

DECISION



11977 PL-11 Mr. Crowley
THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D.C. 20548

FILE: B-195405.2

DATE: November 8, 1979

MATTER OF: Oceaneering International, Inc. DLG-0097

[Protest Alleging Procurement Should Not Have Been Set Aside For Small Business]

DIGEST:

Contracting officer properly set aside procurement for small business where record discloses that at time solicitation was issued there existed reasonable expectation of adequate competition from responsible small business concerns to ensure award would be at reasonable price.

Oceaneering International, Inc. (Oceaneering) protests the total small business set-aside for the procurement of waterborne ships hull cleaning services under request for proposals (RFP) N00024-79-R-4321(Q) issued by the Department of the Navy, Naval Sea Systems Command (Navy).

The protester alleges that in light of all available information, including offers made in response to a prior solicitation, the procurement should not have been set aside for small business because there could not have been reasonable expectation that a sufficient number of responsible small business concerns would submit offers on the RFP so that award would be made at a reasonable price. For the reasons set forth herein, we deny the protest.

In its report to this Office, the Navy states that the RFP, which was issued on June 1, 1979, was mailed to 34 firms and 10 proposals were received, all from small businesses. A previous solicitation issued in March 1978 for this type of service which had not been set aside for small business resulted in receipt of four proposals, two from small businesses. The Navy set aside this procurement pursuant to Defense Acquisition Regulation (DAR) 1-706.5(a)(1) (1976 ed.), in effect in June 1979, which required the procurement

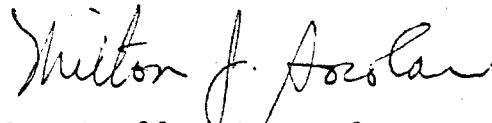
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to be totally set aside for small business concerns if the contracting officer determined there was reasonable expectation that offers would be received from a sufficient number of responsible small business firms so that award would be made at a reasonable price. It made this determination because at least two responsive proposals from certified small business firms were received on a previous procurement for these services, and a business survey by the contracting officer ascertained that at least 17 small businesses were qualified and interested in providing the services. This determination was concurred with by the Assistant Secretary of the Navy.

In the circumstances, we believe the Navy reasonably expected sufficient competition from a sufficient number of responsible small business concerns and did not abuse its discretion in determining to set aside this procurement for small business. Therefore, we find no legal basis to object to that decision. U. S. Divers Company, B-192867, February 26, 1979, 79-1 CPD 132.

The protest is denied.



For The Comptroller General
of the United States