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DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D. C. 20548**

FILE: B-190283

DATE: May 30, 1978

MATTER OF: Unimatic Manufacturing Co.

DIGEST:

Where it appears from preaward survey report that bidder does not intend to comply with specifications for immediate procurement and is otherwise deficient, there is no basis to conclude that finding of nonresponsibility was unreasonable or made in bad faith notwithstanding bidder was involved in contract for manufacture of same item in 1971.

The Unimatic Manufacturing Co. (Unimatic) protests the failure of the Defense Construction Supply Center, Defense Logistics Agency, to award it, the low bidder, a contract under invitation for bids No. DSA700-77-B-1895.

The basis for the rejection of the bid is that Unimatic is not a responsible bidder. The determination of nonresponsibility is based on several factors.

First, it was determined that the technical and production capabilities of Unimatic were unsatisfactory. This conclusion was reached because in discussing the procurement specification with the bidder it was decided that Unimatic did not completely understand the specification and technical requirements of the procurement. In one instance Unimatic intended to use 1018 steel instead of the 1020 steel apparently required. The method proposed to apply the protective finish to the band (as well as the materials to be used) apparently did not meet the specification requirements and, as regarded three other materials to be used in the finished product, Unimatic proposed materials that apparently did not meet specification requirements. As regarded the American Brake Block 64B material, no firm source of supply had been obtained. Further, as regarded the heat treat process and induction hardening, while a possible source existed, no cost quotes or information as to delivery capability had been obtained by Unimatic.

Second, Unimatic was considered to have unsatisfactory equipment. Some machinery was found to be dirty (in some cases, rusty), not bolted down or leveled (some parts were still boxed) and not in running condition. The lathe to be used in manufacturing the procurement was dirty, did not have electrical power and was partially held together by wire.

Third, Unimatic was found unsatisfactory as regarded its ability to meet the required schedule solely due to the reasons which caused it to be found unsatisfactory as set forth above. But, for these reasons, it was stated that "The bidder's proposed production plan would normally be considered adequate to meet the required schedule * * *."

Finally, the quality assurance capability of Unimatic was found to be unsatisfactory. This was based on the fact that proper controls had not been established by Unimatic to assure the purchase of raw materials which meet the solicitation requirements.

Unimatic disagrees with the determination of nonresponsibility because it contends that it has the "know-how" and understands the requirements as evidenced by the fact that in 1971 it was involved in a contract for the manufacture of the same item. However, notwithstanding that involvement, it appears from the preaward survey report that Unimatic does not intend to comply with the specifications for the immediate procurement and is deficient in other respects as well. Therefore, we are unable to conclude that the determination of nonresponsibility was unreasonable or made in bad faith. Consequently, there is no legal basis for our Office to disturb the determination. RIOCAR, B-180361, May 23, 1974, 74-1 CPD 282.

Accordingly, the protest is denied.


Deputy Comptroller General
of the United States