



Chemical Biological Defense Acquisition Initiatives Forum (CBDAIF)

SURETY
SECTOR REPORT
27 September 2018

Presented by Sector
Representative, Matt Shaw

Companies in Sector

- Seven Sector Members
 - MRI Global (Chem and Bio Surety)
 - Battelle (Chem and Bio Surety)
 - CUBRC (Chem and Bio Surety)
 - SwRI (Chem Surety)
 - SRC (Bio Surety)
 - IITRI (Bio Surety)
 - MIT (Bio Surety)
- All support DoD, other Gov't organizations, and industry in their pursuit of CB Defense

Surety Sector Health

- Current Health
 - Surety Sector capability to support DoD and others remains relatively strong; industry should be tapped more to keep acquisition and other programs moving forward positively and keep the industrial base strong
- Future Health
 - Surety Sector capabilities remain threatened due to lack of future business opportunities and general uncertainty about the future

Major Sector Concerns

- We are not given fair opportunity to compete
 - Gov't tries to keep T&E within the Gov't labs
 - DOD Instruction 5000.2 which states that PMs must take full advantage of DoD ranges, labs, etc., is often cited; that same Instruction allows use of Commercial sources
 - Cost/benefit analysis, which generally would favor using commercial sources for T&E, is often not performed
 - Competitive bids from industry often not considered
 - This approach is contrary to laws/regulations that require the Gov't to use commercial sources for products and services whenever possible (e.g., the FAIR Act, OMB Circular A-76)
 - Gov't PMs most often directed to commercial sources only if Gov't labs cannot accommodate

Major Sector Concerns

- Gov't continues to invest in Gov't facilities (e.g., new infrastructure, laboratories, and capabilities) even though many of the required capabilities exist in industry and an over-capacity situation already exists
 - Many new capabilities being developed in Gov't facilities could be developed (and validated, etc.) at significantly lower cost/schedule/performance risk if developed by commercial labs
 - Capabilities may exist within industry but we're not always included in Gov't capability queries
 - Recommendation: Endorse utilization of the TECA database developed by PD CCAT&TI

Other Sector Issues

- Bailment Agreements transitioning to Provisioning Agreements
 - Transition expected to occur this CY
 - No expected additional costs
- Likelihood that new requirements for IT security compliance will be required; may add costs to industry
- Future termination of BPRP requirements
 - Marginal reduction in compliance requirements relative to CDC
 - Barrier to entry lowered; more staff available to support DOD-funded work
 - Ability to leverage broader range of existing equipment/facilities to support DOD-funded work