

# FORMATION of SPACE CONSORTIUM

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**CUBESAT & OTHER SMALL SATELLITES  
INNOVATION FORUM**

**18 Nov 2016**

**REAL OFFICE CENTERS, SANTA MONICA, CA**

# OPPORTUNITY

## What is Known to Date

- RFI issued 17 Oct 16 for formation of  
**SPACE ENTERPRISE CONSORTIUM**  
Sol. No.: FA8814-16-9-0001
- Acquisition/Contracting/Management by USAF Space & Missiles Systems Center, El Segundo, CA
  - Letter of intent due 31 Oct 16
  - RFP release: 1QCY2017 (not firm)
- \$100M projected spend ceiling; Time period=TBD
- Other Transaction Authority for Prototype Projects shall be used for acquisition
- Explicit call for Consortium + Lead Organization
- Broad Scope, RDT&E for: space vehicles, payloads, launch capabilities, associated ground segments

# Entities Eligible for Award via OTA

- **Non-Traditional Defense Contractor**
  - Entity not currently performing and has not performed, for at least one-year period preceding this solicitation, any contract or subcontract for DoD subject to full coverage under Cost Accounting Standards
  
- **Small Business**
  
- **Traditional defense contractor**, but at least one of following applies:  
At least 1 Non-Traditional Contractor participates to “significant” extent by
  - Supplying new key technology or product
  - Accomplishing significant amount of effort
  - Causing material reduction in cost, schedule
  - Causing an increase in performance
  
- **An Entity (usually Traditional Defense Contractor) providing cash or in-kind cost share; Typically 1/3 cost share including:**
  - New IR&D funds, profit from other contract, OH, capital equipment expense pool
  
- **Acquisition Exec** determines exceptional circumstances **justify use of OTA** for purpose of executing innovative business models or structures not feasible or appropriate with FAR-based contract
  - Example: RD-180 rocket engine replacement

# What's in this for You

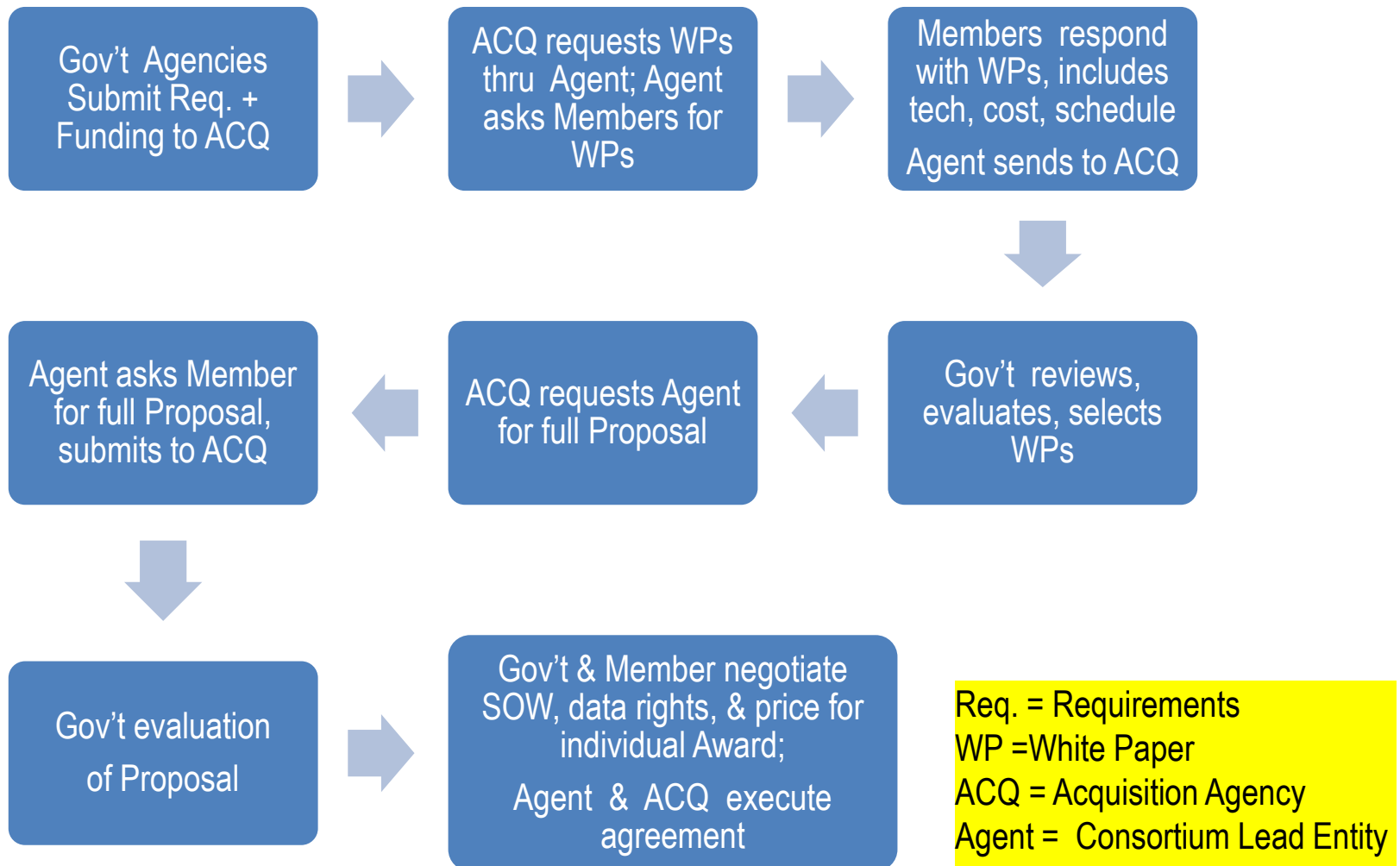
- OTA allows diverse entities to participate
  - SBC, university, Prime, Tier, supplier, non-profit, commercial company, **Consortium**
  - Teaming highly encouraged; no mandatory clause flowdown for subcontractor
- No req. to conform to FAR, DFAR, DCAA Regs
- OTA Prototype may be physical or virtual
  - Prove feasibility or evaluate utility
  - Lowest possible quantity—no LRIP
- Usually Firm Fixed Price award w/milestone payments; flexible, negotiable, profit allowed
- Negotiable IP/data rights
- If prototype viable, *may* award specific direct contract for production outside of Consortium award

