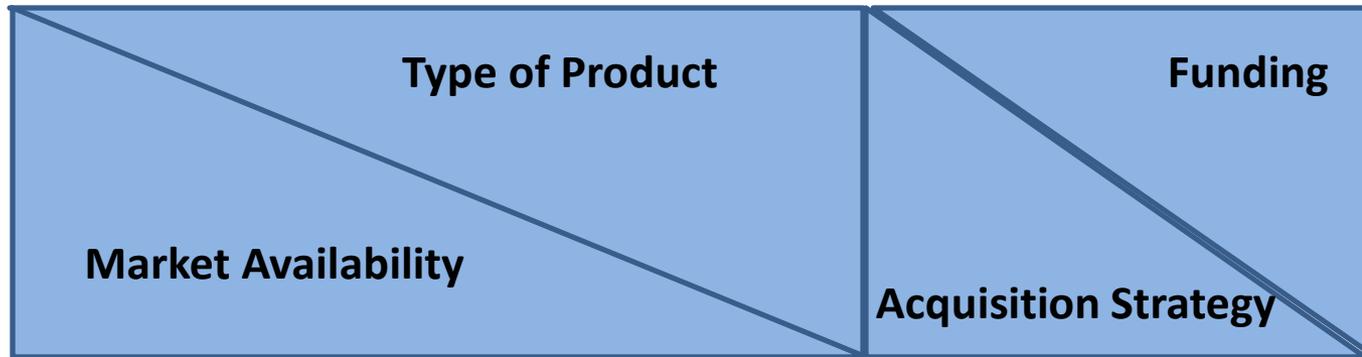


Figures copied from Joint Program Executive Office (JPEO) Joint Tactical Radio Systems (JTRS) (2012). "Rifleman Radio Full Rate Production Competition Plan Business Case Analysis". p 30-31.

Defining Effective Competition

- Competition strategies tailored to the product and the market
- Considerations for competition strategy:
 - Product
 - Market
 - Type of competition
 - Length of contract
 - Ability to “ramp-on” more vendors
 - Technology improvements/expected progression
 - Required contract award date

Competition Strategy



Benefits of Competition

- Cost savings
- Technology improvements/innovations
- Robust industrial base
 - Reduce sole sources
 - Eliminate single points of failure
 - Eliminate dependency on one vendor

Inhibitors to Competition

- Funding
- Policies and Regulations
- Requirements
- Time and Resources

Perfect Competition Strategy

**Frequent
Competitions**

**Well-informed
Market
Research**

**Continuous
Competition**

Reality

**Funding
Policies and Regulations
Requirements
Time and Resources**

**Building
Foundation for
Future
Competition**

**Plenty of
Funding**

**Agile
Contracting
Process**

Continuously Competitive Environments

- Multiple award contracts
- Frequent competitions
- “Ramp-on” opportunities
- Engage non-contracted vendors
- IT Box as a model and expand

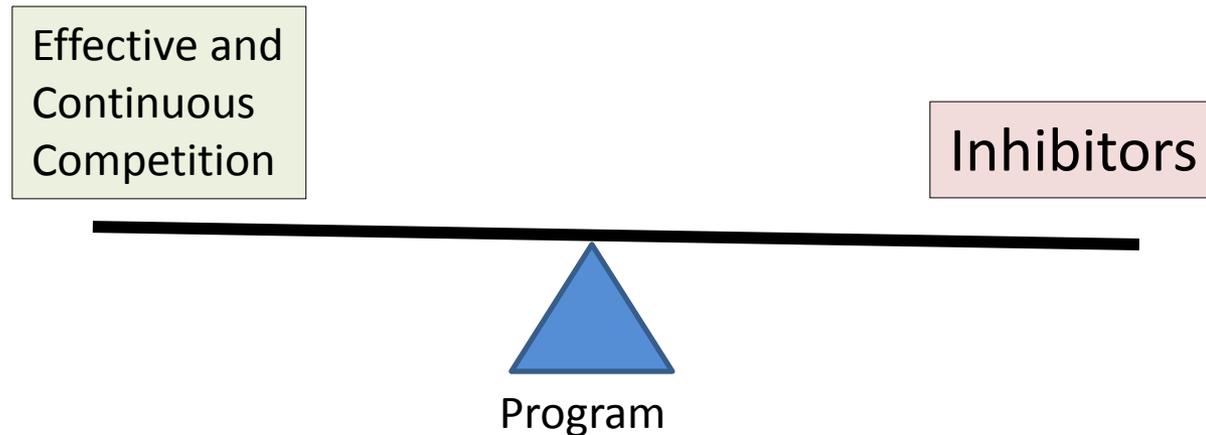


“Bare Minimum”

“Gold plated”

Conclusions

- Each program and contract is unique
- Tailor competition strategies to mitigate competition inhibitors





Questions?