



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY

DLA LAND AND MARITIME

Submitting Alternate Offer &
Source Approval Request Packages





- **What is an Alternate Offer & SAR**
- **AO/SAR Technical Data Packages**
- **“Automated” Solicitations**
- **New Competition Enhancements**
- **Open Discussion / Questions & Answers**



What is an “Alternate Offer”?

An Alternate Offer requires a technical data package with approved drawings, price proposal, etc. to support the quote submitted by the Vendor to the Government on a NSN that is **currently being solicited**.

An Alternate Offer package contains data & documents needed to demonstrate your company can competitively manufacture the NSN to the same level of quality, form, fit & function – equal or better than the currently Approved Source does for the subject NSN. This is your best chance to clearly and concisely put your product’s capabilities forward, in an effort to enhance your company and the status of your product for future Solicitations.



An **Alternate Offer** is made during a normal DIBBS bid session. If your Company, CAGE Code & Part Number are not listed in the Solicitation, you are an ALTERNATE OFFER. You must quote as an ***“Alternate Offer” and “Bid with Exception”*** since your product is not exactly as listed in the Solicitation.

(Hint - Bidding an Exact Item with the intention of delivering something else, could be misunderstood and considered to be ‘Intent to Defraud’ the Government.)

Depending upon the type of procurement, you may be able to quote for the Instant Procurement with Contracting Officer’s approval - ***except in cases of an “Automated Solicitation”***.

You can submit an Unsolicited Offer technical data package to the Alternate Offer Monitor (SAR) at anytime.



DLAD 52.217.9002 “Conditions for Evaluations and Acceptance of Offers for Part Number Items”. See program guidance for submitting Alternate Offer & Source Approval Request packages to DLA Land and Maritime – excerpt should be in your packets. If you have additional questions, email dscs.ao-sar@dla.mil for process assistance.

Another good series of available information see website: <http://www.dla.mil> (Ref. “Selling to DLA Land and Maritime” & “Business Opportunities”.)

Hint - **AO/SAR Technical Data Packages will not be evaluated for items, designated “Fully Competitive”.**

(Why Not? If the Solicitation has “Full and Open Competition Applies” listed - it means a complete Technical Bid Set of Drawings & Technical Data is available from the Government, therefore it probably is not in the Government’s best interest to review or evaluate additional packages as no new approvals will be made.)



Vendors submitting Alternate Offers must furnish legible & complete copies of all drawings with appropriate signatures, technical & product specifications, as well as other data/documents necessary to clearly describe the characteristics and features of the product being proposed.

Data submitted must cover design, material, performance, form, fit, function, comparison analysis, interchangeability, inspection, quality control & planned testing details – as well as other significant characteristics of the product being proposed.

Note – Complete technical data is not always available to the procurement activity, therefore the Vendor submitting the Alternate Offer must furnish complete drawings and other technical data covering the design, materials, etc. of the Exact Product, cited in the Solicitation - as well as that of their proposed Product. This enables the DLA evaluators to determine, if the Alternate Offered product will satisfy the requirements of the product cited in the Solicitation and determine if it should be further reviewed and evaluated.



Alternate Offer & Source Approval Request (AO/SAR)

Categories:

1.SAME PART (Category I) - Item previously provided to Original Equipment Manufacturer other Approved Source and sold to the Government, without major value added operation.

2.SIMILAR PART (Category II) - Item is very similar to product previously provided to the Department of Defense by an Approved Source (OEM). A similar item in this context is one whose design, application, operating parameters, material, and manufacturing processes required are very similar or equal to those of the item for which the Vendor is seeking source approval.

3.NEW MANUFACTURER (Category III) - Manufacturer has not provided any item similar to the item being solicited, either to the OEM or DoD. A similar item in this context is one whose design, application, operating parameters, material, and manufacturing processes required are similar to those of the item for which you are seeking source approval, but not a equal replacement.



Dealer or Non-Manufacturer Supplier:

If you are a Dealer or Supplier (i.e. not a manufacturer of the item), the Category of the Actual Manufacturer will apply for purposes of source approval procedures.

The Actual Manufacturer is defined as the manufacturing entity - whose plant, equipment, personnel & has the technical rights to manufacture the product on their premises – that manufactures the item being proposed for replacement of the current Approved Source item and has the legal rights to supply the proposed product to the Government, if your Alternate Offer or Source Approval Request package is approved.

If you are a Dealer or Supplier - the Name, Address, Country & CAGE Code of the Actual Manufacturer is required to be in your Cover Letter and details must be provided in your package, along with all required data supporting the Category for which you are applying.



“Automated” Solicitations

Automated Solicitations have either the letter “T” or “U” in the 9th post of Solicitation number (Ex. – “SPM7L0-10-T-xxxx”).

If bidding on an Automated Solicitation, you must provide the “Exact Product” listed in the Solicitation. This means the Approved Source Manufacturer’s CAGE Code and Part Number - or - that the item is manufactured under a contractual relationship with the Approved Source Manufacturer (evidence of such contractual relationship should be included in your package to support your bid “Without Exception”).

Note - Any product other than that listed in the Solicitation will be considered to be an Alternate Offer. Automated Solicitation Alternate Offers will not be considered for the instant procurement.