**Bottom Line: If you have hardware for Space Sector, this is your chance**

# How It Works

Gov't Interfaces exclusively with Consortium Agent

Consortium Agent Interfaces with Members



# Business Slant—My Take

- New tech developments at high pace + new, emerging threats leading to defense capability obsolescence
  - Need to keep up
  - For PoRs, contracting inhibits experimentation: more budget spent on fulfilling requirements and production deliverables
- USAF now realizes TIME ↔ \$\$\$
  - Cannot take years to produce and/or upgrade weapon systems
- Shorten times for:
  - Payload development
  - Launch vehicle readiness
  - Relaunch times of reusable vehicles
  - Prototyping, Assembly, Testing, Manufacturing
- Experimentation now back in picture
  - Fail Fast, Fail Cheap [before going to full scale production]

# Intelligent Guess on Areas (IMHO)

- More SmallSats, CubeSats
  - Phased arrays; sensor & electronics testing
  - Propulsion, Comm, Control, Command
- New advanced sensors for ISR
  - Multiple frequency bands, multiple apps
- Reusable launch vehicles
- Extremely high data rate secured comm links
- Data fusion, on board processing
- Call for cheaper manufacturing, easier integration of components, assemblies, subsystems
  - ➔ 3D printing, rapid prototyping

# Call to Action to Join Consortium

- Los Angeles County Economic Development Corporation (LAEDC) submitted letter of intent in response to RFI to lead Consortium as Agent
- Other Consortia known to have ~ 130 members
- Show interest—send letter of intent to join stating tech specialty areas; no obligation

## ➤ PoC

**Tamara Gishri Perry** | Director, Strategic Initiatives & Cluster Development  
**Los Angeles County Economic Development Corporation**  
444 S. Flower Street, 37th Floor, Los Angeles CA 90071  
T: 213.236.4837 F: 213.622.7100 | [www.laedc.org](http://www.laedc.org)

