BRAND NAME JUSTIFICATION

SECTION 1: IDENTIFICATION OF THE AGENCY AND THE CONTRACTING ACTIVITY

Department of State Contracting Activity	☒ Office of Acquisitions Management
Requiring Activity	Bureau of Diplomatic Technology, Business Management & Planning, Office of IT Acquisitions (DT/BMP/ITA)

SECTION 2: NATURE AND/OR DESCRIPTION OF THE ACTION BEING APPROVED

Approval is requested to limit the number of sources for soliciting and awarding an enterprise Blanket Purchase Agreement (BPA) for Palantir products and supporting services under a Federal Supply Schedule contract for the supplies and/or services described in Section 3 on behalf of the Requiring Activity.

This requirement will be awarded under the General Services Administration Multiple Award Schedule (GSA MAS) Government-wide Acquisition Contract (GWAC).

SECTION 3: DESCRIPTION OF SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEEDS

State uses the Palantir Foundry and Artificial Intelligence Platform (AIP) suite as a vertically integrated Artificial Intelligence and Machine Learning (AI/ML) solution. The Palantir Foundry software platform is State's enterprise-wide solution for AI/ML capabilities and is used across numerous bureaus and offices including the Bureaus of Diplomatic Technology (DT), Overseas Building Operations (OBO), and Medical Services (MED) in addition to the Executive Secretariat (S/ES) and the Center for Analytics (CfA). Palantir Foundry provides support for both OpenNet and ClassNet applications. The Palantir solution supports several mission-critical operations including:

- DT/CfA uses Palantir's Foundry generative AI capabilities to support StateChat. StateChat is available State-wide and currently supports tens of thousands of users at State, through AI-powered chatbot capabilities.
- OBO uses Palantir's Foundry to build a common operating picture at the Bureau, leveraging Palantir's ability to provide an enterprise data management platform, expanding the Bureau's analytic capabilities through improved data integration, accessibility, and management.
- S/ES uses Palantir to support the Operations Center in platform setup and security configuration, data integrations and transformations, data analytics, and operational workflows management.
- MED uses Palantir for enterprise data management modernization, data integration, and analytics through Project Axiom.

State offices and bureaus require an acquisition vehicle to provide continued access to Palantir's suite of products and supporting services to support these and other in-process development efforts in alignment with approved Information Technology (IT) modernization roadmaps. Establishing a BPA for Palantir solutions will provide State offices and bureaus with an efficient way to issue and execute orders to

support these mission critical capabilities. Establishment of an enterprise BPA will also provide State with improved visibility into IT spending and enable State to achieve improved pricing by leveraging State-wide volume.

SECTION 4: AUTHORITY AND SUPPORTING RATIONALE

This acquisition is conducted under the authority of the Multiple-Award Schedule Program (41 U.S.C. 152(3) and 40 U.S.C. 501), as implemented in FAR 8.405.6 by the following:

☒ FAR 8.405-6(a)(1)(B) - Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized;

The Department conducted market research to analyze potential alternative solutions. As part of its market research effort, State issued Request for Information (RFI) #1019430508 in August 2024 to gather information from industry about commercially available offerings that can meet State's complete set of requirements for an Artificial Intelligence/Machine Learning (AI/ML) solution. State received a total of 42 responses to the RFI, and of those, 19 were non-responsive to the RFI submission requirements (e.g., submitting marketing materials or other documents that did not address the specific requirements in the RFI). An additional 21 responses failed to meet the noted mandatory requirements (i.e., they were unable to meet all of State's most critical functional requirements) and two others failed to meet State's other core technical requirements.

The remaining three vendor responses were further reviewed by State system users and subject matter experts to determine, based on their extensive experience and expertise, whether any of the remaining responses could fully meet State's AI/ML requirements. This in-depth internal review resulted in a determination that the solution offered through Palantir is the only product currently capable of meeting all mandatory and core technical AI/ML requirements across State's customer base.

The market research indicated that only Palantir has the following unique capabilities that the Department requires.

