



**SOLE SOURCE JUSTIFICATION: SIMPLIFIED PROCEDURES FOR CERTAIN  
COMMERCIAL ITEMS EXCEEDING SAT, INCLUDING BRAND NAME**

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**J&A-25-0065**

In accordance with the procedures of FAR Subpart 13.5, using the statutory authority of 41 USC 1901, and consistent with the content requirements of FAR 6.303-2, this justification is based on the following facts and rationale:

**1. Agency and Contracting Activity.**

The Department of Homeland Security (DHS), U.S. Immigration and Customs Enforcement (ICE), Office of Acquisition Management (OAQ) proposes to enter into a contract on behalf of Homeland Security Investigation (HSI), Office of Intelligence (INTEL), on a basis of other than full and open competition.

**2. Nature and/or description of the action being approved.**

- (a) Type of action: Firm-Fixed Price (FFP) Purchase Order (PO).
- (b) Amount the current J&A is justifying: [REDACTED]
- (c) Brief Description: OAQ intends to procure, on a sole source basis, software licenses for Travel Intelligence Program (TIP), using the simplified acquisition procedures. The vendor listed below is the only company that can provide the required software licenses.

Airlines Reporting Corporation  
3000 Wilson Boulevard, Suite 300  
Arlington, VA 22201

**3. Description of Supplies/Services. Describe the supplies or services to be acquired. Provide the estimated total value (including options, if any).**

This requirement is to provide INTEL with [REDACTED] searches to [REDACTED] HSI Intel analysts via Airlines Reporting Corporation (ARC) TIP. The airline intelligence database technology TIP is required to support INTEL operations.

PERIOD	TIME	UNIT COST	TOTAL
BASE	12 MONTHS	[REDACTED]	[REDACTED]
OPTION YEAR 1	12 MONTHS	[REDACTED]	[REDACTED]
OPTION YEAR 2	12 MONTHS	[REDACTED]	[REDACTED]
		<b>TOTAL COST</b>	[REDACTED]

**4. Identification of the authority.**

This action is being taken under the authority of Simplified Procedures for Commercial Items, 41 U.S.C. 1901 as implemented by FAR 13.501.



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**5. Demonstration that the proposed contractor’s unique qualifications or the nature of the acquisition requires use of the authority cited.**

ARC is owned and operated by eight U.S. major airlines and is the sole entity facilitating financial transactions between the airline industry and U.S. based travel agencies. ARC is uniquely positioned within the airline industry as the central hub for financial settlement and data exchange between airlines and travel agencies, ensuring secure and efficient transactions. With its comprehensive industry data, ARC provides unmatched insights and analytics, supporting airline revenue management, fraud prevention, and operational efficiencies. Its primary role is to accredit travel agencies and manage financial settlements, generating an extensive, real-time database of airline tickets sold.

Daily, travel agencies must submit ticket sales and funds for over 240 airlines worldwide to ARC. This process enables ARC’s TIP, an essential intelligence tool integrated into HSI INTEL’s investigative mission. TIP allows authorized law enforcement and national security personnel to search ARC’s air ticketing database to track and analyze travel patterns of persons of interest. Users can conduct searches using key identifiers such as passenger name, itinerary, fare details, and payment methods.

ARC offers three TIP services—TIP Online, TIP Monitoring, and TIP Search delivering real-time data on the previous day’s ticket sales. This system provides unique access to “ticket face” information, including full flight itineraries, passenger name records, and financial details, which are otherwise difficult or impossible to obtain. The TIP database holds over one billion records, spanning 39 months of past and future travel data—an unparalleled intelligence resource.

