



### **Amendment 003**

The purpose of this amendment is to:

#### **1) Respond to potential bidders' questions:**

*QUESTION 3:* Please confirm that the Call for Proposals for Defence Innovation Research Program (DIRP) (W7714-16-6154) is limited to:

1. Developing cueing role and automated tasking;
2. Radar concepts;
3. On - board processing;
4. AIS antenna and receiver concepts;
5. Maritime surveillance tools; and
6. Land surveillance tools

*RESPONSE 3:* The Call for Proposals is limited to the noted six strategic objectives in the context of developing the RADARSAT Constellation Mission (RCM) follow-on missions.

*QUESTION 4:* Could you please clarify the Submission of Bids for Call for Proposals for Defence Innovation Research Program (DIRP) (W7714-16-6154)

Section 2.2 indicates Bids must be submitted only to PWGSC Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

*RESPONSE 4:* Innovations must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit on August 9th, 2016 by 2:00pm Eastern Daylight Saving Time (EDT).

***Address for Bid Receiving Unit:***

*Public Works and Government Services Canada  
Bid Receiving Unit  
Portage III, 0B2  
11 Laurier Street  
Gatineau, Quebec K1A 0S5*

*QUESTION 5:* Regarding the DIR proposal format, it is stated on page 14 of the solicitation that "This document should be completed on the Bidder Letterhead." On this point, I have several questions.

- a. Do you mean that the entirety of the information contained on Page 14 (entitled Technical Bid Innovation Template) is to be contained on company letterhead?
- b. Attachment 2 to part 3 – Financial Bid (forms A, B and C) on Page 15 also be placed on company letterhead?



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Should the information contained in question (a) and (b) above be bound with the proposal or should it be attached separately as a cover letter to the proposal? If it is to be bound with the proposal, which section should this be bound with – Section I or Section II or both?

*RESPONSE 5:* Canada requests that Bidders provide their bid printed on company letterhead in separate, unbound sections as follows:

- Section I: Technical Bid, including Attachment 1 to Part 3 (three [3] hard copies and one [1] soft copy in PDF format on USB)
- Section II: Financial Bid, including Attachment 2 to Part 3 (three [3] hard copies and one [1] soft copy in Excel format on USB)
- Section III: Certifications (one [1] hard copy)

*QUESTION 6:* We are preparing for a submission to the DIRP Call 1 RFP, however, do not see the Microsoft Excel documents that form Attachment 2 to Part 3 on page 15 (of 44) in the bid document (<https://buyandsell.gc.ca/procurement-data/tender-notice/PW-16-00733775>). Also, it seems that Attachment 1 to Part 3 (page 14 of 44) is also missing some sections.

Can you send us both attachments in Microsoft Word/Excel format so that we know we are abiding by the expected templates?

*RESPONSE 6:* The Microsoft Excel version of Attachment 2 to Part 3 is included as an attachment to Amendment 001 posted on buyandsell.gc.ca. Attachment 1 to Part 3 includes all required sections and a copy following the same format should be duplicated and submitted by the Bidder.

*QUESTION 7:* The description of this objective included here: “Development, implementation, and pre-operational demonstration of new tools for exploitation of RADARSAT-2 and RCM SAR data for ship detection including ship classification, false alarm rate reduction, and ship velocity estimation”; gives an impression that its scope is limited to innovations to image analysis approaches for exploitation of Radarsat-2 and RCM radar imagery to enhance maritime object detection and identification.

Please confirm if this understanding of the Strategic Objective 5 scope is correct and if not, whether innovative approaches of exploiting other sources of information to refine and augmenting existing imaging solutions can be considered within the scope of this objective.

*RESPONSE 7:* Image analysis is certainly one approach. Other methods could move the exploitation further upstream in the processing chain (for example, using range-compressed, azimuth-uncompressed data). Utilization of other sources of information to better exploit RADARSAT-2 and RCM SAR image data for ship detection and classification would be considered within the scope of this objective.



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**QUESTION 8:** Can multiple Strategic Objectives could be covered under a single bid, but that the bid would be evaluated on the basis of the primary Strategic Objectives? It is noted under para 2.3 in the CFP, only one Strategic Objective can be addressed per bid. Can you please confirm?

**RESPONSE 8:** Per **PART 2- BIDDER INSTRUCTIONS, 2.3 Who May Submit a Bid;**

*“Bidders may submit more than one bid, however, a separate bid must be submitted for each Strategic Objective which the Bidder wishes to address.”*

As such, individual proposals must be submitted specifically addressing only one strategic objective. However, the proposal may include additional information on how the specific innovation provides the opportunity to benefit or influence other strategic objectives.

