

Army Acquisition Reform Newsletter



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ARMY CONTRACTING OFFICE WINS HAMMER AWARD

The U.S. Army Contracting Command, Europe's Regional Contracting Office in Seckenheim was awarded Vice President Al Gore's Hammer Award for reinventing the way construction, repair and non-personal services are purchased for USAREUR. The initiative by the command's Acquisition Development Assistance Team was designed to support customers with a quality, cost-effective, and timely product.

One result of the initiative was the development of a new, expedited and customer-friendly procedure called the customer, contracting and commerce process (C3). C3 is a modified two-step procurement process similar to commercial procurement procedures. It includes industry as a partner in the acquisition development. It uses a customer-generated statement of need that is then used by industry to develop a definitive statement of work. This statement of need and a site visit, attended by all interested parties, allows for a free-flow of ideas and recommendations from both the government and private sectors.

Then, the competing firms submit statements of work in the form of unpriced technical proposals. The technical proposals are evaluated and analyzed by the U.S. government customer. The firms that hold technically acceptable proposals are asked to submit priced proposals for further evaluation.

The award is made to the firm whose priced technically acceptable proposal represents the best value to the U.S. government with regard to price and established price related factors.

This new contracting approach results in time and manpower savings, reduced contract prices and modification costs, and increased customer satisfaction through partnering and innovation.

Manpower hours are saved because the customer doesn't need to prepare elaborate work descriptions, but is asked only for a short project description. Industry then comes up with a proposed solution, shifting the customer's effort from developing a statement of work to reviewing a technical proposal from industry.

A few C3 examples:

Applying the new procedure, a \$407,000 contract for exterior painting of government quarters was awarded within 14 days. Normally, that process would take more than 75 days.

A requirement to replace windows in Heidelberg was estimated to cost \$300,000. Using the C3 partnering process, a contract award was made for \$188,000, saving \$112,000 or 37 percent. A requirement to paint the exterior of government quarters in Stuttgart estimated to cost \$750,000 was awarded in the amount of \$407,000, saving \$343,000 or 46 percent for the government.

Possibly the most noteworthy accomplishment of the team is the increase of customer satisfaction through partnering and innovation. Doors have opened and partnerships have been created while developing the C3 contracting process. Both industry and our customers are excited to be included in the formerly distant contracting process; and resource managers are excited about the savings in manpower and costs.

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