

**JUSTIFICATION REVIEW DOCUMENT
FOR LIMITED SOURCES JUSTIFICATION – FAR PART 8**

Programs/Equipment: [REDACTED] Palantir Platform Licenses for the Maven Smart System (MSS) and Field Service Representatives (FSR).

Authority: 10 United States Code 3204(a)(1) as implemented in Federal Acquisition Regulation 8.405-6(a)(1)(i)(B), Only one responsible source and no other supplies or services will satisfy agency requirements.

Amount: [REDACTED]

Prepared by: [REDACTED]

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Contracting Officer Date: 04/04/23
Email: ariel.m.amey.civ@army.mil

Technical: [REDACTED]

Requirements: [REDACTED]

[REDACTED]

Reviews: I have reviewed this justification and find it adequate to support limiting competition.

Legal Counsel:
[REDACTED]

Limited Sources Justification – FAR Part 8

1. Contracting Activity: Army Contracting Command – Aberdeen Proving Ground (ACC-APG), Adelphi Division, 2800 Powder Mill Road, Adelphi, MD 20783-1138

2. Description of Action: [REDACTED] requests a firm-fixed price order issued against the Department of Defense (DoD) Enterprise Software Initiative (ESI) Blanket Purchase Agreement (BPA) under the General Services Administration (GSA) Contract vehicle with Palantir USG, Inc. 635 Waverley St., Palo Alto, CA 94301. The Government will execute this action against BPA N66001-19-A-0044. Projected award is May 2023 and [REDACTED] funds will be used.

3. Description of Supplies/Services:

The [REDACTED] has a requirement for the Maven Smart System (MSS) and ancillary software support [REDACTED]. [REDACTED]

The instant effort requires the purchase of licenses for the Palantir Platform (PT-PG-CLOUD) and requisite software support (i.e., field service representatives (FSRs)) in order to meet [REDACTED] mission requirements. [REDACTED]

Period of Performance: Five (5) Months from the date of contract award
[REDACTED]

4. Authority Cited: 10 United States Code 3204(a)(1) as implemented in Federal Acquisition Regulation (FAR) 8.405-6(a)(1)(i)(B), Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized.

5. Reason for Authority Cited:
[REDACTED]

Palantir's MSS was developed and demonstrated under competitive contract [REDACTED] which was awarded under Broad Agency Announcement (BAA) solicitation W911NF-17-S-0003 to Palantir USG Inc [REDACTED]. [REDACTED] has [REDACTED] as the MSS. During the course of this BAA, Palantir utilized their proprietary Platform (PT-PG-CLOUD) and customized it, performing numerous tests and demonstrations, as well as integrating capabilities to learn what worked and did not work for the warfighter. MSS was developed, demonstrated, and built on proprietary Palantir Platform (PT-PG-CLOUD). The BAA effort developed and demonstrated a number of novel capabilities on this Palantir Platform.

[REDACTED]

Additionally, the MSS is scalable, has the capability to quickly add feeds as well as more data sources, and it also has additional analysis tools. [REDACTED]. Due to the MSS being built on the proprietary Palantir Platform, licenses to this Platform are required to be procured in order for [REDACTED]. In addition to the requirement for the Palantir Platform licenses, the Government also requires the requisite software support FSRs.

No licenses from other vendor(s) would provide [REDACTED] the needed capability. Additionally, Palantir has over 800 patents for different aspects of the Palantir Platform (to include digital data processing, digital information transmission, image data processing, etc.). As a result, only Palantir personnel have the requisite knowledge and experience to provide the required FSR support for the licenses.

As detailed in Section 8, extensive market research has been performed that has identified possible other Government systems and private sector vendors offering products potentially capable of meeting the Government's requirement, but all alternatives identified have systematically been eliminated as viable solutions that can meet this requirement; none provides all of the system functionality the Government requires. Overall, the alternative products were determined to not possess the requisite combination of required specifications. This includes: [REDACTED]. As a result, these alternative competing systems do not meet the requirement.

Pursuing alternative vendors to satisfy this immediate requirement is not feasible, as that course of action would require the development of an entirely new MSS-type system before any licenses to that system could be purchased. As highlighted earlier, at this time, only the Palantir MSS toolkit meets all Government requirements. Development of a new MSS-type system would require several years of delays [REDACTED]. Additionally, significant program delays would occur when attempting to ramp up an alternative vendor to begin delivery in accordance with the Government's required timeline. Due to the aforementioned, it is determined that Palantir USG is the only source that can provide the Palantir Platform License and associated support.

