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Mr. Iannicelli



DECISION

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

[Protest of Army Contract Award]

FILE: B-201177.2

DATE: May 12, 1981

MATTER OF: Stone Transfer & Storage Company

DIGEST:

1. Protester's allegation that licensed firm bid on behalf of and subcontracted to unlicensed firm in order to circumvent IFB licensing provision, without evidence sufficient to affirmatively support its position, is denied where record discloses that awardee submitted required license certificate and denies business affiliation/subcontract with unlicensed firm, and Internal Revenue Service has verified that employer's identification number submitted by awardee is its own and not that of unlicensed firm.
2. Pursuant to bid protest function, GAO does not conduct investigations to establish validity of protester's speculative statements.

Stone Transfer & Storage Company (Stone) protests against the Department of the Army's award of a contract for the packing, crating, intra-State moving, and storage of household goods to Fletcher Transfer & Storage, Inc., of Altus, Oklahoma (Fletcher-Altus), pursuant to invitation for bids No. DABT39-80-B-0102, issued by Fort Sill, Oklahoma.

The basis for Stone's protest is that Fletcher-Altus allegedly has agreed to have Fletcher Van & Storage, Inc., of Lawton, Oklahoma (Fletcher Van-Lawton), perform the required contract services. Stone argues that this agreement violates solicitation provisions requiring bidders to have valid operating authority

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from the State in which the services will be performed and prohibiting subcontracting without prior approval since Fletcher Van-Lawton does not have an Oklahoma Motor Carrier Certificate. Essentially, Stone contends that Fletcher-Altus, which has the required certificate, bid on this contract with the intention of subcontracting to Fletcher Van-Lawton. [Therefore, Stone believes the award to Fletcher-Altus was illegal and requests that the contract be canceled by our Office.]

The protest is denied.

Fletcher-Altus was awarded a contract for intra-State services under schedule III of the solicitation. In this connection, the solicitation stated in relevant part:

"* * * ICC authority will not be required for Schedule III if the area of responsibility is located wholly within a single state so that all shipments will move with origin and destination entirely within the boundaries of a single state. For such wholly intra-state personal property movements, the bidder must hold, in his own name, valid operating authority from the appropriate state regulatory body. * * *"

The only support for Stone's allegation is the fact that Fletcher-Altus' bid listed as its principal place of business an address in Lawton which is apparently owned by Fletcher Van-Lawton. [Stone infers from] this [fact that Fletcher Van-Lawton is the party which will actually benefit from a contract with the Army.]

*He listed
principal place of
business. He*

[A protester must present evidence to affirmatively establish its position. It is not the practice of our Office to conduct investigations, as Stone suggests, pursuant to our bid protest function for the purpose of establishing the validity of a protester's speculative statements.] Fire & Technical Equipment Corp., B-191766, June 6, 1978, 78-1 CPD 415. [We do not believe that Stone has carried its burden of proof.]

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The record shows that Fletcher-Altus did submit a Motor Carrier Certificate issued to it by the State of Oklahoma. Fletcher-Altus readily admits that the owner/president of Fletcher Van-Lawton is the brother of the owner/president of Fletcher-Altus. However, Fletcher-Altus denies any business affiliation or subcontract agreement with Fletcher Van-Lawton. Moreover, Fletcher-Altus states that all of the employees used on this contract are its own and that it alone is responsible to perform all of the duties required under this contract. Finally, the Army reports that, because of Stone's protest, it verified with the Internal Revenue Service that the employer's identification number submitted with Fletcher-Altus bid was indeed that of Fletcher-Altus and not that of Fletcher Van-Lawton. Stone has presented no evidence to the contrary. Accordingly, the Army believes, and we agree, that Fletcher-Altus alone will be obligated to perform under the contract as awarded and that Fletcher-Altus has met the solicitation's licensing requirement.)

(For the above reasons, we find the protest to be without merit and, therefore, it is denied.)

Milton J. Rowland
Acting Comptroller General
of the United States