

**COMMITTEE ON GOVERNMENT REFORM**  
**TOM DAVIS, CHAIRMAN**



**MEDIA ADVISORY**

For Immediate Release  
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**Government Reform Committee to**  
**Examine GSA's Revised 'Networx' Program**  
*Have Adequate Changes Been Made?*

**What: Government Reform Committee Oversight Hearing:**  
**"Making Networx Work: An Examination of GSA's Continuing Efforts to Create a Modern, Flexible and Affordable Government-wide Telecommunications Program"**

**When: WEDNESDAY, SEPTEMBER 15, 2004, 10:00 a.m. (immediately following Committee's business meeting)**

**Where: ROOM 2154, RAYBURN HOUSE OFFICE BUILDING**

**Background:**

The Committee will conduct a second oversight hearing on the General Services Administration's proposed government-wide voice and data telecommunications program, Networx. Since the first hearing held in February, GSA has revised its strategy in response to comments from industry, agency customers, and this Committee. This hearing is a part of the Committee's on-going examination into whether GSA's acquisition strategy, as it has evolved from its Request for Information issued last October, will be effective in today's dynamic telecommunications environment.

GSA's Federal Technology Service (FTS), in coordination with the Interagency Management Council (IMC), is responsible for ensuring that federal agencies have access to affordable telecommunications and networking services and solutions that meet agency mission requirements. FTS has traditionally met this responsibility through large, government-wide contracts such as the current FTS2001 contracts for long-distance and international telecommunications services, and the federal wireless telecommunications contract. In addition to these initial FTS2001 contract awards, GSA's broad overall program strategy included awarding competitive local telecommunications services contracts in several large metropolitan areas, called Metropolitan Area Acquisition

(MAA) contracts, and permitting these contractors to offer both local and FTS2001 long distance services.

GSA proposes Networkx as the fourth generation of this government-wide telecommunications program. Networkx is intended to provide all of the services currently available on GSA's multibillion-dollar long-distance FTS2001 contracts and many of the services now provided on its local MAA contracts.

In contrast to the earlier contracts, Networkx will be a two-part program. Since the Committee's last hearing, GSA has changed its strategy significantly. The full service portion is still called Networkx Universal and will continue to provide for the full range of domestic and international network services. GSA, however, no longer plans to require "ubiquity" for full service but will mandate "continuity" with current FTS2001 coverage, a reduction of 70% in wire center requirements. Similarly, billing requirements are to be greatly reduced. The smaller, more focused service part has been renamed Networkx Enterprise. While it is still designed to allow participation by providers who offer specialized services with less extensive geographic coverage than required by Networkx Universal, Enterprise will now include a smaller geographic coverage requirement and fewer mandatory services. Both portions will be awarded concurrently as opposed to the originally planned sequential awards. GSA also says that Networkx will more fully involve the use of multiple award schedule contracts.

The Committee wishes to explore the revised acquisition strategy to determine whether it is more likely than the original plan to provide robust competition from the largest industry players to the smaller non-traditional technology firms that offer innovative solutions to meet the government's increasingly complex telecommunications requirements. The Committee will assess whether the new strategy will likely have a positive impact on the challenges that have been raised under the initial plan concerning the participation of all segments of the industry; billing; transition; and access to the most current technology.

The key to success here is for GSA to take advantage of the wealth of information that has been made available to it in response to the RFI and through the Committee's hearings. This knowledge, not the designs of the past, should guide the structuring of a flexible telecommunications program based on current and future markets and evolving government needs.

The prior FTS programs have established a strong technological base and good prices, but they may no longer provide an effective model for the government's future telecommunications needs. Finally, the Committee will evaluate GSA's capacity to advance from the current planning stage to the execution of such a complex and challenging acquisition.

## **WITNESSES**

### **Panel One:**

**Sandra Bates**, Commissioner, Federal Technology Service, United States General Services Administration

**Linda Koontz**, Director, Information Management Issues, U.S. Government Accountability Office

**Panel Two:**

**Don Scott**, Senior Vice President, EDS U.S. Government Solutions

**Jerry Hogge**, Senior Vice President, Level 3 Communications LLC

**Robert Collet**, Vice President – Engineering, AT&T Government Solutions

**Shelly Murphy**, President, Federal Markets, Verizon

**Jerry A. Edgerton**, Senior Vice President, Government Markets, MCI

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