JUSTIFICATION AND APPROVAL FOR OTHER THAN FULL AND OPEN COMPETITION SPRDL1-25-R-0176

1. **Contracting Agency:** Defense Logistics Agency - Land Warren (DLA-WRN)

2. **Description of Action:** DLA-WRN proposes to award a new firm-fixed-price five-year indefinite delivery indefinite quantity contract for National Stock Number (NSN) 2520-01-714-0929, Transmission. This procurement includes part numbers (PNs) 12614019, 6th-Generation Transmission and 29536408, Speed Sensor manufactured by Allison Transmission Inc (Allison), Commercial and Government Entity 73342. The contract will be awarded to Allison, its authorized distributors, or any company capable of providing these parts, as well as meeting all other solicitation requirements. This action will be funded using Army Working Capital Funds.

3. **Description of Supplies/Services:** The NSN 2520-01-714-0929, part number 12610296, is the containerized Transmission used on the Joint Light Tactical Vehicle (JLTV) Family of Vehicles (FoV). The deliverables for this contract are for a minimum guaranteed quantity of 12 each and an estimated five-year maximum quantity of 321 each. The total estimated maximum value of this contract is [redacted]

Acquisition Method Code:
4 - Acquire, for the first time, directly from the actual manufacturer.

Acquisition Method Suffix Code:
B - Acquisition of this part is restricted to source(s) specified on "Source Control", "Altered Item" or "Selected Item" drawings/documents.

4. **Authority Cited:** The statutory authority permitting other than full and open competition for this effort is 10 United States Code (U.S.C.) 3204(a)(1) as implemented by Federal Acquisition Regulation (FAR) 6.302-1; Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.

5. **Reason for Authority Cited:** The transmission is a commercially available Allison Transmission Inc (Allison) 2500 SP 6-speed automatic with a TC-221 torque converter designed to handle extreme conditions. The shift calibration is tailored to match the power output of the JLTV engine (Banks 866T Diesel Engine based on GM Duramax 6.6-liter engine) making full power available with minimal delay. The unit is a wide-ratio transmission with six forward speeds and one reverse. This wide-ratio approach, compared to close-ratio, provides rapid acceleration and maximum speed on grade. The system has two overdrive gears to enhance fuel economy at high speed, low load conditions. The TC-221 torque converter adds an additional 1.73 ratio for first and second gear ranges. When in the first and second gear ranges (and not in converter lockup), the transmission uses the full torque from the engine and multiplies it with the

1.73 ratio torque converter. When the overall lower drive train ratios are factored in, the driveline provides the capability to smoothly negotiate steep grades and pull heavy loads. The torque converter also provides a dampening effect that reduces shock and strain on all driveline components. This smooth shifting performance extends the life of downstream driveline components, while providing accelerations that exceed threshold requirements with more than 20% margin. In gears three through six, the transmission switches to full lock-up power transfer, to improve efficiency and lower converter heat generation. This design, combined with the low range of the lower drivetrain, allows the lower transmission gear ratios to provide optimal performance at slower speeds, while higher gears deliver cruising capability to [redacted]miles per hour [redacted]kilometers per hour). The transmission's shift schedule has been developed to take full advantage of these faster speeds, allowing for proper gear selection over rough terrain.

The transmission uses 6th-generation Allison controls for enhanced shift stabilization, improved grade braking, and the opportunity for enhanced fuel economy calibrations. The transmission control module constantly learns and adapts the shift parameters to reduce shifting harshness based on vehicle load and driving patterns.

The transmission comes equipped with prognostics that monitor fluid level, fluid life, filter life, and overall transmission health. The prognostics are calibrated to the JLTV operating requirements and eliminate unnecessary fluid and filter changes, while providing maximum protection of transmission components. Allison also has a well-established worldwide dealership and support network for proven parts availability and support infrastructure.

The JLTV lower drivetrain delivers power from the Allison transmission to the vehicle's four wheels through a combination of composite drive shafts, a power-splitting rear differential assembly (transaxle), a lightweight front differential assembly, steel half shafts, and bevel-gear wheel drives. The system ratios are tuned to meet the JLTV mission profile, and match the power and torque available from the Banks 866T Diesel Engine based on GM Duramax engine/Allison transmission combination.

[redacted]

The Government does not own the necessary intellectual property data rights to the pertinent technical data to enable competitive re-procurement.

