

## 2.0 Tab 3 – Factor 3 – Performance Work Statement

Revision 1.0, dated 21 February 2020. Developed and approved by Overstock.com, Inc.

### 2.1 Background

The General Services Administration (GSA) has announced its desire to enter into a no-cost contract with commercial Business-to-Business (B2B) E-Marketplace platform providers to provide a GSA Commercial E-Marketplace platform enabling authorized Government purchasing personnel to search, compare, order, and purchase qualified products in accordance with the requirements stated in Section 846 of the 2018 National Defense Authorization Act, Pub. L. 115-91, entitled *PROCUREMENT THROUGH COMMERCIAL E-COMMERCE PORTALS*.

This Performance Work Statement (PWS) is based upon the GSA's Statement of Objectives (SOO), released as part of Solicitation number 47QSCC20R0001, along with specific instructions within Section 3.5.3.1 of the Request for Proposal (RFP).

### 2.2 Scope

This PWS identifies the performance requirements Overstock.com, Inc. (Contractor) will achieve in performance of this contract. It also identifies and explains the various key roles and responsibilities of both Contractor and Government personnel needed to ensure timely contract execution. Lastly, any additional resources or information required is to be included. The goal of the GSA Commercial E-Marketplace platform is to allow Government users to access commercial E-Marketplace platforms to purchase Commercial Off-the-Shelf (COTS) items that are currently generally available on the commercial E-Marketplace platforms from qualified suppliers at competitive pricing and with warranties. These product purchases must fall within Government purchase regulations and guidelines and purchased through the use of an authorized Government Purchase Card (GPC).

The GSA Commercial E-Marketplace platform shall connect authorized Government buyers online to a virtual marketplace offering either an E-Marketplace provider's products and third-party vendor products or only third-party vendor products. The Commercial E-Marketplace platform providers and third-party vendors are generally responsible for fulfilling orders for their respective products with some exceptions where the platform provider may complete order fulfillment on behalf of the third-party vendors. These online E-Marketplace platforms feature multiple suppliers offering the same product. Competition occurs at both the supplier and product levels in the E-Marketplace platform model given the access to third-party suppliers' products and potentially the e-marketplace platform provider's products.

The GSA Commercial E-Marketplace platform should align with and support multiple categories of products as identified by the Category Management Leadership Council and Office of Management and Budget (OMB) in the Government-wide Category Management (GWCM) structure and their associated Product Service Codes (PSCs). The 10 common spend categories as outlined represent those categories where a Government-wide approach to spend management is beneficial, as opposed to agency or user-driven purchasing.

## 2.3 Performance Objectives

### 2.3.1 User Experience

Contractor shall provide a commercial E-Marketplace platform offering a modern electronic commerce (e-commerce) buying experience similar to those currently used in the commercial environment and has robust B2B capabilities. Required B2B features include:

- Workflow and approval tools
- Ability to designate preferred vendors
- Ability to designate preferred items
- Ability to establish or limit view through catalogs
- Ability to block items
- Ability to conduct price comparisons at the product level
- Ability to identify small businesses
- Ability for buyer to document reasons for item selection
- Ability to migrate existing agency terms and conditions that agencies might already have with the Contractor
- Access to B2B reports and dashboards for management of the platform and insights into the spending habits/trends of Government purchasers.
- Ability to identify & remove vendors who are suspended or debarred from conducting business with the Federal Government.

Contractor shall measure the effectiveness of the user experience through key performance indicators such as Customer Satisfaction and Effort Scores and/or other indicators used in the commercial marketplace.

**2.3.1.1 E-Marketplace Platform:** Contractor shall offer a commercial E-Marketplace platform where third party suppliers make their product catalogs available to buyers and may include the platform provider as a first party supplier. Contractor shall maximize opportunities for multiple third party suppliers at the product level and extend opportunities for small business involvement.

**2.3.1.2 Account Management:** Contractor shall provide account management capabilities allowing agencies to manage their users, onboard new users, restrict from the platforms those users that are ineligible, manage approvals, set purchasing thresholds or levels as needed, manage account permissions, incorporate account hierarchies, and safeguard user data. This includes auto-migrating users to the Contractor's B2B platform from their consumer platform. If agencies have pre-existing agreements in place with a portal provider(s), those B2B accounts shall be migrated to the GSA portals upon agency request.

