

PROP. II

DECISION



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

9592

FILE: B-192498

DATE: March 29, 1979

MATTER OF: Ampex Corporation

CNO 00073

DIGEST:

Agency's acceptance of proposal offering three megabytes of storage capacity does not, as alleged, represent increase in agency's stated needs where solicitation seeks increase in storage capacity for 2 computer processing systems from total of 2 to 4 megabytes with minimum increase of one megabyte for each system and proposal permits elimination of existing units comprising one megabyte of capacity.

Ampex Corporation (Ampex) protests the award of Contract No. NAS5-25110 for three megabytes of high speed processor storage to Intermem Corporation (Intermem) by the National Aeronautics and Space Administration's (NASA) Goddard Space Flight Center.

CNGO 00800
AGC 00432

Ampex's protest is founded on the contention that since the request for proposals (RFP) was for two megabytes of storage (a megabyte is a unit of processor storage consisting of 1,024 bytes) award for 3 megabytes was a change in NASA's requirements which was not communicated to Ampex and for which it had no opportunity to submit any offer.

For the reasons stated below Ampex's protest is denied.

RFP No. 5-69753/044, which was sent by NASA to 64 firms, requested proposals for two megabytes of high speed processor storage for two IBM 360/75 computer systems at the Mission Operations Computing Facility (MOCF). Each of the 360/75 systems, at that time, was configured with four IBM 2365-3 high speed processor

[Award Protest Concerning Change in
~~644741~~ Agency Requirements]

storage units of 1/4 megabyte each for a total of one megabyte. The purpose of the solicitation was to increase the quantity of high speed processor storage for each system from one to two megabytes. Alternate proposals were requested. Award was to be made on the basis of technical acceptability and lowest life system cost.

Replies were received from 2 firms, Ampex and Intermem. Ampex's offer consisted of seven different cost proposals for two megabytes of storage capacity consisting of a purchase plan, a lease plan and 5 different lease to purchase plans. The purchase plan was determined to be the lowest evaluated life systems cost proposal.

Intermem's offer consisted of three proposals, all on a purchase basis, for two, three and four megabytes of capacity. The proposal for two megabytes of capacity was evaluated to be lower than Ampex's lowest proposal. However, evaluation of the three megabyte proposal indicated a still lower life systems cost, primarily because it permitted the elimination of four IBM 2365-3 units and associated maintenance and operating costs.

Ampex contends that by procuring three megabytes of storage NASA increased its requirements without allowing other firms to submit offers to meet those requirements. We do not agree.

Article I of the RFP stated a requirement for two megabytes of processor storage to be delivered, installed and maintained in accordance with Section F entitled "Mandatory Specifications." Section F provides in pertinent part:

"* * * The purpose of this procurement is to increase the quantity of high speed processor storage for each MOCF IBM 360/755 processor to 2,048K bytes [i.e. 2 megabytes]. The equipment and services to be provided under this procurement to achieve this objective are as follows:

"Supply and install sufficient processor storage on each of the two (2) MOCF 360/755

processors to increase the quantity of high speed storage of each processor to 2,048 bytes [2 megabytes]. A minimum of 1,024 bytes per processor are required to be provided."

A floor plan showing the 360/755 processors with the eight attached 2365-3 storage units, 4 units for each processor, was part of Section F.

We think it is clear from the entire solicitation, including the provision for alternate proposals, that the purpose of the procurement was to increase each 360/755 system's storage capacity to two megabytes, with a minimum of one megabyte to be provided for each system. The offer accepted by NASA did no more -- it provided a minimum of one megabyte additional capacity for each system, and provided for an overall increase in each system's capacity to two megabytes by permitting the elimination of two existing 1/4 megabyte processor storage units from each system. That equipment providing three instead of two megabytes of storage capacity is to be furnished under the contract to effect the purposes of the RFP, even though RFP requirements could also have been met through equipment providing two megabytes, does not mean that the RFP's stated requirements have somehow been increased. The use by an offeror of a novel approach or one not considered by another offeror does not reflect a change in the Government's requirements as set forth in the RFP. When proposals in the best interests of the Government procurement do not violate the terms of the solicitation, they are not to be disregarded because they are innovative in a way not foreseen and not forbidden by the RFP. Foss Alaska Line, 57 Comp. Gen. 784 (1978), 78-2 CPD 192; Tidewater Management Services, Inc. v. United States, 573 F. 2d 65 (Ct. Cl. 1978).

In any event, since Intermem's two megabyte proposal was evaluated at a lower cost to the Government than any Ampex proposed, we fail to see how Ampex was prejudiced by NASA's acceptance of Intermem's

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alternate proposal; under the RFP evaluation criteria,
Ampex was not in line for award.

The protest is denied.


Deputy Comptroller General
of the United States