DLA Aviation
Reverse Auction Program
Overview

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26 October 2012
Aviation Reverse Auction Program

• Objectives
• Reverse Auction Overview
• Guidance
Objective

- **DLA Director’s Guidance for FY12:**
  - “Achieve significant price reductions across DLA’s materiel and service acquisitions.”

- **Directive Type Memorandum, dated June 12, 2012**
  - Directed that Reverse Auction be used to establish pricing for all fully competitive procurements

- **DLA Aviation Guidance, issued March 15, 2012**
  - Effective April 1, 2012, the use of DLAD provision 52.215-9023, Reverse Auctions, shall be used in all manual, competitive solicitations valued at $100,000 and over.
Why Reverse Auction?

• Reverse Auction is a pricing tool
  – allows offerors to submit real-time, electronic bids in response to competitive solicitations

• Establishes the final price offered
  – Final price in conjunction with the evaluation factors identified in the solicitation form the basis of award

• Does not change the evaluation or award process
Guidance

• The Reverse Auction tool may be used in a wide range of circumstances including:
  – Pricing of competitive commercial and non-commercial items
  – Long term and one time buys

• Required on all acquisitions > $100K
  – Competitive or Multiple Sources identified
  – Two or more acceptable offers
Guidance (Continued)

• Requirements of the Reverse Auction Provision 52.215-9023(d):
  – Offerors agree to participate in the auction
  – Prices may be publicly disclosed during the auction
  – Identities will remain anonymous
  – Offerors are not required to revise their price during the auction

• Exceptions to the Reverse Auction Provision
  – Written exceptions render the proposal unacceptable, or bids non-responsive
  – Offer will not be evaluated further

• Source Selection process is not changed
• Offered Prices:
  – Lowest price is disclosed to all auction participants
  – Number of participants is not disclosed
  – Identities will remain anonymous
  – Offerors are not required to revise their price

• Offers of the Same Price:
  – Reverse Auction tool identifies the ‘Lead’ / ‘Non-Lead’
    • Lead offeror sees only their bid; Non-Lead will see the identical price
    • Lead offeror is considered the low bid
    • DLA is revising policy to specifically prohibit tie offers / bids
Guidance (Continued)

• After the Auction:
  – Final Offered Prices will be used
  – All Evaluation Factors will be utilized as cited in the solicitation
  – Award decision will be based on the “Best Value” to the Government
  – Award may not be made to the lowest offered price

• Source Selection process is not changed
Reverse Auctioning
Pricing tool (Rapt)
Training for Suppliers

Gwendolyn Pearson
Reverse Auction Program Manager
Accessing Procurex Sourcing Site

- Buyers may load you in advance and invite you to a specific auction
- The initial Procurex Inc. email invitation will:
  - Notify you of an event
  - Direct you to the Procurex Inc. webpage to create a password using your email for log in
- Navigate to **dla.procurexInc.com**
  - Login by entering your email and password
  - If you want to register in advance, you may do so at the Procurex website - “Register Your Company”
    - See Seller ‘Software Training’ Guide for more instructions
- **Reminders:**
  - Allow for Procurex emails to come to your inbox—prevent them from going to SPAM
  - Email updates will be sent when changes are made to a scheduled auction
Navigating within the Procurex Site

• Once you login to the website, we recommend that you familiarize yourself with the site by reviewing the training tutorials that are available to you.
  – View “Training Tools” by selecting “Seller Software Training”
    • This is a Vendor/Supplier User Guide brief that will provide instructions in submitting bids (instructions show sample auction and may not reflect exact screens used in Aviation auctions)

• To Bid in an event, go to the “Event Tools”
  – Select “Accept/View/Bid in Events”
  – Select your auction of choice (i.e. solicitation number)
  – View parameters and terms of the auction
To allow additional users from your company to have access to the auction, go to “Administration” on the home page after you log in:

– Select “Maintain my company users” to add additional contacts

If you have questions regarding the following:

- Solicitation—contact the buyer.
- Auction—contact the Primary Point of Contact listed in Contacts.
- DLA Aviation’s Reverse Auction Program – contact Program Manager, Gwen Pearson at (804) 279-4077 or at dlaavnrevauc@dla.mil.
After logging in see the three categories:
- “Administration”: allows you to update company information and add additional users
- “Training tools”: Allow to review “Seller Software Training” brief
- “Event Tools”: Allow you to select to:
  - accept, view and bid in an event
  - view completed events
## Procurex Screen Shots

![Procurex Screen Shots](image)

### Current Events

<table>
<thead>
<tr>
<th>Event Status</th>
<th>Type</th>
<th>Response</th>
<th>Event Name</th>
<th>Company</th>
<th>Pre-bid Start Date</th>
<th>Pre-bid End Date</th>
<th>Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activated</td>
<td>AUCTION</td>
<td>No Answer</td>
<td>Training 10/26/2012 GCP</td>
<td>DLA Aviation</td>
<td>n/a</td>
<td>n/a</td>
<td>10/26/2012 11:00</td>
</tr>
<tr>
<td>Suspended</td>
<td>AUCTION</td>
<td>Accepted</td>
<td>SPM400Training 10.19.2012 (Training Event)</td>
<td>DLA Distribution</td>
<td>n/a</td>
<td>n/a</td>
<td>10/19/2012 10:55</td>
</tr>
<tr>
<td>Suspended</td>
<td>AUCTION</td>
<td>Accepted</td>
<td>Test Fixed auction 10.19.2012 (Training Event)</td>
<td>DLA Aviation</td>
<td>n/a</td>
<td>n/a</td>
<td>10/19/2012 11:15</td>
</tr>
<tr>
<td>Activated</td>
<td>AUCTION</td>
<td>No Answer</td>
<td>Supervisory KOs (Training Event)</td>
<td>DLA Energy</td>
<td>n/a</td>
<td>n/a</td>
<td>10/25/2012 09:30</td>
</tr>
<tr>
<td>Suspended</td>
<td>AUCTION</td>
<td>No Answer</td>
<td>SP0600-13-R-XXXX Mock (Training Event)</td>
<td>DLA Energy</td>
<td>n/a</td>
<td>n/a</td>
<td>10/05/2012 10:41</td>
</tr>
<tr>
<td>Suspended</td>
<td>AUCTION</td>
<td>No Answer</td>
<td>Miscellaneous Parts PR # 0012345678 PSM7MC-12-Q-1234 (Training Event)</td>
<td>DLA Land and Maritime</td>
<td>n/a</td>
<td>n/a</td>
<td>09/13/2012 13:45</td>
</tr>
</tbody>
</table>