“Automated” Solicitations

Automated Solicitations have either the letter “T” or “U” in the 9th post of Solicitation number, such as: “SPM7L0-10-I-xxxx”.

If bidding under an Automated Solicitation, you must provide the “Exact Product”. This means the approved source manufacturer’s CAGE code and Exact part number, manufactured by or under contractual relationship with the approved source manufacturer, with evidence in order to qualify as a “Bid without Exception”.

Note - Any product other than that listed in the Solicitation will be considered an Alternate Offer. Alternate Offers will not be considered for the instant procurement - if submitted under an Automated Solicitation. If the technical data package is approved, they will be added to our Procurement data base and be considered for Future Procurement Requirements.



Where do I submit my AO/SAR package?

AO/SAR package, you will submit your technical data, approved drawings, price proposals, etc. by off-line, hard printed copy or stored on a Compact Disk (.pdf formatted):

a) by U.S. Postal Service to:

**DLA Land & Maritime Alternate
Offer Monitor - BPP
Directorate of Business Process
P.O. Box 3990
Columbus, OH 43218-3990**

b)by UPS or FEDEX to:

**DLA Land & Maritime Alternate
Offer Monitor - BPP Directorate
of Business Process 3990 East
Broad Street Columbus, OH
43213**

c)by on-line to:

DSCC_AO-SAR@dla.mil (Single email, under 8mb)



“Cost Savings Threshold”:

The Alternate Offer Monitor uses the DLA Annual Historical Demand of the NSN - not just the instant procurement quantity.

The AO/SAR “*Cost Savings Threshold*” is the total dollars which the Government will save, if your product is approved over a year. It is calculated by comparing the net differential (Current Approved Source Unit Price less the Proposed Product’s Unit Price) multiplied by the DLA Annual Historical Demand for the NSN being reviewed.

Costs that apply against the Cost Savings Threshold for AO/SAR processing are:

\$200 if local DLA Land & Maritime only (Non-Critical NSNs)

\$1,500 min. per Engineering Support Activity (ESA)

\$1,700-7,500 minimum amount of cost savings, if the package must be forwarded to an ESA (s) for further evaluation.



Provide your CAGE code, the NSN & your Proposed Unit Price, Quantity Price Breaks, your Technical Data - as well as the Approved Source (OEM) Technical Data* in your package.

** Option - If you can not get the OEM's technical data & drawings and the Government has the data available for release, during an open Solicitation you may request DLA Land & Maritime to assist you to secure data the Government has that is available & releasable.*

Please, do not send product samples with your AO/SAR Package. (If needed, they will be requested in writing later.)



If the Government does not have release-able technical data, you may request permission to “reverse engineer” the Approved Product from DLA Land & Maritime RPPOB office. *(Note - Prior to sending request, you can check if the Government has the drawing during an open Solicitation at the following address: DSCC.CDDWGS@DLA.MIL)*

Please do not waste your time & money buying OEM products on the Web to do your own ‘reverse engineering’. Without DLA Land & Maritime RPPOB program documentation, you will have to provide “Traceability” documentation.

RPPOB Reverse Engineering approval will be granted only if there is clear evidence such an action is in the best interests of the Government.



Why was my package rejected?

- **80% of all packages are rejected for one or more of the following reasons:**
 - Not Economically Feasible;
 - Drawings Incorrect or Missing;
 - Proposed Item Drawings Not Approved or Missing;
 - No Test Plan / failed to address Required Tests;
 - No Unit Cost (Package will not be rejected solely because of no unit cost. We will ask.);
 - Technical Support Data incorrect, illegible or missing.

Hint – Use Alternate Offer Table as a Q.C. Checklist

(See Alternate Offer & Source Approval Request Program Guidance).



Where can I get more information?

Bid Set Info – <https://pcf1.bsm.dla.mil/cfolders>

AO/SAR Submission – dsc.ao-sar@dlam.mil

AO/SAR Process Questions – john.blaine@dlam.mil

Technical - dlam.land.and.maritime.engineering.support.team@dlam.mil

Checking if Drawings available – dsc.cddwgs@dlam.mil

DLA Small Business Support – dsc.bcc@dlam.mil / Tel. 1-800-262-3272

DLA Land and Maritime is committed to building Competition in order to make our taxpayer dollars go further, while insuring product integrity and protecting lives.

ENHANCED COMPETITION = COST SAVINGS & BETTER USE OF TAXPAYER DOLLARS!



- Oct.2009 - Sep.2012
Received 363 TDP & Approval 6.61%
- Lean Six Sigma, Black Belt Project 2012
- Oct.2013 – Oct.2014
Received 287 TDP & Approval 39.3%
Vendor Training, Consolidated Process
& Close Technical Support
- FY 2015 – Goal with your help - ____%



Retention of Newly Approved Sources

- Applies when an Alternate Offer or Source Approval source is formally Approved on a NSN previously bought noncompetitively.
- Applies to DLA Land and Maritime newly Approved Source products submitted thru the Alternate Offer & Source Approval Request Program.
- Enhances Competition by encouraging new sources, helps them “hang-in” despite entry-detering actions (lowering prices, predatory price practices, capacity expansions, etc.) thru the use of Multiple Awards.
- Facilitates new suppliers & competitive sources, particularly U.S. small business manufacturers by leveling the field.



Conclusion

