



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Bridgeport Machines, Inc.

File: B-265616

Date: December 6, 1995

Richard F. Vogel for the protester.

Socrates Lenders for Advanced Industrial Technology, Inc., an interested party.
Amalia Evola, Esq., and Benjamin G. Perkins, Esq., Defense Logistics Agency, for
the agency.

M. Penny Ahearn, Esq., and David A. Ashen, Esq., Office of the General Counsel,
GAO, participated in the preparation of the decision.

DIGEST

1. Contracting officer properly may rely on awardee's self-certification that it will provide United States or Canadian machine tools, where there is no indication that certificate is inaccurate and that the awardee in fact is proposing a foreign end product.
 2. Protest that awardee's proposed milling machine does not meet certain specification requirements because awardee's descriptive literature did not address areas at issue is denied where agency accepted similar general statements of compliance from both offerors, and thus treated them equally.
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DECISION

Bridgeport Machines, Inc. protests the award of a contract to Advanced Industrial Technology, Inc. (AIT) under request for proposals (RFP) SP0490-95-R-3004, issued by the Defense Logistics Agency (DLA), Defense General Supply Center, for milling machines. Bridgeport asserts that the machine offered by AIT is not in compliance with restrictions on the acquisition of foreign machine tools and several specification requirements.

We deny the protest.

BACKGROUND

The RFP solicited offers to supply 10 milling machines in accordance with military specification (MIL-SPEC) MIL-M-80016C, as amended. The solicitation stated that the equipment must be "new (not a prototype) and one of the manufacturer's current production models." The RFP required the submission of descriptive literature to establish compliance with "each paragraph" of the requirements;

requirements not addressed in the descriptive literature were to be "submitted in a narrative form."

The RFP also contained the preference for United States and Canadian machine tools clause, Department of Defense Federal Acquisition Regulation Supplement (DFARS) § 252.225-7017. This clause defines machine tools meeting the preference as those manufactured in the United States or Canada for which the cost of components manufactured in either country exceeds 50 percent of the total cost of all components. Under this provision, machine tools which are not of United States or Canadian manufacture are evaluated on the basis of the offered price plus a 50-percent evaluation factor.

DLA received five offers. Only the offers submitted by AIT and Bridgeport were evaluated as technically acceptable. Both offers indicated that the proposed machines were of domestic origin, and both included statements of compliance with the specification requirements, descriptive literature, and additional narrative technical information. During the ensuing discussions, AIT, at the request of the agency, certified that its offered machine "is manufactured in the United States or Canada and the cost of its components manufactured in the United States or Canada exceeds 50 percent of the costs of all its components."

Best and final offers (BAFO) were requested. AIT offered the low BAFO total price (\$383,750); Bridgeport offered the second low BAFO price (\$476,960). DLA made award to AIT based on its low, technically acceptable proposal.

DOMESTIC MANUFACTURE

Bridgeport argues that AIT's offered milling machine is not of United States or Canadian manufacture, and that a 50-percent evaluation factor therefore should have been added to AIT's price for evaluation purposes, thus displacing it as the low offeror. Bridgeport challenges the agency's reliance on AIT's certification of United States or Canadian manufacture, arguing that the agency was required to conduct further investigation.

Although an agency should not automatically rely on a United States/Canadian end product self-certification if it has reason to question whether a United States/Canadian product will in fact be furnished, where the agency has no information prior to award indicating that the product to be furnished is a foreign end product, the agency may properly rely on the offeror's self-certification without further investigation. See Intermagnetics Gen. Corp., B-255741.2; B-255741.3, May 10, 1994, 94-1 CPD ¶ 302; Manufacturing Technology Assocs., Inc., B-251759, Apr. 5, 1993, 93-1 CPD ¶ 293. AIT certified prior to award that the cost of components manufactured in the United States or Canada exceeded 50 percent of the cost of all components. Since there was nothing on the face of AIT's offer

which called into question the accuracy of this self-certification, DLA acted reasonably in relying on the certification without conducting a further investigation. In any event, in response to the protest, AIT submitted to the agency a list of its milling machine's components, their country and state of origin/manufacture, and their percentage of the total cost of the machine. This list shows that the machine frame was manufactured in Taiwan, and that the cost of the frame comprises only 40.66 percent of the total cost of the components; the list indicates that the remaining 59.34 percent of components (by cost) are of domestic manufacture.

