WT Business Beat

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17 named to Army's $5B ITES-3H contract

The Army has picked 17 companies as prime contractors on its $5 billion ITES-3H contract for IT hardware, software and related services.

We first reported that companies were being notified about the awards on Friday and the Army officially announced the awards Monday on the Defense Department website.

The Army said it had 50 bidders and from the pool it picked eight large businesses and nine small businesses.

The eight large are:

- CDW-G, Vernon Hills, Ill.
- Dell
- GovConnection, Rockville, Md.
- Hewlett-Packard Enterprise
- IBM Corp.
- Telos, Ashburn, Va.
- Unicom, Herndon, Va.
- World Wide Technology, St. Louis, Missouri (W52P1J-16-D-0016)

The nine small business primes are:

- Affigent, Herndon, Va.
- Dynamic Systems, El Segundo, Calif.
- Force3, Crofton, Md.
- Government Acquisitions, Cincinnati
- GTRI, Denver
- Intelligent Decisions, Ashburn, Va.
- Iron Bow, Chantilly, Va.
- Wildflower, Santa Fe, N.M.

The contract replaces the ITES-2H contract and originally was to be awarded in 2014, but a series of bid protests and other issues has delayed the contract. ITES-2H has been extended four times and more than $1 billion has been added to its ceiling.
With 50 bidders and only 17 winners, it wouldn’t be surprising if there are more protests on the way. But the Army did conduct a two-phase competition and multiple protests were kicked off when companies failed to make the cut from phase one to phase two.

The Army prevailed in most of those protests, so there may be a limited pool of companies left to protest now.

Among the winners are all of the incumbents from ITES-2H: CDW-G, Dell, IBM, Iron Bow and World Wide Technology.

With the new awards, the ITES program will reopen for all government agencies. When the Army had to extend the contract, it was required to limit the contract to just the Army. But even when it was open to government buyers, the Army accounted for nearly 80 percent of the business.

The winning companies will now compete for task orders to provide servers, workstations, laptops, networking equipment and other IT products to the Army and other buyers.

The new contract runs through Feb. 21, 2021.

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