6. Efforts to Obtain Competition:

This procurement is exempt from synopsis in accordance with FAR 5.202(a)(11) – the proposed contract action is made under the terms of an existing contract that was previously synopsized in sufficient detail to comply with the requirement of 5.207 with respect to the current proposed contract action. The DoD ESI is a mandatory source for commercial-off-the shelf (COTS) software per DFARS 208.7402(a). As required by the DoD ESI Ordering Guide, the justification will be posted to sam.gov simultaneously with the issuance of the Request for Proposal (RFP).

a. Effective competition: Effective competition for the required tool/license is not possible, because as demonstrated in this justification, the MSS license from Palantir is the only product that meets all Government requirements. Competition is not feasible under the subject BPA, as it is a single award BPA. No authorized resellers exist on DOD ESI.

b. Subcontracting competition. No subcontracting possibilities exist, as this requirement is for the purchase of commercial items specific to one (1) manufacturer.

7. Actions to Increase Competition:

As previously stated, the DoD ESI is a mandatory source for commercial software per DFARS 208.7402. Palantir is the Original Software Manufacturer of Palantir licenses. Palantir USG holds a single award BPA for the DoD ESI with no authorized resellers. [REDACTED] is actively searching for offerors with expertise in these technologies

described in section 3, through Army Research Laboratory's (ARL's) BAA Solicitation W911NF-23-S-0001, which includes relevant topics for the AI/ML type of [REDACTED]. Additionally, [REDACTED] other stakeholders are continuing efforts to search for offerors with capabilities to provide these types of technologies. However, due to the nature of this effort, the technology's speed of development and urgency around implementation, it is in the best interest of the Government to conduct these efforts with an experienced vendor whose proprietary platform has been demonstrated as successful. Prior to the initiation of any future acquisitions for the aforementioned requirement, the marketplace will be continually surveyed in order to determine whether additional sources have emerged that can fulfill the Government's requirements.

8. Market Research:

Market Research was conducted during the last year by [REDACTED]. The market research included numerous methods as cited below.

[REDACTED], regularly conducted market research for AI enabled mission command systems as the preeminent DoD entity for AI solutions. [REDACTED] had recurring meetings from June through December 2022 with staff on competing capabilities and had direct discussions with senior leaders from the organizations. Only [REDACTED] was identified as having potential to meet the requirement. In many ways, [REDACTED]. But [REDACTED] differs from the tools available with MSS. [REDACTED] does [REDACTED]. Therefore, no vendors were identified that could fulfill the Government's requirement.

Over the span of approximately two (2) years (September 2021 through present), [REDACTED] has conducted ongoing market research, including weekly meetings with industry vendors [REDACTED]. These meetings included on-going market research into whether alternative UI/UX tools exist from private sector companies or from Government created solutions [REDACTED]. Vendors reviewed include [REDACTED]. Due to insufficient connectivity requiring dozens, if not hundreds, of additional data integrations across the [REDACTED] the current competing systems do not meet the requirement.

For the past two (2) years, [REDACTED] has held recurring meetings with AI thought leaders including Chief Executive Officers (CEOs) of data labeling companies [REDACTED], academics from the leading institutions, large language model developer companies [REDACTED], University Affiliated Research Centers (UARCs) and Federally Funded Research and Development Centers (FFRDCs), and other UI and AI-software vendors on the state of the art of software engineering in multiple disciplines, the technical challenges of integrating industry capabilities with Department of Defense security and other onboarding processes, and comparisons of industry capabilities to current Department of Defense capabilities.

[REDACTED] over the past two (2) years, has reviewed market surveys [REDACTED], white papers submitted to [REDACTED], and other sources. [REDACTED] has received studies from [REDACTED] partners, [REDACTED], to identify AI/ML vendors and currently funded capabilities, including, but not limited to Requests for Information (RFIs) on UI/UX and AI-enabled mission command capabilities. No vendors have been identified as having the capabilities required for this effort.

[REDACTED] conducted market research since October 2022 through [REDACTED] Tradewind services (<https://tradewindai.com/>). Tradewind is the DoD's framework for sourcing, funding, and developing solutions to challenges in the artificial intelligence/machine learning, digital, and data analytics space. Tradewind is a suite of services designed to accelerate the adoption of artificial intelligence/machine learning, digital, and data analytics solutions throughout the Department of Defense. A core pillar of Tradewind is the Tradewind Ecosystem where Industry, Academia, and other innovators can connect with the Government and identify contracting opportunities. In October 2022, Tradewind launched the Tradewind Solutions Marketplace, a digital repository of post-competition, readily-awardable pitch videos, which addresses the Government's greatest challenges in the AI/ML, digital, and data analytics space. [REDACTED] used Tradewind as a market research tool to examine AI capabilities from industry and academia to include searching for UI/UX and data integration capabilities; however, no alternative to what Palantir offers with MSS has been determined to meet the Government's requirement.

