

Mr McCann
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DECISION



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

[Protest of Contract Award for Care of Marine Corps Uniforms]

FILE: B-199192

DATE: July 9, 1980

MATTER OF: Corona Custom Tailor

DIGEST:

1. Bid which offers less than 20 day prompt payment discount properly is evaluated without regard to discount when solicitation specifies that only discounts for prompt payment within 20 days or more will be considered in bid evaluation.
2. There is no need for agency to perform preaward survey on firm which is not low bidder.
3. When it is clear from initial submission that protester has no chance of success on merits, GAO will reach decision without requesting formal report from procuring agency.

Corona Custom Tailor (Corona) protests the award of a contract under IFB No. M00243-80-E-0004 to A. Sonabend Company (Sonabend) for the care of Marine Corps uniforms.

Sonabend's bid, which was evaluated as less than that submitted by Corona, was determined to be low. Corona's prompt payment discount was not considered as that firm's bid contained the notation "X 10 days" under block 16 (Total Discount for Prompt Payment) while the 10 percent discount for prompt payment within 20 days offered by Sonabend was evaluated.

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Corona argues that the agency acted unfairly by evaluating Sonabend's discount while not clearly informing bidders in the solicitation that such discounts would be considered. In this regard, Corona contends that in its previous dealings with the Marine Corps the amount of its discount was disclosed to the agency only after the contract was awarded. Thus, Corona states that while it indicated in its bid that a discount was offered, the percentage rate was not filled in because Corona was "under the impression" that the contract would be awarded based upon the bid price, exclusive of any discount.

We are informed that the solicitation incorporated by reference Standard Form 33A which states that although a blank in the solicitation is provided for 10 day discounts only prompt payment discounts for 20 days or more will be considered in evaluating bids. In addition, the solicitation contained a sentence in Section M-2 which stated: "Bids offering prompt payment terms of 20 days or more will be considered in the evaluation for the award."

Thus, we believe that Corona should have been aware of the well settled rule that 20 calendar days is the minimum period for which prompt payment discounts will be evaluated unless otherwise specified in the IFB. James R. Parks Company, B-193668, January 26, 1979, 79-1 CPD 57; 49 Comp. Gen. 364, 367 (1969); Defense Acquisition Regulation (DAR) § 2-407.3 (1976 ed.). Since Corona's bid provided for a discount for payment within 10 days, it could not have been considered even if Corona had specified the amount of the discount. Conversely, since Sonabend's bid contained a 20-day discount offer, the bid properly was evaluated on the basis of that discount.

Corona also indicates that the bidding procedure was improper because it was not "investigated" by the agency prior to the award. Apparently the protester is referring to a preaward survey which is used to determine the responsibility of a prospective contractor. DAR § 1-905.4 (DPC 76-13, November 18, 1977). Since Corona was not the low bidder there was no need for the agency to consider its responsibility.

Where it is clear from the initial submission that a protester has no chance of success on the merits, we will reach a decision without requesting a formal report from the procuring agency. W.M. Grace, Inc., B-197192, January 10, 1980, 80-1 CPD 33. We have done so here.

The protest is summarily denied.



For the Comptroller General
of the United States