**QUESTION 9:** In case an agreement for the Avoidance of Double Taxation exists and is in force between Canada and the country of incorporation of the prime bidding legal entity, which does not allow application of any withholding taxes on invoices for services rendered in Canada under the envisaged contract, do you accept a valid certificate of residence, stating that the prime bidding legal entity is paying taxes in its state of resident, in order to abstain a waiver from withholding taxes (Reduction from 15% to nil) according to local Canadian tax law?

**RESPONSE 9:** Please refer the matter to the Canada Revenue Agency with an application for a possible exemption from that regime.

The Public Works and Government Services Canada Supply Manual also addresses this topic, as reproduced in part below, and available in full at <https://buyandsell.gc.ca/policy-and-guidelines/supply-manual/section/4/70/20/45>.

*“Although most tax treaties between Canada and other countries provide for some relief from Canadian tax, Canada does not normally relinquish its right to withhold tax pursuant to the provisions of section 153 of the [Income Tax Act](#) and subsection 105(1) of the [Income Tax Regulations](#). If the non-resident contractor can adequately demonstrate, based on treaty protection, that the withholding normally required is in excess of the ultimate tax liability, or that the withholding creates undue hardship to the contractor, then the CRA may issue permission to the payer authorizing a reduction of the subsection 105(1) withholdings. The procedure to apply for a reduction of withholding is detailed in [Income Tax Information Circular IC75-6R2 Appendices A and B](#), as well as in CRA's [T4061, Non resident Tax Withholding, Remitting, and Reporting 2-8](#). Requests for a waiver or a reduction of the withholding will not be entertained unless deductions at source are remitted to CRA.”*

**QUESTION 10:** The DIRP Stakeholder day questions and answers final amendment 001, May 4, 2016, the question “Who owns the resulting IP?” was asked and the response was “the resulting IP rests with the Innovator”.

The DIRP RFP Section 2.1 (Page 9 of 44) refers to the Standard Instructions, Clauses and Conditions and states that “Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation”. It also provides the following link: (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) which leads to SACC item:

[Section 2040 29 \(2008-05-12\) Ownership of Intellectual Property Rights in Foreground Information](#)



1. All Intellectual Property Rights in the Foreground Information belong to the Contractor as soon as they come into existence.
2. Despite the Contractor's ownership of all the Intellectual Property Rights in the Foreground Information, Canada has unrestricted ownership rights in any prototype, model, custom or customized system or equipment that is a deliverable under the Contract, including manuals and other operating and maintenance documents. This includes the right to make them available for public use, whether for a fee or otherwise, sell them or otherwise transfer ownership in them.

How is an Innovator IP protected if Canada can make a prototype, model, system, or equipment “available to the public use, whether for a fee or otherwise, sell them or otherwise transfer ownership in them”?

*RESPONSE 10:* Generally, the IP is different from the prototype goods. Intellectual Property Rights represent the intellectual capital that underlies any finished goods or prototype. For example, the IP in a car or an aircraft is not the physical car or the aircraft, but the underlying building plan and idea.

IP is not merely impaired because the public is able to see a prototype good built based on the IP. A public showing of a prototype would only impair IP rights in circumstances where such a prototype is being publicly dismantled, studied and reverse engineered, and the results were to be publicly disseminated. Baring that, it is difficult to foresee any danger to any underlying IP right just because a prototype is publicly displayed.

Additionally, IP is protected by law, and enforceable pursuant to the law. There are the patent act, the copyright act, and the trademark act, each regulating different aspects of IP. Breaches are actionable and consequences could be serious.

Moreover, the Government of Canada is an ideal citizen, advised by a phalanx of legal advisors pursuant to taking any commercial or administrative actions. The Government of Canada does not willingly break its own law or the laws of other provinces, neither does it act to impair the interests of legitimate Canadian businesses. The purpose of the IP policy in Contracting is to promote private sector ownership and use of innovation developed pursuant to contracts with Canada. The reason for this is to promote more innovation competition in the market place and thereby augment the international competitiveness of Canadian companies.

*QUESTION 11:* Part 3 – Bid Preparations Instructions, Point 3.1, page 12 of 44

It is noted that “Prices must appear in the financial bid only. No prices should be indicated in any other section of the bid.” Attachment 1 to Part 3 – Technical Bid – Innovation Template, General Innovation Information, Part 1, Executive Summary, page 14 of 44, states “What is the estimated cost and duration (in months) for the proposed innovation?”.

This latter statement appears to contradict the former restriction of price information to the financial bid. Can you please clarify what cost, if any, information is required for the Executive Summary in the Technical Bid?

*RESPONSE 11:* A revision to **PART 3 – BID PREPARATION INSTRUCTIONS** has been made. Please see section 2) of this amendment below.