Key to Palantir Foundry's unique capabilities is its use of the Ontology architecture and deployment at the semantic, kinetic, and dynamic layers and integration of those layered capabilities into every aspect of its environment. Ontology is Palantir and Foundry's unique technical methodology for defining and assigning properties to unique objects and data-streams across environments and in a way that enables integration with other AI/ML models and platforms.

Across all instances of Foundry, it maintains a unique ability to continuously evaluate AI/ML applications (through the Evals Suite), to ensure validity and accuracy of outputs to give users the confidence necessary to integrate AI/ML tools into existing workflows. Foundry's Evals Suite is critical for ensuring high-fidelity, bias-free responses from the StateChat generative AI chatbot because it provides a robust framework for systematically testing, validating, and monitoring chatbot outputs.

As described below, the unique Ontology architecture, and its ability to be deployed vertically throughout the Foundry environment enables key business functions. Only Palantir and Foundry combine all the capabilities below into a single solution that can be setup, deployed, and managed in all use cases for State.

The Ontology design allows Foundry to pull across diverse streams and sets of data to define objects and relationships within the model, generate structured maps of object relationships and streams, and adjust those object properties, behaviors, and interdependencies in real-time to ensure consistent and constant model validity. Foundry is model agnostic, which means workflows built in Foundry can instantly switch between models from a variety of vendors.

The model-agnostic approach is important because it provides State with the flexibility to adopt the most suitable AI technologies for State's needs, without being constrained by the platform. It enables bureaus to leverage cutting-edge models and methodologies and reducing vendor lock-in for AI/ML models. Having this unique capability is a key requirement which only Foundry can meet.

In use cases such as the Executive Secretariat Operations Center, where real-time monitoring of events using diverse data streams to coordinate inter-agency actions are a key component, having the ability to leverage the Foundry's dynamic, multi-modal, and cross-configurable properties are necessary to support the use case's AI/ML needs. The application pulls information from a variety of sources internal and external to State in various formats to support crisis identification, analysis, and management. Multi-modal and model capability is a requirement for ORION because inter-agency works necessarily demands an ability to make use of the models and data streams of other agencies.

Foundry's low-code capabilities leverage AI/ML to streamline and generate workflows to develop State's specific Ontology for non-technical personnel and are crucial to State's ability to leverage knowledge from non-technical employees to develop, utilize, and improve deployed models across State. Foundry (Palantir) can generate ontology (user) specific software developer kits (SDKs) that enable quicker, natively integrated low code capabilities. Competitors low-code capabilities are less flexible in how they can be deployed, which creates limitations for integration and slows development using low-code tooling.

The Office of Building Operations (OBO) uses low code capability to support the ability of employees to generate the functionality of their Foundry environment to support ad-hoc and ongoing report writing use cases for a dynamic consumer base. With Foundry's visually driven interface, analysts can quickly aggregate and visualize complex data from multiple sources without relying on technical specialists, enabling rapid response to data requests from Congress and senior leadership. The platform's customizable dashboards and automated reporting tools empower analysts to track program performance, monitor project milestones, and highlight critical insights. The ease and simplicity with which this can be done using a visual interface, a key determinant of adoption and usefulness, is unique to Foundry.

Foundry's ability to support write-back functionality is crucial in enabling operationalized AI/ML functionality. Palantir Foundry's write-back capabilities enable the Bureau of Medical Services (MED) to not only analyze and manage inventory and logistics data within the platform, but also to securely update and synchronize this data with other departmental inventory systems, such as ILMS. Since ILMS is the official system of record for the Department's inventory, it is a requirement to keep information in ILMS accurate and up to date. Users can automate the process of pushing validated inventory records, stock levels, and logistics updates directly to ILMS and other systems in real time. This ensures data consistency across platforms, reduces manual data entry, and supports more accurate, up-to-date inventory management. As a result, the Bureau can streamline operations, improve supply chain visibility, and enhance coordination across all inventory-related activities while maintaining compliance with departmental record-keeping requirements. Palantir also has the unique capability of being bidirectional within external environments,

where the Palantir environment and legacy environment are able to writeback to the other. In the case of MED, this means that the legacy system mentioned in the writeup can also send data back to MED's foundry environment.