## ➤ Info, Advice, Marketing

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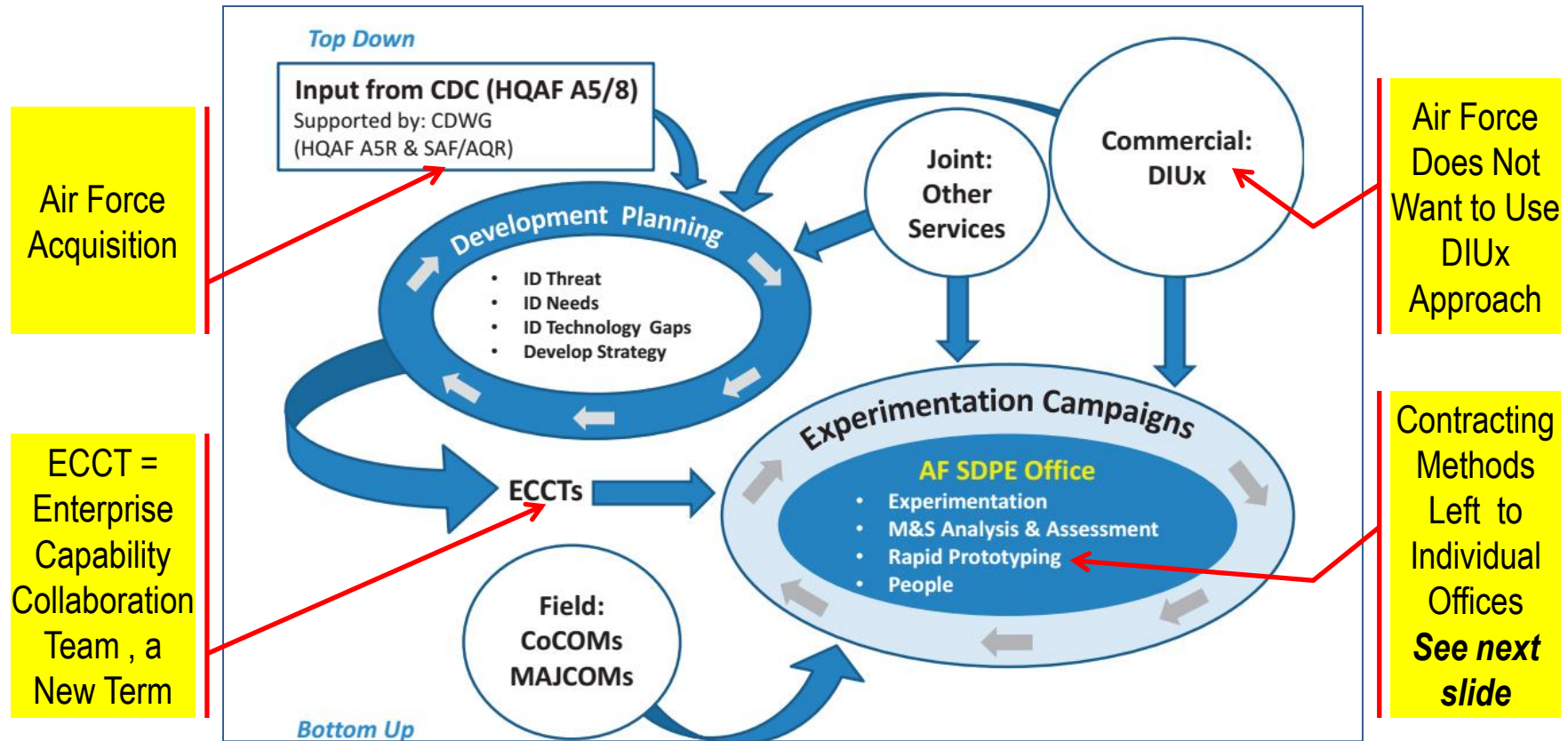


# **BACKGROUND INFO**

# Consortium

- Association of two or more individuals, companies, organizations or governments (or any combination of these entities) with objective of participating in common activity or pooling resources for achieving common goal
- Member Agreement
  - Allocates risks, responsibilities, rewards
  - Establishes, maintains relationships
  - Defines rules, procedures regarding IP, Data Rights amongst members
  - Gov't not a member or signatory
- Consortium Lead/Agent interacts with Gov't as 3<sup>rd</sup> party intermediary

# Recent Air Force Study Results



**Graphic Source: The Role of Experimentation Campaigns in the Air Force Innovation Life Cycle,**  
©2016 National Academy of Sciences, Committee on the Role of Experimentation Campaigns in the Air Force  
Innovation Life Cycle: A Study , p.64  
Commissioned by Air Force Studies Board, Division on Engineering and Physical Sciences

# Why OTA for Contracting, Why Now



**Amendments to other transaction authority (sec. 815)**  
“The conferees believe that expanded use of OTAs will support Department of Defense efforts to access new source of technical innovation, such as Silicon Valley startup companies and small commercial firms.”  
**National Defense Authorization Act 2016**