**2.3.1.3 Government Purchase Card (GPC) Usage:** Contractor shall ensure GPCs are an approved method of payment.

**2.3.1.4 Search and Filtering:** Contractor shall provide product search and filtering capabilities allowing users to locate needed products. Contractor shall allow agencies to limit or define the

products buyers can view. Agencies and users shall have the ability to filter small businesses, mandatory sources (e.g. AbilityOne, Federal Prison Industries) and other designations, and see those designations at the product level, when available.

**2.3.1.5 Product Categories:** Contractor shall make the full range of common consumable products available on their platform, as they do for other business customers. Individual agencies may require contractor to prevent user views at the buyer account level. The E-Marketplace should align with and support multiple categories of products as identified by the Category Management Leadership Council and OMB in the GWCM structure and the matched PSCs.

**2.3.1.6 Product Descriptions and Metadata:** Contractor shall provide a thorough product description for each product, which identifies, at a minimum: the manufacturer name; manufacturer part number; manufacturer's product description; item's unit of issue; related warranty information; and where available, the product's country of origin and any environmental/sustainability attributes. Available/Applicable product information shall be made available. Contractor shall provide Suppliers with the ability to view their Supplier-agnostic comparative grades in these categories against similar Suppliers; offering the Supplier suggestions on how they might improve their competitiveness. Contractor shall perform vetting of all mandatory sources and other vendor credentials.

**2.3.1.7 Ratings and Reviews:** Contractor shall display product reviews from prior purchases. Contractor shall disclose review source and identify vetting process to ensure accuracy and objectivity. A process for flagging fraudulent or unauthentic reviews must be included. Contractor shall provide a process by which a Supplier may remove/request removal of any inaccurate or irrelevant product reviews, which is monitored by Contractor's Sourcing/Review teams.

**2.3.1.8 Product Availability:** Contractor shall provide up-to-date product availability data, including, at a minimum, out-of-stock notifications, as applicable. For partial orders where insufficient inventory is available, buyers will be given option to choose between backordering or cancelling the order outright.

**2.3.1.9 Price Comparison:** Contractor shall foster competition at the product level by offering product price comparisons among third party Suppliers and Contractor products, if applicable.

**2.3.1.10 Customer Service:** Contractor shall provide customer service capabilities that allow customers to contact E-Marketplace platform provider directly regarding purchase orders, returns, refunds, product information, and other customer issues and concerns. Contractor shall provide the same customer service hours, means of access, and support as it offers on its B2B platform. Account holders and GSA program administrators shall have access to Contractor's Concierge service team to assist with issues related to platform administration (e.g. account management, data extracts, etc.).

**2.3.1.11 Order Management:** Contractor shall provide purchasers with a detailed current status on open orders, which shall include, at minimum, order processing times, shipping and tracking information, and relevant information if an order cannot be fulfilled or is delayed.

**2.3.1.12 Returns, Refunds, and Exchanges:** Contractor shall process the handling of returns, exchanges, and/or refunds for ordered products in accordance with B2B commercial practices. Contractor is responsible for facilitating the returns process on behalf of the Suppliers.



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**2.3.2.3 Small Business Identification:** Contractor shall enable product filtering for various small business socioeconomic group designations (e.g. WOSB, VOSB, SDVOSB, etc.).

**2.3.2.4 AbilityOne and ‘Essentially the Same’ Items:** Contractor shall enable AbilityOne items to be appropriately marked on the E-Marketplace platform with processes in place to promote to GPC holders. Contractor shall restrict “Essentially the Same” (ETS) items on the Government agency-view within the platform and shall not display ‘Recommended Alternatives’, except where agencies are attempting to purchase ETS items, in which case, the Contractor is required to block the sale of ETS and substitute the AbilityOne product. The contractor shall have the ability to remove listings from vendors attempting to sell AbilityOne products but who are not an authorized AbilityOne distributor. Mandatory sourcing methods will include, but are not limited to:

- User level requirements/restrictions available for mandatory sourcing

- Blocking of ETS for AbilityOne on user-level available
- Use of existing B2B platform’s blocking capability, Contractor will achieve AbilityOne distributor authorization within 120 days of contract award
- Supplier status self-identification. Suppliers must send copy of valid certification for review and sign addendum to Master Services Agreement (MSA) acknowledging their liability to maintain any certifications/approvals
  - Once received and verified, suppliers allowed to tag their SKUs with attributes
- Attributes show up as searchable and filterable on the website
- Suppliers should also add the accompanying metadata, once credentials are validated
- Periodic audits/inspection of metadata and attributes to ensure compliance and accuracy
- Available attributes include mandatory sourcing (AbilityOne/FPI/UNICOR), socioeconomic (minority owned, veteran owned, etc.), and environmental (EPEAT, EnergyStar, etc.)

**2.3.2.5 Environmentally Friendly Products:** Contractor shall provide product attributes that identify on its E-Marketplace platform any environmentally sustainable (i.e., “green”) products, as required for Federal purchase by law and executive order.

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**2.3.3.1 Spend Data and Analytics:** Contractor shall provide Government buyers on-demand access via their platform to the spend data and historic spend information, to help drive buying decisions for that user. Data shall be made available in a structured format to allow for mining and analysis. Data should also be available to agency administrators, managing multiple buyers.

**2.3.3.2 Data Extracts:** Contractor shall ensure GSA receives the following data on a monthly basis at the onset and in whatever format GSA requires the data to be provided. Contractor shall collect spend data as shown in Table 2.3-2, and make data available on monthly basis for secure download by authorized Government personnel using the Secure File Transfer Protocol (SFTP), or other secure transmission methods, which must be mutually agreed upon by both Contractor and Government. Government data analysis will be performed by each Government entity and is beyond Contractor’s jurisdiction or responsibility.

**Table 2.3-2. GSA spend data fields.**

Data Group	Data Element
Purchase Data	Order Date Ship Date Delivery Date Shipping Costs Quantity of item(s) sold Sell Price (per unit) Total Price Department Name Department ID Agency Name Agency ID Delivery Address Buyer ID / Buyer Account Name

Data Group	Data Element
Product Data	SKU / Manufacturer Part Number Description of Item Product Unit of Measure Product Country of Origin Vendor Product Service Code
Vendor Data	Original Equipment Manufacturer (OEM) Name Vendor Name Vendor Unique Entity Identifier Vendor Socioeconomic Status

Contractor shall also recommend other data elements they could supply to their B2B customers, when that data becomes available during contract performance.

**2.3.3.3 Data Analytics:** Contractor shall provide data analytics and dashboard capabilities similar in nature to those offered to other B2B customers. The data and analytics shall be formatted in such a way that allows for it to be broken out by agency, agency bureau, and business unit within an agency, as defined by the agency within account hierarchy established at the time of account creation. Contractor shall provide an accessible “Dashboard” (application or interface) enabling Government buyers to view and generate Agency-level and GSA Commercial Platform-level reports include:

- Agency Level Reports:
  - Spend Data - How much is an agency spending across their various bureaus and organizations?
  - Types of items purchased - What categories of items are purchased by agency?
  - Frequency of purchases - How often were the same items purchased by an agency?
  - Cost Savings - What savings were achieved versus commercial prices?
  - Orders placed - How many orders placed as well as the average order sizes?
  - Shipping and Delivery data - How long are orders taking to ship? What are the delivery timeframes and related shipping costs?
- GSA Commercial Platforms Program reports:
  - All Agency Level Reports
  - Number of buyers, by agency
  - Use of Mandatory Sources
  - Customer satisfaction metrics
  - Helpdesk metrics
  - Customer/Supplier effort scores and task completion reports

**2.3.3.4 Catalog Data Access and Analytics:** Contractor shall provide real-time product catalog information to GSA to enable surveillance of prohibited items, mitigation of supply chain risks, and price monitoring.

