PGI 215.407-2 Make-or-buy programs.

(d) *Solicitation Requirements*. Consider the following factors when deciding whether to request a make-or-buy plan—

(1) The prime contractor’s assumption of risk;

(2) The prime contractor’s plant capacity;

(3) The prime contractor’s degree of vertical integration;

(4) The prime contractor’s internal resources;

(5) The anticipated contract type;

(6) The complexity, uniqueness, or configuration maturity associated with the end item or its subsystems;

(7) Critical path items;

(8) The impact on contract overhead rates with respect to maintaining work in-house;

(9) The industrial base that could potentially satisfy some system requirements, based on market survey;

(10) Proprietary data and/or trade secrets;

(11) Potential product quality concerns associated with items that would be subject to subcontracting;

(12) Integrated master schedule timelines and their tolerances for variation;

(13) The availability and experience of program office personnel to credibly analyze and evaluate a submission; and

(14) Socioeconomic considerations, e.g. small business or labor surplus area concerns.

(f) *Evaluation, negotiation, and Agreement*. When a make-or-buy plan is required, listed below are factors that may be considered when evaluating a submission—

(1) Prime contractor past performance, especially with respect to subcontract management;

(2) Prime contractor make-or-buy history;

(3) Adequacy of contractor’s existing make-or-buy processes, including cost and technical risk considerations;

(4) Component availability through existing sources, e.g. available inventory, or other Government contracts;

(5) Prime contractor plant capacity;

(6) The adequacy of the prime contractor’s technical, financial and personnel capabilities; and

(7) Prime contractor justification that is provided with respect to items it does not normally make.

Parent topic: PGI 215.407 RESERVED