*QUESTION 12:* Document DRCD Call for Proposals (Call 1), Attachment 2 to Part 3, Form A.

It is not possible to enter the Company Name in cells B6 to D6 of the Excel Spreadsheet. Can you please provide an updated template?

*RESPONSE 12:* A revised version of the spreadsheet has been posted as an attachment to buyandsell.gc.ca.

*QUESTION 13:* Part 2 – Bidder Instruction, 2.1 Standard Instructions, Clauses and Conditions

The solicitation document states: “ The 2003 (2015-07-03) Standard Instructions – Goods or Services -...”. This clause has been archived. Can you please update the solicitation to reflect the updated SACC clause applicable to this submission?

*RESPONSE 13:* A revision to the Standard Instructions version has been made. Please see section 2) of this amendment below.

*QUESTION 14:* Part 4 – Evaluation Procedures and Basis of Selection; 4.1 Evaluation Procedures; 4.1.2 Technical and Financial Evaluation; 4.1.2.4 Stage Two, Phase 2 – Basis of Selection; 4.1.2.4.1 Consideration for Contract Award; Part 1 – Proposal Selection for Funding, page 22 of 44.

The solicitation document states: “Bidders will be informed, in writing, of the status of their proposal that will include the results of the evaluation”. Can you please advise of the timeline for the bid evaluation process?

*RESPONSE 14:* It is anticipated that the Contract Negotiation Stage will begin in the Fall of 2016.

*QUESTION 15:* Part 7 – Sample Resulting Contract Clauses; 7.19 Intellectual Property Disclosure; page 34 of 44.

The solicitation document states: “A completed copy of the Intellectual Property Disclosure Certification at Annex E, and details.... “. The Annex E contained in the solicitation document is titled: “Annex E to Part 5 – Bid Solicitation – Federal Contractors Program for Employment Equity – Certification”. Will the Crown amend the call for proposal, Point 7.19, to reference ‘Annex D – Intellectual Property Disclosure Certification’, page 42 of 44?

*RESPONSE 15:* A revision to **PART 7 – SAMPLE RESULTING CONTRACT CLAUSES**, has been made. Please see section 2) of this amendment below.

*QUESTION 16:* The original RFI noted proposals must be limited to 25 pages (not including annexes). I don't see the same limitation written in the Call for Proposals – Call 1. Is there a page limitation we should be abiding by?

*RESPONSE 16:* There is no proposal page limitation specified in the Call for Proposals.



**2) Amend the solicitation document as follows:**

**At PART 1 – GENERAL INFORMATION, 1.2.2 Strategic Objectives;**

*DELETE:* Proposed Innovations must demonstrate how they respond to and address at least one (1) of the following six (6) Strategic Objectives:

*REPLACE WITH:* Proposed Innovations must demonstrate how they respond to and address one (1) of the following six (6) Strategic Objectives:

**At PART 2 – BIDDER INSTRUCTIONS, 2.1 Standard Instructions, Clauses and Conditions;**

*DELETE:* The 2003 (2015-07-03) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference to and form part of the bid solicitation, and are amended as follows.

*REPLACE WITH:* The 2003 (2016-04-04) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference to and form part of the bid solicitation, and are amended as follows.

**At PART 3 – BID PREPARATION INSTRUCTIONS, 3.1 Bid Preparation Instructions;**

*DELETE:* Prices must appear in the financial bid only. No prices should be indicated in any other section of the bid.

*REPLACE WITH:* Unless otherwise indicated, prices are to appear in the financial bid only. No prices should be indicated in any other section of the bid.

**At PART 7 – SAMPLE RESULTING CONTRACT CLAUSES, 7.2.1 General Conditions;**

*DELETE:* 2040 (2015-09-03) General Conditions - Research & Development, apply to and form part of the Contract.

*REPLACE WITH:* 2040 (2016-04-04) General Conditions - Research & Development, apply to and form part of the Contract.

**At PART 7 – SAMPLE RESULTING CONTRACT CLAUSES, 7.19 Intellectual Property Disclosure;**

*DELETE:* A completed copy of the Intellectual Property Disclosure Certification at Annex E

*REPLACE WITH:* A completed copy of the Intellectual Property Disclosure Certification at Annex D

**At PART 7 – SAMPLE RESULTING CONTRACT CLAUSES, 7.11 Priority of Documents;**

*DELETE:* (c) the general conditions 2040 (2015-09-03), General Conditions - Research & Development;



*REPLACE WITH:* (c) the general conditions 2040 (2016-04-04), General Conditions -  
Research & Development;

**3) Amend the closing date of the solicitation:**

At the cover page (Page 1) of the Call for Proposals document;

***DELETE:***

**2016-07-29**

***REPLACE WITH:***

**2016-08-09**

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**