**2.3.3.5 Data Security & Protections – Restrictions on Contractor’s Use of Data:** Contractor shall not divulge or release data or information developed or obtained in performance of this contract, until made public by the Government, except to authorized Government personnel or upon written approval by the GSA Contracting Officer. Contractor shall not use, disclose, or reproduce proprietary data that was developed or obtained under this E-Marketplace platform contract and/or bears a restrictive legend, other than as required in the performance of this contract. Contractor shall not use Government spend data for pricing, marketing, competitive, or other purposes, any information, including any Government owned data, such as purchasing trends or spending habits, related to a product from a third-party supplier featured on the platform provided through this contract or the transaction of such product, except as necessary to comply with the requirements of this contract. Contractor shall provide a plan detailing their approach to complying with this statute following Contract Award and upon written request by the CO or their authorized representative.

### **2.3.4 B2B Pricing and Related Terms**

**2.3.4.1 Business-to-Business Pricing:** Contractor shall ensure E-Marketplace platform product pricing reflects the E-Marketplace platform provider’s B2B pricing and any related discounts. Prices on the platform shall be updated dynamically (e.g. in real time); be reflective of all included items (including shipping costs), warranties or other benefits, and; shall not contain hidden costs or fees.

**2.3.4.2 Tiered Pricing / Bulk Discounts:** Contractor shall require authorized Suppliers, through Contractor’s Concierge service, to detail opportunities for discounts on pricing, such as tiered pricing and any applicable bulk discounts are clearly identified in the ordering process on the Contractor’s platform.

**2.3.4.3 Tax Exemption:** Contractor shall recognize the GPC account’s Bank Identification Numbers (BINs) and automatically apply tax exemption without any further action required by the purchaser. Contractor shall perform this at time of GPC BIN validation.

**2.3.4.4 Fee Remittance:** Contractor shall submit to GSA a remittance of no more than 0.75% on the value of each order placed on the E-Marketplace platform. The fee shall be included in the price of the item and not listed as a separate line item. Contractor shall agree upon, and pass-through fee, prior to the start of the next Government Fiscal Year (GFY), provided GSA and Contractor reaches a joint agreement on rate increase at least sixty days prior to the end of the current GFY. Contractor shall submit all applicable sales through the Federal Acquisition Service (FAS) Sales Reporting Portal. Contractor shall remit payment in U.S. dollars within 30 calendar days after invoicing on a quarterly basis, unless otherwise defined. Final payment shall be remitted within 30 days after receipt of GSA invoice.

**2.3.4.5 Other Business-to-Business Terms:** Contractor shall provide GSA with all services associated with their B2B platform in accordance with their commercial practice. This includes any benefits related to expedited shipping and handling, product warranties, and other purchasing benefits. The Government (including GSA and purchasing agencies) does not expect to pay any membership fees or premiums for access to these benefits.



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**2.4 Roles and Responsibilities**

Both Government and Contractor play crucial roles in the success of programs. Two key Government personnel will be the Contracting Officer (CO) and the Contracting Officer’s Representative (COR), who serves as the technical liaison between the Government and Contractor. Contractor key personnel will be identified in Section H – Special Contract Requirements of the conformed Model Contract upon program award.

**2.5 Additional Resources**

The Live Test Demonstration (LTD), and any subsequent discussions between Offeror and Government, will serve as the evidence, validation, and verification of an Offeror’s ability to perform each SOO requirement identified in this solicitation. To accommodate the GSA’s desire to “demonstrate” SOO compliance and understanding of the requirements, we are including a Requirements Verification Traceability Matrix (RVTM) to this PWS. For this proposal, we are including a Notes/Comments column where we have summarized the methods we plan to use as part of our verification efforts. Upon Contract Award, we will remove this column from the PWS to maintain its contractual integrity. The RVTM will provide the GSA with a detailed checklist from which they can perform independent validation and verification (Val/Ver or V&V) of Overstock’s GSA Commercial E-Marketplace platform offering during the upcoming LTD.

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### **3.0 Tab 4 – Factor 3.1 – Organizational Conflict of Interest (OCI) Disclosure**

We have carefully reviewed all current and anticipated programs and contracts and have not identified any potential Organizational Conflict of Interest (OCI) for which an OCI Plan might be required. Should the Government identify any non-Government contractors or advisors during this program, we will review said information (when provided) to ensure any potential OCI issues are identified, and resolved (if needed).