The transmission is manufactured by Allison. The Government does not own the necessary rights to the technical information which would enable competitive procurement. [redacted] No other vendor is qualified to produce this item for the Government. Allison has demonstrated the capability to provide this item to the

Government based on past performance.

Due to the limited technical data available, reverse engineering is the only recourse for the Government to increase competition through development of a competitive build-to-print TDP.

There are no known funding efforts in progress at this time to acquire the commercially controlled data needed to make NSN 2520-01-714-0929 fully competitive. Consequently, there are no current plans to acquire a fully competitive TDP because funds are not available to acquire the data necessary.

Technically, there are three choices for the Government to pursue and obtain the data to this item. The three choices are: Research and Development (R&D) of the Government's own design, reverse engineering if the Government is unable to procure the item and the final option is to simply ask the vendor, in this case Allison Transmission Inc, for a price to purchase the Technical Data and the rights to use the item competitively. The Government has tried to obtain pricing for the TDP however Allison Transmission Inc's response was "Not for Sale." This leaves the Government with two remaining options to acquire the data. They are as follows:

(1) R&D: To develop a competitive data package through an R&D effort, procuring proprietary data and qualifying additional sources will entail a significant amount of time, facility resources, man-hours, and funding. Based on past experience with similar efforts, the estimated cost to research and develop a compatible product and qualify additional sources exceeds $[redacted] with a setback of [redacted] months. The funding required would include $[redacted] for personnel to support R&D of an item that would perform the same task as this NSN. That $[redacted] would also include funding for staff to develop the computer-aided design (CAD) models and drawings that would be required for any potential vendor to manufacture from. Another $[redacted] would be required to develop prototypes to test and validate the Government design that functions identically to the original. If funding for a new start R&D effort became available, the [redacted] process would consist of the following: [redacted] to develop requirements, [redacted] months in design and prototyping, [redacted] to test compatibility and function, and an additional [redacted] to write the TDP and provision the parts. A timeline of the estimated R&D process is shown for clarity.

JLTV Engineering estimates the following timeline for R&D:

[redacted]

(2) Reverse Engineering: To reverse engineer, validate the design, procure prototypes for testing and release a competitive data package would entail a significant amount of time, facility resources, man-hours, and funding. Based on past development experience the estimated cost to develop a reverse engineered competitive product is $[redacted] with an estimated delay of no less than [redacted]. The funding required would include $[redacted] for personnel to support reverse engineering and validation of the design as well as fund staff to develop the CAD models and drawings. Another $[redacted] would be required to develop prototypes, test and finalize the product to verify that the newly created item provides equivalent performance when compared to the original. If funding for reverse engineering became available, the [redacted] process would consist of the following: [redacted] to obtain existing parts, [redacted] to tear down and understand the design, [redacted] to iteratively develop drawings, prototypes and bench test, [redacted] to perform system and vehicle level testing, and [redacted] to write the TDP and provision the parts. To complete the reverse engineering process successfully, the Government would have to obtain a sufficient sample size of existing parts to provide a 95% probability and 90% confidence level in the actual size of the existing item to be studied. Once a large enough sample has been collected, the Government would then tear down and understand the design, conduct prototype development and produce the final TDP and associated provisioning documents at a cost of $[redacted]. A timeline of the estimated R&D process is shown for clarity.

JLTV Engineering estimates the following timeline for RE:

[redacted]

In addition to the cost and delay for an R&D action or reverse engineering effort, Joint Program Office JLTV estimates that it would take approximately [redacted] to establish another source and procure these kits on a competitive basis. Specific events would include additional market research, solicitation, evaluation and awarding a contract. Finally, any new source of supply would require component, safety and system level testing that is estimated to take [redacted]. These estimates are based on similar Government projects. These events combined are estimated to take an additional [redacted] after development of the item.

Considering rebuild sites are also being established to rebuild this item the costs cited above appear to exceed any potential savings to be realized through a future competitive procurement process. Assuming the Government spent $[redacted] to obtain a military version of the item and realize a savings of 25%, the new cost of the Government owned transmission would be $[redacted] per unit. That is a savings of less

than [redacted] between the Allison owned and the Government owned versions. Dividing $[redacted] by $[redacted] results in almost [redacted] transmissions required for purchase to recover the cost of generating a competitive TDP. Using the yearly usage rate of [redacted] each per year, it would take around [redacted] years to recover invested costs.

