



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Aalco Forwarding, Inc., et al.--Reconsideration

File: B-277241.19

Date: June 8, 1998

DIGEST

There is no basis to reconsider a decision which had found unobjectionable the notional price evaluation scheme used in lieu of quantity estimates in a solicitation for moving and storing services where the procuring agency could not prepare quantity estimates but required a common basis to evaluate prices, and in the absence of any viable alternative or showing that the methodology will necessarily produce a materially misleading result.

DECISION

Aalco Forwarding, Inc. and 65 other protesters request reconsideration of that portion of our decision in Aalco Forwarding, Inc., et al., B-277241.15, Mar. 11, 1998, 98-1 CPD ¶ 87 at 10-13, in which we denied their protests of the price evaluation scheme of request for proposals (RFP) No. DAMT01-97-R-3001.¹ The solicitation

¹The firms requesting reconsideration are: Aalco Forwarding, Inc.; AAAA Forwarding, Inc.; Air Van Lines International, Inc.; Allstates Worldwide Movers; Aloha Worldwide Forwarders, Inc.; Alumni International, Inc.; American Heritage International Forwarding, Inc.; American Mopac International, Inc.; American Shipping, Inc.; American Vanpac Carriers; American World Forwarders, Inc.; Apollo Forwarders, Inc.; Arnold International Movers, Inc.; Astron Forwarding Company; BINL Incorporated; Burnham Service Company, Inc.; Cavalier Forwarding, Inc.; Classic Forwarding, Inc.; Davidson Forwarding Company; Deseret Forwarding International, Inc.; Foremost Forwarders, Inc.; Gateways International, Inc.; Global Worldwide, Inc.; Great American Forwarders, Inc.; Hi-Line Forwarders, Inc.; International Services, Inc.; Island Forwarding, Inc.; Jet Forwarding, Inc.; Katy Van Lines, Inc.; Lincoln Moving & Storage; Miller Forwarding, Inc.; Northwest Consolidators; North American Van Lines; Ocean Air International, Inc.; Senate Forwarding, Inc.; Shoreline International, Inc.; Stevens Forwarders, Inc.; Von Der Ahe International, Inc.; Wold International, Inc.; Zenith Forwarders, Inc.; A Advantage Forwarders, Inc.; Sentinel International Forwarding, Inc.; T.R.A.C.E. International, Inc.; Acorn International Forwarding Company; AAA Systems, Inc.; A.C.E. International Forwarders; American Red Ball International, Inc.; Apex Forwarding Company, Inc.; Armstrong International, Inc.; Arpin International Group, (continued...)

was issued by the Military Traffic Management Command (MTMC), Department of the Army, and implements a pilot program to reengineer the current program for shipping and storing the personal property of military service members and civilian employees.

We deny the request.

The protesters contended that the RFP's "notional shipment" price evaluation scheme for international shipments includes accessorial services that are rarely, if ever, performed, does not allow for consideration of the variances in the need for particular accessorial services on each shipment, and distorts the evaluated costs to the government by overweighting the costs for air shipments and underweighting the costs for surface shipments.

We found no basis to object to MTMC's use of the notional shipment, including the use of all possible accessorial services, to evaluate the relative costs of the proposals, in lieu of stated quantity estimates. Aalco Forwarding, Inc., et al., supra, at 11-12. We recognized that the notional shipment is not representative of a typical shipment that may be ordered under the contract given that each shipment will necessarily be different due to the many variables inherent in each move and no shipment is likely to include all possible accessorial services. However, we explained that, since MTMC lacks historical data to formulate quantity estimates for accessorial services, this type of price evaluation scheme is unobjectionable where the agency needs a price evaluation scheme that accounts for the prospective ordering of all possible accessorial services and that provides a common basis for proposal comparison and determining the relative cost to the government. Id. at 11-13; see High-Point Schaer, B-242616, B-242616.2, May 28, 1991, 91-1 CPD ¶ 509 at 6-8.

In requesting reconsideration, the protesters allege that we failed to address the applicability of Beldon Roofing & Remodeling Co., B-277651, Nov. 7, 1997, 97-2 CPD ¶ 131, a decision they cited to support the contention that the notional shipment was an unreasonable hypothetical basis on which to determine the lowest cost to the government.

¹(...continued)

Inc.; Art International Forwarding, Inc.; Atlas Van Lines International Corporation; Coast Transfer Company, Inc.; Crystal Forwarding, Inc.; CTC Forwarding Company, Inc.; Diamond Forwarding, Inc.; Dyer International, Inc.; Harbour Forwarding Company, Inc.; HC&D Forwarders International, Inc.; Jag International, Inc.; The Kenderes Group, Inc.; Pearl Forwarding, Inc.; Rainier Overseas, Inc.; Rivers Forwarding, Inc.; Ryans's World; and Sequoia Forwarding Company, Inc.

We think that our decision in Aalco is clearly distinguishable from Beldon. We found in Beldon that if a procuring agency issues an invitation for bids for a requirements contract with estimates of items required to be supplied, the estimates must be reliable so as to give bidders a reasonable basis to prepare their bids and the government the ability to determine which bid will actually result in the lowest overall cost. However, unlike the situation of the procuring agency in Beldon, where the agency could prepare reasonably reliable quantity estimates (albeit with some difficulty), MTMC had no basis to prepare quantity estimates for each accessorial service for this RFP. The protesters still have not shown that MTMC could prepare such estimates, given the lack of historical data.

Since the agency required some common basis to evaluate the prices of accessorial services, and in the absence of any viable alternative or convincing showing that the methodology will necessarily produce a materially misleading result, we continue to find no basis to object to the notional shipment evaluation scheme employed in this RFP. In this regard, although the protesters contend that the Aalco decision fails to address "the fatal flaw" in the agency's notional shipment resulting from the alleged overweighting of costs for air shipments and the underweighting of costs for surface shipments, we in fact considered this aspect of the protests, but deemed it without merit, Aalco Forwarding, Inc., et al., supra, at 12-13, and the protesters have not persuaded us that reconsideration is warranted on that matter.

The request for reconsideration is denied.

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