Through TIP licenses, INTEL analysts gain unrestricted access to all sold ticket databases, enabling targeted searches by name or credit card number. This capability is critical for identifying and disrupting illicit activities, including:

- Child exploitation, human trafficking and identifying traffickers and victims by analyzing ticket purchases, routes, and payment methods.
- Terrorism, national security threats and detecting suspicious travel linked to known or suspected terrorist entities.
- Financial crimes, money laundering and uncovering illicit financial transactions tied to ticket purchases.
- Illegal movement of contraband weapons, sensitive technology and tracking smuggling networks using flight data to expose trafficking routes and methods.
- Identifying and analyzing domestic and cross-border movements of illicit cash.
- Identifying clandestine bulk cash smuggling networks operating within the U.S.
- Identifying and analyzing domestic and cross-border movements of narcotics.

ARC’s TIP is an indispensable tool for HSI INTEL’s investigative and intelligence-gathering efforts. It provides real-time access to extensive air travel data, allowing law enforcement





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and national security agencies to proactively detect, analyze, and intercept criminal activities that pose significant threats to U.S. security.

The intelligence derived from TIP is vital to HSI's mission of protecting Americans from threats domestically and internationally. Currently, ARC is the only U.S. provider of these software licenses and the only tool available to law enforcement and national security agencies for intercepting cross-border crimes in real time.

Currently, ARC is the only company in the U.S. that provides this level of real-time travel data access to law enforcement. Without TIP, investigators would lack a critical tool to quickly and effectively intercept threats, leading to delayed responses and missed opportunities to prevent crimes.

**6. Description of efforts made to ensure that offers are solicited from as many potential sources as is practicable.**

OAQ intends to make this justification publicly available pursuant to FAR 6.305 on sam.gov within 14 days after award

OAQ intends to make publicly available brand name justifications with the solicitation pursuant to FAR 13.501(a)(1)(iv) and 5.102(a)(6).

**7. Determination by the contracting officer that the anticipated cost to the Government will be fair and reasonable.**

The Contracting Officer has determined that the anticipated price will be fair and reasonable based on the comparison to the price charged to ICE on a previous Purchase Order for the same licenses. The required licenses are needed for [REDACTED] people and [REDACTED] searches per year for 3 years. The estimated total value of the proposed action is [REDACTED] for 3 years which would be equivalent to the price of [REDACTED] under Purchase Order 70CMSD23P00000012 that was awarded for 12 months, 2 years ago.

**8. Description of market research.**

HSI Intel conducted market research in February 2025, through a multitude of various sources to find software licenses similar to ARC TIP that can support INTEL with travel intelligence analytics. It was determined that ARC TIP licenses are peculiar to one manufacturer and is the only vendor that provides required proprietary licenses.

**9. Any other facts supporting the justification.**

ARC provides airline transactional information from its ARC COMPASS database, which contains data from the previous thirty-nine (39) months. This provides HSI the ability to request a search of a traveler/target with a unique name and/or unique credit card number and may include the following: the date that the airline ticket was issued, ticket number, passenger name, passenger record number, ticket segment number, date of departure, time of



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departure, name of lifting carrier, flight number, origination airport, destination airport, name of the planting carrier, form of payment, ARC travel agency number, and/or an indication of a “voided” ticket.

**10. A listing of the sources, if any that expressed, in writing, an interest in the acquisition.**

Non-Available

**11. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for supplies or services required.**

For the current requirement, full market research was conducted by HSI INTEL. HSI INTEL will continue to conduct market research effort to determine if any other vendors have developed comparable databases that would allow for competition in any subsequent acquisition in the future.

**12. DHS intends to post the requirement pursuant to FAR 13.501(a)(1)(iii) and 6.305(a) or for brand name FAR 13.501(a)(1)(iv) and 5.102(a)(6).**

OAQ intends to post this justification pursuant FAR 6.305(a), within 14 days after award.

**13. Technical/Requirements Personnel Certification.**

I certify this requirement meets the Government’s minimum need and that the supporting data, which forms a basis for this justification, is complete and accurate.

\_\_\_\_\_  
Technical Representative/COR

**14. Contracting Officer’s Certification.**

I certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.

\_\_\_\_\_  
Contracting Officer

\_\_\_\_\_  
Date

**15. Approval.**

\_\_\_\_\_  
Competition Advocate

\_\_\_\_\_  
Date



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