For comments and questions email service@ProcurexInc.com. You may also contact us by phone at 1-866-412-7161 (toll free).

Note: This site uses pop-up windows for functionality purposes. Pop-up blockers could cause needed windows to not appear. Please disable your pop-up blockers for our site.

You are viewing the dla.procurexinc.com reverse auction portal powered by www.ProcurexInc.com

- After selecting “Accept/View/Bid in Events”, select the specific “EVENT NAME” you want to bid in; usually titled by solicitation number.
**Procurex Screen Shots**

### Auction Parameters
- **Split Lot**
- **Automatic Extensions - Low Bid Only**
- **View Lead/Not Lead Bidder**
- **Allow Bids Greater Than Starting Price**
- **View Lowest Bid**

### View

In order to participate, you must review the details for the Event and click the 'Continue' button below. The next page will provide you with the options to specify whether your company is interested in participating and if so, whether you agree with the Terms and Conditions.

### Contact Information | Terms and Conditions | Comments

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit of Measure</th>
<th>Min. Decrement</th>
<th>Start Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>9999-99-999-1234 Clin 0001</td>
<td>Widget 123</td>
<td>1,000,000</td>
<td>EA</td>
<td>0.50000</td>
<td>100.00000</td>
</tr>
<tr>
<td>9999-99-999-1234 CLIN 0002</td>
<td>Widget 123</td>
<td>500,000</td>
<td>EA</td>
<td>0.50000</td>
<td>150.00000</td>
</tr>
<tr>
<td>9999-99-999-1234 Govt FAT</td>
<td>Widget 123 1 test is 3 samples</td>
<td>1,000</td>
<td>TE</td>
<td>0.01000</td>
<td>1.00000</td>
</tr>
</tbody>
</table>

**Currency:** USD

**Total Bid Starting Price:** $175,001.00000

### Additional Notes
- **View auction date and times**
- **View contact Information**
- **View terms and conditions**
Procurex Screen Shots

- Review auction parameters
- View and agree to the Terms and Conditions
- Select if you will participate
**Procurex Screen Shots**

**Tasks:** View Your Bids | View Contact | View Terms | Event Documents | View Comments | Broadcast Log | Help

- You have bid 1 times.

**Item** | **Qty** | **UoM** | **Start Price** | **Previous Bid Price** | **Previous Ext. Bid Price** | **Min Dec** | **New Bid Price** | **Notes**
--- | --- | --- | --- | --- | --- | --- | --- | ---
9999-99-999-1234 Clin 0001 | 1,000.00000 | EA | 100.00000 | | | | | add
9999-99-999-1234 CLIN 0002 | 500.00000 | EA | 150.00000 | | | | | add
9999-99-999-1234 Govt FAT | 1.00000 | TE | 1.00000 | | | | | add

**Currency:** USD

**Lead bid Price**

- View Start Price which may be the lead bid price
- View Tasks for additional information, such as:
  - View Your Bids
  - View Contacts (included Primary POC)
  - View terms of the auction

**Bid entry field**

**Time remaining until end of auction**

- Time Remaining Days: 1 18:23:51

**Auction Status allows you to see your prices in comparison to the Lead bid Price**
Procurex Screen Shots

DLA Demo Vendor 4

Bidding in this event starts on 10/26/2012 11:00 (EST).

You have bid 1 times.

<table>
<thead>
<tr>
<th>Your Bid</th>
<th>Lowest Bid</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>9999-99-999-1234 Clin 0001</td>
<td></td>
<td>NOT LEAD</td>
</tr>
<tr>
<td>9999-99-999-1234 CLIN 0002</td>
<td></td>
<td>NOT LEAD</td>
</tr>
<tr>
<td>9999-99-999-1234 Govt FAT</td>
<td></td>
<td>NOT LEAD</td>
</tr>
</tbody>
</table>

Total Bid Value: 0.00000

Note: Data were calculated based on last refresh. Click ‘Refresh’ to get updated information.

This page automatically refreshes every 30 seconds (Last refreshed on 10/24/2012 17:11:23 EST)

- View Auction Status open up another window showing your position of ‘Lead’ or ‘Not Lead’
Procurex Screen Shots

- Input your prices then select “Preview Bid” to verify prices.

Press “Place Bid” to save your bid.

- In order to submit your price you must click “Place Bid”.
  - Note: An error message may appear at bottom of page, e.g. price entered did not meet minimum decrement or price entered is higher than your initial offer. If so re-enter the correct price, preview, and place bid again.
• Automatic Extensions may occur if lead bids are submitted within the last few minutes of the auction
• Once the bids have stopped and the auction has ended, it will show as completed
Questions?