[REDACTED]

Based on all market research performed, Palantir is the only source with the proprietary Platform licenses that the MSS was built on. This unique and proprietary Platform, built across years of field experiments to see what users demanded, combined with their proven engineering skills, confirm that they are the only source capable of executing this requirement. To date, no other offerors were identified through the BAA or independent market research as having the capability to satisfy the Government's requirements for this effort.

Additionally, per AFARS 5139.101-90, the Computer Hardware, Enterprise Software and Solutions (CHESS) program, under the Program Executive Office Enterprise Information Systems, is the mandatory source for commercial IT hardware and software purchases. CHESS contracts provide IT products and services that comply with U.S. Army Network Enterprise Technology Command, Army and DoD policy and standards. Purchasers of commercial hardware and software must satisfy their IT requirements by utilizing the CHESS contracts and DoD Enterprise Software Initiative (ESI) agreements first, regardless of dollar value or appropriation. Since the required proprietary Palantir Platform license is available through Palantir's CHESS vehicle, it has been determined that this requirement shall be solicited through the CHESS vehicle, the mandatory source for this procurement. Since Palantir is the only vendor who can meet the Government's requirement market-wide, they are also the only CHESS vendor who can meet the requirement.

In summary, the various modes of market research determined that Palantir USG, Inc. is the only offeror capable of meeting the Government's requirement.

9. Other Facts:

a. Procurement History:

On 29 September 2020 Contract number [REDACTED] was awarded to Palantir USG Inc. with a total contract ceiling of \$91,176,843.61 and a period of

performance from 29 September 2020 through 30 April 2022 with options to extend until 31 December 2022. This contract was awarded as a result of a proposal submitted under BAA solicitation number W911NF17S0003 [REDACTED].

Under this contract, Palantir USG Inc. conducted research and development (R&D) to test and [REDACTED], and ultimately developed the MSS, which optimized the utility and impact of AI for DoD missions. This contract delivered a valuable AI tool for DoD use in the form of the MSS.

1. Contract: [REDACTED] (awarded 29 Sept 2020)
2. Competitive Status: Competitive
3. Authority: Public Law 98369, "The Competition in Contracting Act of 1984" and subsequent amendments
4. Prior Justification: Not Applicable, competitive action
5. Prior Full and Open Status: Not Applicable, no prior contracts
6. Unusual Patterns: Not Applicable, no unusual patterns
7. Justification Changes: Not Applicable, no changes in authority

b. Other Facts: Based on the data rights negotiated under BAA contract number [REDACTED], the Government does not own any rights to code developed in performance. In that BAA, the Government retains all rights, title, and interest in and to any data and content the Government provides for transmission, storage, integration, import, display, distribution, or use in or through MSS. The Government also retains Government Purpose Rights to the United States Government (USG)-provided training data modified under the contract, USG-provided AI models/algorithms modified under the contract, and USG-provided authored code modified under the Contract.

10. Technical Certification: I certify that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

Signer's Title: [REDACTED]

11. Requirements Certification: I certify that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

Signer's Title: [REDACTED]

12. Best Value Determination/Fair and Reasonable Cost Determination: I hereby determine that the order represents the best value to the Government in accordance with FAR 8.405-6(c)(2)(v). Additionally, I hereby determine that the anticipated cost or price to the Government for this contract action will be fair and reasonable.

The basis for this determination will be made using price analysis techniques and the Independent Government Estimate (IGE). As part of the basis, certified cost or pricing

data will not be required, as this is a commercial item in accordance with FAR 15.403-1(b)(3).

X
Ariel M. Amey Contracting Officer (KO)

13. Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.

X
Ariel M. Amey Contracting Officer (KO)

Approval

Based on the foregoing justification, I hereby approve limiting sources in the acquisition of the [REDACTED] Palantir Platform Licenses for the Maven Smart System and Field Service Representatives (FSR), for an estimate of [REDACTED] and for a five (5) month period of performance, pursuant to the authority of FAR 8.405-6(a)(1)(i)(B), Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized, subject to availability of funds, and provided that the services or supplies herein described have otherwise been authorized for acquisition.

[REDACTED]