

# Analysts: SeaPort-e to Next Gen changes will better competition

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The Navy's next generation contracting vehicle for services contracts has refined its work requirements in two key ways that analysts believe will help it create greater competition among contractors.

The next iteration of SeaPort-e, a services contracting vehicle established in 2001, is SeaPort Next Generation which will require prime contractors to have experience in direct support of the Department of the Navy. By contrast, SeaPort-e only required experience in support of the Defense Department. The decision to switch was made as a result of "thousands" of companies holding multiple award contracts (MAC) under SeaPort-e, but never competing for task orders, according to Navy spokeswoman Colleen O'Rourke.

"Due to the administrative burden to the Navy of carrying thousands of MACs and the fact that the Navy has had healthy competition with the vendor base that is performing work for it, it was determined that experience in direct support of the Department of the Navy would be the requirement to qualify for a SeaPort [Next Generation] MAC," she said in a March 8 email to *Inside the Navy*.

Robert Crangle, senior research analyst at the government contracting market research firm Deltek, said the restriction would help to "weed out" less committed contractors.

"By restricting the competition and the past work to strictly Navy," he told *ITN* in a March 9 interview, the service is "going to weed out people who think they might want to do business within SeaPort Next Gen to the ones who are going to proactively bid on task orders."

The updated language was changed in briefing slides dated December 2017 created by Naval Sea Systems Command, the SeaPort-e administrator, compared to August 2017 slides labeled as "pre-decisional."

The second notable change is the contracting vehicle's scope of work, Alan Chvotkin, executive vice president and counsel at the Professional Services Council, told *ITN* last month. SeaPort-e had contractors self identify into a combination of geographical and functional areas.

"If you only wanted to work in one geographic area and one functional area, you had to wait for work to come out in that cell in order for you to be eligible to bid, and then you had to win the work," he said. "I think what [the Navy's] experience was that not every functional area had the same quantity of work, and certainly not every region had the same quantity of work."

SeaPort Next Gen will use only two broad functional areas -- engineering support and program management support -- doing away with what Chvotkin called "artificial segmentation."

The result is that while companies focused on regional business may not compete, "those that do have a much more refined statement of work and there will be much more competition among those [companies] that are selected" for multiple award contracts, he said.