



DEPARTMENT OF THE NAVY

**CRANE DIVISION
NAVAL SURFACE WARFARE CENTER
300 HIGHWAY 361
CRANE INDIANA 47522-5001**

**J&A Number: 09-128
Code: WXTM
P.R. Number: N00164-09-R-WT52**

IN REPLY REFER TO:

**CLASS JUSTIFICATION AND APPROVAL
FOR USE OF OTHER THAN FULL AND OPEN COMPETITION**

JUSTIFICATION

1. Contracting Activity.

Naval Surface Warfare Center, Crane Division (NSWC Crane)

2. Description of the Action Being Approved.

The use of other than full and open competition for repairs and overhauls for the C-130J Type / Model / Series (T/M/S) Flight Management System (FMS) components from Honeywell International Inc., Cage Codes 5Y043 and 02LU7, as listed below. Authority to act under this Class Justification and Approval (CJ&A) expires five years from the approval date.

<u>Cage</u>	<u>Vendor Name (Source of Supply)</u>
5Y043	Honeywell International Inc. DBA Phoenix Support Center 21640 North 12 th Avenue Phoenix AZ 85027
02LU7	Honeywell International Inc. DBA Defense & Space 1300 West Warner Road Mail Stop 1207-2 Tempe AZ 85285

3. Description of Supplies/Services.

On 11 June 2005, NSWC Crane awarded a five (5) year contract, N00164-05-D-8260, to Honeywell International, which will expire on 11 June 2010. The intent of this CJ&A and consequent contract(s) are follow-on efforts to N00164-05-D-8260.

The required supplies and services covered under this CJ&A are for a class of procurement actions for repairs in support of C-130J T/M/S FMS repairable assemblies. The specific Honeywell International FMS equipment covered under this CJ&A are listed below:

<u>PART NUMBER</u>	<u>NOMENCLATURE</u>
8519600-923	AUTOMATIC FLIGHT CONTROL PROCESSOR (AFCP)
8503419-921	COM/NAV/IDENT SIGNAL PROCESSOR (CNISP)
V9507907	COM/NAV/IDENT MANAGEMENT UNIT (CNIMU)

V9513910	INTEGRATED CONTROL AND DISPLAY UNIT (ICDU)
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This CJ&A is also inclusive of future derivative systems equipment resulting from enhancements, obsolescence remedies and replacements, and follow on equipment installed as a result of approved Engineering Change Proposals, Technical Directives, Time Compliance Technical Orders, or Federal Aviation Administration (FAA) Technical Standards Order.

The Period of Performance for this CJ&A will be from 19 April 2010 through 18 April 2015. Delivery requirements will vary based on each order placed under this CJ&A. The Government's minimum needs have been verified by the certifying technical and requirements personnel.

Estimated Dollar Value

	CY 10	CY 11	CY 12	CY 13	CY 14	Total
USMC KC-130J						
O&MN	\$122,000	\$137,000	\$155,000	\$178,000	\$191,000	\$783,000
USCG HC-130J						
OE	\$25,000	\$26,000	\$27,000	\$27,000	\$28,000	\$133,000
Grand Total	\$147,000	\$163,000	\$182,000	\$205,000	\$219,000	\$916,000

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

10 U.S.C. 2304(c)(1), FAR 6.302-1 Only one responsible source.

5. Rationale Justifying Use of Cited Statutory Authority.

The C-130J T/M/S and derivative aircraft entered into production in 1995, produced by Lockheed Martin, Marietta, Georgia under United States Air Force (USAF) contract F33657-90-C-0071. Additional aircraft were procured under USAF commercial contracts F33657-95-C-2055 (35), F33657-00-C-0018 (20), and F33657-03-C-2014 (60). The C-130J T/M/S aircraft is a congressionally directed Commercial Off The Shelf (COTS) non-developmental item aircraft procurement requiring minimal changes.

Although Lockheed Martin designed and produced the K/H/C-130J aircraft, the majority of C-130J T/M/S airframe components are procured from Original Equipment Manufacturers to include Honeywell International's FMS, which was incorporated into the C-130J T/M/S aircraft. Inasmuch, the C-130J FMSs are manufactured and repaired by Honeywell International. The Government does not own or possess the necessary Level III hardware documentation or specialized tooling necessary for full and open competition. The documentation, drawings, specialized tooling, testing specifications and procedures are proprietary to Honeywell International. From an interfacing perspective, Lockheed Martin developed the C-130J aircraft model and retained all rights to the C-130J airframe component peculiar proprietary data, drawings, tooling, interfacing requirements, and software rights (Operation Flight Programming). In manufacturing the C-130J aircraft, Lockheed Martin selected the specified

Honeywell International FMS equipments for integration and installation into the C-130J aircraft.

