



UNITED STATES MARINE CORPS  
MARINE CORPS SYSTEMS COMMAND  
2200 LESTER STREET  
QUANTICO, VIRGINIA 22134-6050

IN REPLY REFER TO

4200  
MCSC CT 021  
J&A Number: 12,643.0

**JUSTIFICATION AND APPROVAL TO PROCURE USING OTHER  
THAN FULL AND OPEN COMPETITION**

1. Contracting Activity.

Marine Corps Systems Command (MARCORSYSCOM)  
Program Manager for Ammunition (Code PM204)  
2200 Lester Street  
Quantico, VA 22134

2. Description of the Action Being Approved.

MARCORSYSCOM requests authority to award a contract on a sole source basis to purchase 120mm rifled mortars in support of the USMC Expeditionary Fire Support System, (EFSS), from General Dynamics Ordnance & Tactical Systems, Inc. (GD-OTS). The period of performance of the contract will be one (1) five year (5-Year) ordering period incorporating five (5), twelve-month, fixed-price, stepladder pricing tables. This procurement is for Total Munition Requirements for training, inventory requirements, and fielding. The total estimated contract value is \$198 million.

3. Description of Supplies/Services.

The EFSS rifled ammunition 120mm suite of spin stabilized mortars consists of the following items: (Department of Defense Identification Code (DODIC): CA45, Cartridge, 120mm Mortar High Explosive M1101, multi-purpose, naturally fragmenting round; CA46, Cartridge, 120mm Mortar Illumination M1105 round; and CA49, Cartridge, 120mm Mortar Smoke M1103 round with fragmentation hazard.

The total estimated value for the first year is \$88 million, and is comprised of \$57 million for CA45 Cartridge, 120mm High Explosive M1101 production units; \$22 million for CA46, Cartridge, 120mm Mortar Illumination M1105; and \$8.8 million for CA49, Cartridge, 120mm Mortar Smoke M1103. Funding will be Procurement Ammunition Navy Marine Corps (PANMC) dollars. Funding and quantity information is provided below.

Estimated Total Contract Dollar Value

	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>Total</b>
PANMC	\$88,195,000	\$44,057,000	\$15,000,000	\$15,000,000	\$36,459,000	\$198,711,000

Current USMC Total Munition Requirement for the EFSS 120mm Mortar Ammunition Suite

	CA45	CA46	CA49
FY 10	15,553	1,876	1,412
FY 11	15,559	1,876	1,413
FY 12	15,559	1,876	1,413
FY 13	15,559	1,876	1,413
FY 14	15,559	1,876	1,413
Total	77,765	9,380	7,065

Annual Training Requirement EFSS for 120mm Mortar Ammunition Suite

	CA45	CA46	CA49
FY 10	3,120	780	416
FY 11	3,120	780	416
FY 12	3,120	780	416
FY 13	3,120	780	416
FY 14	3,120	780	416
Total	15,600	3,900	2,080

4. Statutory Authority Permitting Other Than Full and Open Competition.

The statutory authority permitting other than full and open competition is 10 U.S.C. 2304 (c)(1), as implemented by the Federal Acquisition Regulation (FAR) 6.302-1(a)(2)(ii), "Only one responsible source and no other supplies will satisfy agency requirements."

5. Rational Justifying Use of Cited Statutory Authority.

With the exception of limited Insensitive Munitions data, GD-OTS holds or owns all of the proprietary data, intellectual property rights, and technical data for the EFSS Ammunition Suite.

GD-OTS was selected as the prime contractor to provide the Expeditionary Fire Support System (EFSS) to the Marine Corps under contract M67854-05-D-6014. Under this contract GD-OTS will provide the TDA RT-120 (120mm rifled mortar), ammunition, and two vehicle variants as the major components of the EFSS. GD-OTS entered an agreement with TDA Armaments SAS, a joint venture company of Thales LLC and EADS Deutschland, to pursue business opportunities for 120mm rifled mortar systems. Under this agreement, GD-OTS became the sole U.S. licensee for the loading, manufacture, and production of seven different types of 120mm rifled mortar ammunition rounds for use in TDA's rifled mortar guns. TDA Armaments SAS is the worldwide leader in 120mm Battalion Mortar Systems. TDA holds all patent rights to the ammunition design. There are no other vendors currently producing rifled mortar cartridges.

The EFSS would be the final system of a land-based fire-support triad that included the LW155 and High Mobility Artillery Rocket System (HIMARS). It would accompany the Marine Air-Ground Task Force

(MAGTF) in any type of expeditionary operation. It would be the primary indirect fire support system for the vertical assault element of the ship-to-objective maneuver force. The EFSS would be transportable by helicopter and tiltrotor aircraft, and would possess the greatest possible range and flexibility of employment for Operational Maneuver From The Sea (OMFTS).

The EFSS was expected to expand the maneuver commander's spectrum of fire-support options and be capable of successfully engaging a range of potential point and area targets, including motorized, light-armored, and dismounted personnel targets. Improved Command-and-control would afford the MAGTF commander increased flexibility in tailoring his fire-support systems to support the scheme of maneuver. The EFSS-equipped units would be especially well suited for missions requiring speed, tactical agility, and vertical transportability. The EFSS design and configuration would ensure that its tactical mobility, both in the air and on the ground, was equal to that of the supported force.

GD-OTS has modified the TDA ammunition to obtain the necessary certifications for introduction in the U.S. inventory. The Marine Corps has recently completed a 3-year, \$20 million dollar effort, under M67854-05-D-6014, to qualify the basic EFSS ammunition suite. The Government did not acquire a Technical Data Package (TDP) because it was cost prohibitive. The contractor provides only the top-level assembly and packaging drawings for production items and the TDP is provided to the Government on a limited rights basis. An award to another vendor is not feasible because it would require development of a new TDP and specifications, a competition to award a development contract, and qualification of a new ammunition suite. Development of an alternative source would result in an unacceptable program delay of up to three years, and the duplication of costs estimated at \$43.5 million.

#### 6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable.

A Sources Sought Notice was placed on FEDBIZOPPS on 30 April 2008 for 30 days. The only responses were from GD-OTS and its subcontractor American Ordnance LLC. American Ordnance was offering itself as a subcontractor.

An Intent to Award a Sole Source Contract was synopsisized on the FEDBIZOPPS website on 02 June 2008 for 30 days and 02 February 2009 for 30 days with no responses received on either notices. For the reasons discussed in paragraph 5 above, it was not expected that there would be any other vendor capable of producing the 120mm EFSS Mortars.

There are no other vendors offering rifled 120mm in the marketplace. The Government will periodically assess the marketplace to determine the potential for future competition to fulfill this requirement.

#### 7. Determination of Fair and Reasonable Cost.

The Contracting Officer has determined that the anticipated costs to the Government of the supplies and services under this J&A will be fair and reasonable.

#### 8. Actions to Remove Barriers to Future Competition.

As stated in paragraph 5 above, MARCORSYSCOM has no plans at this time to compete future contracts for the 120mm EFSS Ammunition Suite covered by this document. However, prior to the beginning of each year within the 5-year ordering period, market research will be conducted to ensure a sole source action is still appropriate. If another potential source emerges, MARCORSYSCOM will assess whether competition for future requirements is feasible.