If the procurement of the JLTV transmission is delayed until the TDP is bought by the Government and made suitable for a competitive procurement, the Government will experience an unacceptable delay of a minimum of [redacted] in fulfilling this requirement. The [redacted] delay is a result of the time required to develop items of equivalent performance explained previously in this document. Further delay in [redacted]. Allison is the only source that can meet the requirements without substantial duplication of cost and without unacceptable delay against this action. The approved source has the requisite technical and engineering expertise to perform all efforts required to provide the NSN identified in this Justification and Approval. The contractor developed the items identified without assistance from the Government. [redacted]

6. Efforts to Obtain Competition:

a. Effective competition: Due to the reasons cited in Section 5 above, the Government is not pursuing competition for this item. Notices required by FAR 5.201 will be posted.

b. Subcontracting competition: Unless the contract is awarded to a small business, the solicitation and resulting contract will include FAR clauses 52.219-8, "Utilization of Small Business Concerns", 52.244-5, "Competition in Subcontracting", 52.219-16, "Liquidated Damages--Subcontracting Plan"," and Defense Federal Acquisition Regulation Supplement 252.219-7003, "Small Business Subcontracting Plan (DoD Contracts)", to maximize small business opportunities and utilization.

7. Actions to Increase Competition: There are no known sources of funding at this time for the Government to pursue Research and Development or Reverse Engineering actions to generate the necessary technical information required to manufacture this item on a competitive basis. However, the Source Approval Program, run by the Ombudsman (OMB) Office will assist any vendor interested in becoming a qualified source. Interested contractors can seek qualifications through the Source Approval Program with the Competition Management Office. The process for approval through the OMB includes submitting data and test records that validate the supplier's capability to provide the same product. Due to the lack of available funding and no other

interested vendors seeking approval, only Allison Transmission Inc transmissions will be pursued for this effort. This effort will be synopsized in accordance with FAR Part 5.201(c).

8. **Market Research:** A Sources Sought Notice was posted to SAM.gov on 24 April 2025 and was open for 15 days. No responses have been received to date.

DEVCOM Engineering completed web-based market research on 16 April 2025, searching for companies that manufacture transmissions that may be compatible with the JLTV FoV.

Engineering has also performed strategic market research and arrived at the conclusion that no other vendor can meet the Government's requirement for this item without an entire replacement of the JLTV powertrain and substantial requalification and testing to [redacted]

9. **Interested Sources:** To date no additional sources have expressed interest in this item.

10. **Other Facts:** No procurement history is available.

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

Name: [redacted]
Title: Engineering Division Chief
Signature:

7/23/2025

X [redacted]

[redacted]

12. **Requirement Certification:** I certify that the supporting data under my cognizance which is included in the justification is accurate and complete to the best of my knowledge and belief.

Name: [redacted]
Title: Sourcing Division Chief
Signature:

7/28/2025

X [redacted]

Signed by: USA

13. Fair and Reasonable Cost Determination: I hereby determine that the anticipated cost to the Government for this contract action will be fair and reasonable. This determination will be based on the results of a detailed cost and/or price analysis. The contractor will not be required to submit certified cost or pricing data as this item has been determined to be a commercial product.

Name: Martinez, Drake G CIV DLA LAND AND MARITIME (USA)
Title: Contracting Officer
Signature:

7/25/2025

X Drake Martinez

Signed by: MARTINEZ.DRAKE.GREGORY.[redacted]

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

Name: Martinez, Drake G CIV DLA LAND AND MARITIME (USA)
Title: Contracting Officer
Signature:

7/25/2025

X Drake Martinez

Signed by: MARTINEZ.DRAKE.GREGORY[redacted]

Approval Authority for Acquisitions Greater Than $750K but Less Than $15M

APPROVAL OF JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

Based on the foregoing Justification, I hereby approve the procurement of the following:

a. Noun: Transmission

b. NSN: 2520-01-714-0929

c. GMQ: 12 each

d. Maximum Quantity: 321 each

e. Estimated Maximum Value: [redacted]

This action will be awarded on an other than full and open competition basis pursuant to the authority of 10 U.S.C. 3204(a)(1) as implemented by FAR 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements. This procurement is subject to the availability of funds, and provided that the property herein described has otherwise been authorized for acquisition.

Signature:

7/29/2025

X Jamie Wiebusch

Signed by: DLA