

Design Issues for Equipment Upgrade/Repair Simulation Contracts

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Central to DoD Logistics systems is receipt of information used to define Item design and to support, maintain, or operate the item.

DoD must utilise acquisition strategies to provide for future delivery of technical design information in case scenarios arise to select different source for all or partial logistics support or to offer the work out for competition.

With the intent of staying with the prime contractor for life, DoD has bought aircraft & maintenance services, as well as spare & repair parts but prime contractor price went up over time.

Based on technical design potential maintenance contractors received from DoD, it bought spare & repair parts, only to discover that they were not useful to the Mission. The purchase was based upon DoD's furnished information, apparently for an earlier version of the end item.

DoD was forced to immediately hire back the prime contractor and absorb all the costs associated with ending the other contract, including the disposal of worthless spare and repair parts that could not be used in support of the end item.

The lesson DoD learned from that fiasco was to buy the technical design information and associated rights so competition could be encouraged.

If DoD has contributed to maturation of equipment design and can prove such a claim by the examination of work order time cards, then it can negotiate for some level of rights to associated engineering details.

It is essential DoD challenge the claim of sole source prime contractors to insure that the claim is accurate.

At prime contractor office, person sitting at Logistics Desk would stamp all the engineering drawings. One day I asked him what he was doing, and he said, "I stamp all these with 'We own the Rights' whether they need it or not." He explained DoD would always have to come back to his office for spares & repair parts.

DoD must consider competing the actual building of a new version of an end item and/or major weapons system. If DoD has the engineering drawings of the prior designs and the rights to use logistics information for competition, acquisition success can be realised. Without rights to engineering drawings, DoD is always locked into dependent scenarios.

Of crucial importance is the level of detail required in the engineering drawings, which depends on what function DoD programme is competing. Is mission requirement to carry out maintenance or to rebuild?

Rebuilding scenarios require detailed drawings & all associated lists; maintenance might not require as much detail, but does require enough to be able to procure the appropriate spare and repair parts as well as conduct maintenance work order completion.