The protester argues that AIT's domestic content figure contains accessory end items which, pursuant to the DFARS preference clause, are precluded from consideration in the calculation of the machine tool component cost. See DFARS § 252.225-7017(b); Discount Machinery & Equip., Inc., B-242793, June 6, 1991, 91-1 CPD ¶ 541. AIT's component list specifically stated that "the domestic portion does not include accessory end items or labor as a component cost." In any case, even if the cost of these accessory items, valued at 9.15 percent of the total cost, is subtracted from AIT's listed 59.34-percent domestic component cost, the United States/Canadian content is still sufficient, at 50.19 percent, to meet the 50-percent United States/Canadian content requirement.

TECHNICAL ACCEPTABILITY

Manufacturer's Current Production Model

Bridgeport argues that AIT's milling machine does not meet the specification requirement that the machine be one of the manufacturer's current production models. According to the protester, AIT is not a manufacturer but, rather, a mere assembler of a group of items. Bridgeport claims that, as a result, AIT's machine could only be a prototype machine.

We find no basis to question DLA's determination of compliance with the requirement for a current production model. AIT represented in its proposal that the milling machine offered was a current production model. Bridgeport does not allege that the awardee must materially modify the offered model to meet solicitation requirements. Omatech Serv. Ltd., B-254498; B-254498.2, Dec. 17, 1993, 93-2 CPD ¶ 329. Although Bridgeport questions whether AIT is a manufacturer, we note that in response to the protest, AIT has submitted a statement explaining that the milling machine frame is imported from an overseas firm and then shipped to AIT's Torrance, California facility in "stripped down" form (i.e., "without spindle motor, electrical enclosures, magnetics, axis drives and motors, coolant system, leadscrews, and digital readout system"), where domestic components are incorporated to form a completed machine. We have previously recognized that such assembly of the components necessary to transform the "base frame" or "base iron" into a milling machine which meets the solicitation requirements constitutes

manufacturing. See A & D Machinery Co., B-242546; B-242547, May 16, 1991, 91-1 CPD ¶ 473; Manufacturing Technology Solutions, B-237415, Jan. 22, 1990, 90-1 CPD ¶ 88. Thus, the mere fact that AIT will merely assemble the machine in no way precluded the agency from accepting the firm's representation that the machine is a current production model.

Technical Specifications

Bridgeport argues that the awardee's descriptive literature does not demonstrate compliance with the specifications with respect to the requirement for a saddle to support the milling machine table and the machine's electrical system.¹ DLA responds that AIT's offer was determined technically acceptable based on the firm's statements of compliance in its offer, including statements of compliance with each of the requirements at issue, as well as a review of the submitted descriptive literature, which gave no indication of noncompliance.

The record before us shows that, although both the awardee and the protester submitted general statements of compliance with the specifications at issue, neither submitted descriptive literature specifically addressing these areas. Since the agency accepted general statements of compliance from both offerors, and thus treated both equally, there is no basis for concluding that AIT's proposal was inadequate in this regard. See Inframetrics, Inc., B-257400, Sept. 30, 1994, 94-2 CPD ¶ 138; Power Dynatec Corp., B-251501.3, Aug. 3, 1993, 93-2 CPD ¶ 73.

The protest is denied.

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¹In its comments on the supplemental agency report, Bridgeport did not respond to the agency's position that, notwithstanding Bridgeport's initial allegations to the contrary, AIT's milling machine in fact complied with other specification requirements. Consequently, we view these protest grounds as having been abandoned by the protester. See Viereck Co., B-222520, Aug. 5, 1986, 86-2 CPD ¶ 152.