

**DARPA Tech, DARPA's 25<sup>th</sup> Systems and Technology Symposium  
August 7, 2007**

**Anaheim, California**

**Teleprompter Script for Mr. Mark Bennington, Director, Contracts  
Management Office (CMO)**

» **Mark Bennington:**

Thank you, Dr. Leheny.

First, I am going to tell you how DARPA asks for, or solicits, your ideas.

And then, I'm going to talk about how DARPA funds your ideas.

To solicit your ideas, DARPA uses three main methods:

- ~ Requests for Information or RFI's,
- ~ Requests for Proposals or RFP's,
- ~ and Broad Agency Announcements or BAA's.

All are based on the Federal Acquisition Regulation (FAR), which is my acquisition Bible.

When structuring its business arrangements, DARPA has the following goals:

1. Develop innovative business relationships and practices;

2. Match military requirements with technological opportunities;
3. Protect information and ideas;
4. Create agreements for investments in “DARPA-hard” projects with high risk, revolutionary technologies and systems; and
5. Promote innovation by using a flexible strategy in crafting agreements.

When it comes to DARPA business arrangements, “one size does *not* fit all.”

Throughout today you’ve heard of the innovative projects that DARPA is sponsoring.

We in CMO are trying to be just as innovative in our own way.

FAR Part 15 discusses the negotiation of procurement contracts, which can be done through competitive or noncompetitive procedures.

An RFP serves as the basis for the selection of your idea for a contract award.

FAR Part 35.016 discusses the use of BAA’s.

A BAA contains the agency's research interest, for either an individual program or a broadly defined area of interest.

Also included are the criteria for selecting proposals, the criteria's relative importance, and the method of the evaluation.

DARPA uses two basic types of BAAs.

First, there are "Office-wide" BAAs... which are unique to a particular office and are open for 1 year... and then, there are Program Specific BAAs, which are tailored to a proposed DARPA project.

DARPA generally encourages discussion throughout the BAA process.

Some examples are "Industry days," "White papers" submitted to a DARPA program manager prior to submission of proposals, and verbal dialogue with a program manager.

Your proposals submitted in response to a DARPA BAA are reviewed based upon their technical merit.

They are not compared to other proposals.

Each proposal is evaluated relative to its proposed statement of work:

DARPA has identified the general areas of interest, but won't tell you how to propose work or how to solve problems.

The primary basis for the selection of your proposals is its technical importance with respect to Agency interests and funding availability.

Cost realism and reasonableness are also considered, to the appropriate extent, in the evaluation of your proposal.

Your award may be in the form of a contract, grant, cooperative agreement, or an "Other Transaction."

DARPA has the authority for these and other funding instruments.

The selection of the appropriate award instrument and the terms and conditions of that instrument are determined by the purpose of the research and the negotiation of the parties.

Other Transactions are a formal funding instrument, and allow greater flexibility

in acquiring research.

Whereas a traditional procurement contract allows for the acquisition of goods and services.

A grant or cooperative agreement is generally used for basic research, research assistance, or to stimulate research for a public purpose.

A few more words about our most innovative contracting tool -- Other Transactions, since they aren't as well known.

There are Other Transactions for Research, for Technology Investment, and Other Transactions for Prototypes.

Other Transactions for research are authorized when a contract, grant, or cooperative agreement is not feasible or appropriate.

There is a requirement for equal cost sharing.

Other Transactions for the purpose of research leverage the capabilities of firms that may not normally participate in the traditional government contracting process.

The normal FAR contracting rules do not apply to OTs.

Other Transactions as a Technology Investment Agreement or TIA stimulate research and foster civil-military integration.

TIA's are frequently awarded to consortia and not individual performers.

Again, cost sharing by recipients is the norm.

And finally, Other Transactions for Prototypes, are for prototype projects that are directly relevant to weapon systems.

Again, the FAR contracting rules do not apply to these Other Transactions.

However,  
there must be at least one nontraditional defense contractor participating in the prototype project;

OR at least one third of the total cost is funded by a party other than the Federal government.

For additional information on DARPA programs and how to get your ideas submitted, please visit this website.

Or, better yet,  
since you're here,  
visit the CMO booth next door in the Exhibit Hall.

DARPA also participates in two other programs.

The Small Business Innovation Research (SBIR) program with a Fiscal Year 2007 budget of \$70M and the Small Business Technology Transfer (STTR) program with an FY 07 budget of \$8M.

Watch for our topics in the FY 2008.2 Solicitation which will be released on April 21, 2008.

We anticipate posting about 40 topics with at least two Phase I awards and at least one Phase II award per topic.

Please visit the SBIR exhibit in the exhibit hall for additional information.

And, now give it up for my friend Chris Earl who will talk to you a little bit more about the transition of DARPA-funded ideas.