Beyond these native capabilities, Palantir's Foundry solution is the only one able to bring these layered capabilities into ClassNet environments and with the necessary DoD IL6 certification. It is critical that Foundry have an IL6 authorization because this is a mandatory requirement for hosting and processing secret-level data within the Department of State and across the federal government. IL6 authorization ensures that Foundry can securely operate on SIPRNet, the classified network used for sensitive communications and data sharing. This capability is essential for enabling seamless collaboration and data exchange with other IL6-authorized platforms, which is a foundational requirement for effective interagency crisis response. Without IL6 authorization, Foundry would be unable to support the secure, real-time coordination and information sharing needed to respond to national security events and crises.

An additional security benefit of Foundry, unique to the solution, is the ability to maintain restrictions and permissions for data, objects, and workflows across the Foundry environment and digital environments of other inter-department and inter-agency offices, crucial for maintaining operational security through the strict protection of restricted access requirements.

The Palantir solution, Foundry, is uniquely capable of meeting all of State's requirements and notable use cases described above because of the solution's ability to combine a dynamic ontology-driven architecture, real-time and granular monitoring, write back capabilities, and fully integrated no-code/low-code tooling, which enables a unified platform deployment at a global scale, enabling a seamless alignment between operational workflows, data, and AI-driven decision-making to address State's global operational and diplomatic objectives.

Given the importance of State's global mission objectives, State offices and bureaus require continued access to the proprietary, single-solution breadth and depth of deployable AI/ML capabilities that is only available through Palantir's Foundry solution. As such, a BPA to obtain the Palantir product and implementation support services is essential to complete and sustain in-process AI development efforts and maintain State's ability to effectively meet its public diplomacy and core diplomatic mission objectives. To address State's requirements and known future needs, Palantir is the only original equipment manufacturer (OEM) that is currently fully capable of addressing and delivering on State's AI/ML requirements through a single solution at this time.

SECTION 5: DETERMINATION BY THE ORDERING ACTIVITY CONTRACTING OFFICER THAT THE CONTRACT ACTION REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(D)

The Contracting Officer (CO) has determined the anticipated contract action will represent the best value based on the CO's plan to follow the procedures in FAR 8.405. Although approval is requested to contract with one source, State expects to receive competitive discounts based on high anticipated volume. In addition, GSA schedule prices are already deemed fair and reasonable. The CO will not award the planned contract action unless the CO evaluates and determines that the resultant price is reasonable.

SECTION 6: DESCRIPTION OF THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED

As detailed above, State conducted extensive market research including issuance of an RFI seeking input from industry on available solutions that could potentially meet all of State's requirements. In assessing responses, State consulted extensively with both internal and external subject matter experts and State customers and determined that Palantir is the only source currently capable of meeting all of State's functional requirements.

Market research also determined that the GSA MAS GWAC is the most appropriate vehicle for procuring these requirements due to the uncertainty around the recompete of both the SEWP and NITAAC GWACs coinciding with the award timing of this agreement. Research into available resellers on GSA MAS identified no potentially capable resellers, small or large, and therefore pursing acquisition through a reseller is not feasible.

Given no other brand name can fully meet State requirements, and there are no fully capable resellers, establishing a BPA with Palantir is required to obtain the licensing, maintenance, and support services required.

SECTION 7: STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE

In accordance with FAR 8.405-6(b)(3) this Brand Name Justification (BNJ) will be posted. Any responses to the BNJ will be annotated and considered for use in future procurements similar to this one. In addition, State will continue to conduct market research to determine if any other alternative commercial off the shelf (COTS) software OEMs can provide an AI/ML solution comparable to Palantir that can fulfill all of State's AI/ML core technical requirements.