The communication, navigation, and identification (CNI) management system is a COTS FMS modified to incorporate the specific functions of the C-130J aircraft. The systems provide the aircrew the means to create, execute, and monitor flight plans and control and monitor the CNI systems. The CNI Management Unit (CNIMU) and Integrated Control Display Unit (ICDU) are used interchangeably to provide operator inputs and the display of information pertaining to the various functions performed in the CNI Signal Processors (CNISP). Communication, navigation, and flight management parameters are the primary display data for each CNIMU. The systems are interconnected in such a way as to allow access and control of nearly all flight management parameters, as long as one CNISP and either one CNIMU or ICDU are available. The Automatic Flight Control Processor (AFCP) unit provides a means for automatically controlling the airplane in normal flight. The AFCP processes all incoming flight data for validity using either a MIL-STD-1553B validity bit or by performing range and rate of change checks. Each unit is a flight critical component on the C-130J T/M/S aircraft. Although, several manufacturers repair and produce these "type" of FMS units (i.e. AFCP, CNISP, CNIMU, and ICDU's), only these specific Honeywell International FMS components are authorized for flight on the C-130J airframe, an FAA certified aircraft. Consequently, because this procurement is for repair of those Honeywell International FMS components only Honeywell has the proprietary data to repair them.

Due to cost constraints, the Government does not intend to obtain government purpose licensing rights, valued at over \$500M for airframe components alone. In the development of the KC-130J Acquisition Plan, reference Section 1 paragraph 1.2, the Naval Air Systems Command formally requested a quote from Lockheed Martin to procure a complete technical data rights package. However, Lockheed responded in writing that the data rights were not for sale and a business decision was made not to sell their repair level data to the US Government. Further, on 22 July 2009, Honeywell stated that the data rights to obtain the proprietary data rights and level III documentation were not currently for sale.

Since the subject rights are not available to the Government, it is not possible to obtain the required Honeywell International documentation required to repair these complex flight critical systems. As Honeywell International is unwilling to sell the data rights for the FMS components to the Government, a reverse engineering effort would be required to develop Government capabilities to manufacture, repair, and upgrade these complex systems. This duplication of costs relative to system hardware and testing specifications development is estimated approximately and conservatively at \$5.9M. This duplicative cost consists of the required efforts to reverse engineer these FMS components, development of Level III drawing package, hardware development, manufacturing of prototype units, First Article and Environmental Stress Screening, Airworthiness certification, and FAA Technical Standards Order certification testing. The duration of this effort is estimated minimally at 24 months, excluding budget lead-time.

[REDACTED]
[REDACTED]. The time and costs associated with the development of alternate sources for K/H/C-130J

airframe component support would negatively impact current and future K/H/C-130J mission requirements. As the FMSs are flight critical component, delays to repairs efforts could result in grounded aircraft.

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

The proposed contract was synopsised on the FEDBIZOPS website on 16 September 2009. Only Honeywell International expressed an interest in these requirements. No additional market research was conducted because it is not practicable, for the reasons discussed in paragraph 5 above, for any company other than Honeywell International to provide the required supplies and services.

Any new requirements and/or modifications to existing contracts will be synopsised and published in FEDBIZOPS in accordance with FAR 5.201. New Request for Proposals will be posted to the World Wide Web and any interested sources will be able to obtain a copy via the electronic means.

7. Determination of Fair and Reasonable Cost.

The Contracting Officer will determine the anticipated costs to the Government covered by this CJ&A as fair and reasonable prior to award.

8. Actions to Remove Barriers to Future Competition.

For the reasons set forth in Paragraph 5, NSWC Crane has no plans at this time to compete future contacts for the types of supplies/services covered by this document. If another potential source emerges, NSWC Crane will assess whether competition for future requirements is feasible. The synopsis includes a statement that sources may submit an offer.

TECHNICAL/REQUIREMENTS CERTIFICATION (FAR 6.303-2(b))

I certify that the facts and representations under my cognizance which are included in this Class Justification are complete and accurate to the best of my knowledge and belief.

TECHNICAL COGNIZANCE:

[Redacted Signature and Name/Title/Code/Phone No./Date]

Signature Name (Print) and Title (Code) Phone No. Date

REQUIREMENTS COGNIZANCE:

[Redacted Signature and Name/Title/Code/Phone No./Date]

Signature Name (Print) and Title (Code) Phone No. Date

LEGAL SUFFICIENCY REVIEW (NMCAG 5206.303(90))

I have determined this justification is legally sufficient.

[Redacted Signature and Name/Title/Code/Phone No./Date]

Signature Name (Print) and Title (Code) Phone No. Date

CONTRACTING OFFICER CERTIFICATION (FAR 6.303-2(a)(12))

I certify that this justification is accurate and complete to the best of my knowledge and belief.

[Redacted Signature and Name/Title/Code/Phone No./Date]

Signature Name (Print) and Title (Code) Phone No. Date

APPROVAL BLOCK (FAR 6.304 for Approving Official)

Upon the basis of the above justification, I hereby approve, as *Competition Advocate for the Contracting Activity*, the solicitation of the proposed procurement(s) using of other than full and open competition, pursuant to the authority of 10 U.S.C. 2304(c)(1).

[Redacted Signature]

REGGIE W. JUDIN

[Redacted Phone No.]

10-28-09

Signature Name (Print) Phone No. Date