



DEPARTMENT OF THE NAVY
NAVAL AIR SYSTEMS COMMAND
NAVAL AIR SYSTEMS COMMAND HEADQUARTERS
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IN REPLY REFER

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25 March 2003

Stavatti Corporation
Attn: Mr. Christopher R. Beskar
520 Airport Road
South St. Paul, MN 55075

Dear Mr. Beskar,

The Naval Air Systems Command (NAVAIR) has reviewed your March 17, 2003 response to the Commerce Business Daily announcement for the Multi-Mission Maritime Aircraft (MMA) Program System Development & Demonstration (SDD) Phase under solicitation number N00019-03-R-0034. Based on its assessment, NAVAIR has determined Stavatti cannot perform the work in the available time.

The MMA Component Advanced Development solicitation (N00019-02-R-3042) was issued under full and open competition on 20 March 2001. Stavatti expressed no interest in this solicitation and did not submit a proposal. The purpose of the resulting CAD contracts was to define system architecture, quantify and reduce system risk, and develop detailed plans and schedules for development of system alternatives. In addition, during the MMA CAD phase, the Navy partnered with CAD contractors to refine system requirements and gain a detailed assessment of alternative concepts, their associated risk mitigation, and total ownership costs. Completion of all CAD tasks (i.e., requirements document analysis, performance specification analysis, technical concept report, producibility analysis, mission systems integrated technology demonstration, mission systems software development plan, test and evaluation strategy, specification requirement verification matrix, concept cost estimate and supporting methodology, etc.) is required to participate in the MMA SDD phase. Based on the information provided and your decision not to compete during the CAD phase, NAVAIR has determined Stavatti cannot complete all required CAD efforts prior to the commencement of SDD. The Navy cannot delay SDD to accommodate Stavatti, because the rapid recapitalization of P-3 aircraft capabilities, which is the purpose of the MMA program, is essential as the P-3 inventory is rapidly reaching the end of its fatigue life.

As a result, Lockheed Martin Aeronautical Systems in Marietta, GA (LM) and the McDonnell Douglas Corporation – A wholly-owned subsidiary of the Boeing Company in Long Beach, CA (Boeing) are the only sources capable of conducting MMA SDD within the available time to satisfy schedule requirements. Accordingly, NAVAIR plans to proceed with MMA SDD on an Other Than Full and Open Competition basis with LM and Boeing.