

PL-11

12585 Mrs. Baskin

GAO

United States General Accounting Office  
Washington, DC 20548

Office of  
General Counsel

*[Allegation of Noncompliance With Contract Conditions]*

In Reply  
Refer to:

January 16, 1980

B-197248

Waldman & Renda, P.A., Counsel to  
Communications Consulting Corporation  
1107 Goffle Road - P.O. Box 508  
Hawthorne, New Jersey 07507

*DLK 03658*

Attention: David Waldman, Esq.

Dear Mr. Waldman:

*DLK 03658*  
*DLK 03659*

We have received your letter on behalf of Communications Consulting Corporation informing us that Racal Communications, Inc., the awardee of General Services Administration contract No. 00544976, refuses to sell its product to the general public, as you allege is required by the contract between GSA and Racal. You request that Racal be required to comply with the contract conditions or, in the alternative, be barred from receiving GSA contracts.

We are not aware of any contract provision that requires a contractor to do business with the general public, but even if such a requirement does exist, it is questionable whether the provision was intended to provide third parties with enforceable rights under the contract. In any event, whether Racal complies with contract requirements is a matter of contract administration and is the responsibility of GSA rather than this Office.

Although we have no information regarding the subject contract, we surmise that Racal's contract may provide that the firm's contract price may be no greater than the price charged to the general public. This presumes, of course, that the product is sold commercially. The purpose of such a requirement, however, is to assure that the Government will get a competitive price, and not to benefit any private third party wishing to contract with Racal.

Sincerely yours,  
*Milton J. Socolar*

Milton J. Socolar  
General Counsel



008350