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DECISION



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

FILE: B-210256

DATE: March 28, 1983

MATTER OF: Knoll International

DIGEST:

Protest by potential offeror against \$300 price ceiling for seating to be procured by the General Services Administration under multiple-award solicitation for inclusion on the Federal Supply Schedule is without merit since determination of what will satisfy Government's needs is primarily within the discretion of procuring officials and GAO will not interpose its judgment for that of the contracting agency where it is not shown that agency's judgment was erroneous and that award under solicitation will unduly restrict competition.

Knoll International (Knoll) protests the \$300 per seating unit maximum dollar ceiling for item No. 496-1 (multipurpose seating) imposed by the General Services Administration (GSA) under multiple-award solicitation No. FNPS-S2-1346-N-8-23-82.

The protest is denied.

The above solicitation, covering an indefinite-quantity contract for miscellaneous seating, was issued by GSA's National Furniture Center (presently the Furniture Commodity Center) on July 23, 1982. Amendment No. 1 to the solicitation was issued, correcting minor deficiencies. Amendment No. 2, issued on September 23, 1982, deleted certain items and limited the net prices for items Nos. 496-1 (multipurpose seating) and 496-5 (conference seating) to \$200. Originally, a \$500 price limitation was imposed with respect to item No. 496-1. After receiving comments and discussing the price limitation with industry representatives and agency users, GSA decided to raise the acceptable price limit for items Nos. 496-1 and 496-5 to \$300. Amendment No. 2 was canceled in its entirety.

By letter of November 24, 1982, Knoll requested that the \$300 price limit on item No. 496-1 exclude the "single passenger lounge unit." GSA refused to grant Knoll's

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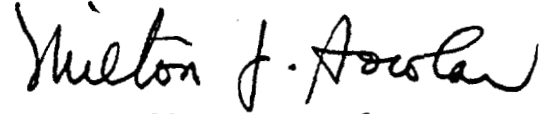
request. Knoll, by letter of December 21, 1982, lodged a protest with our Office.

Knoll states that it views the \$300 price limit for item No. 496-5, which covers training and conference room seating, as reasonable and acceptable. However, Knoll contends that the \$300 price limit for item No. 496-1 is unreasonable since the usual price for multipurpose seating is approximately twice the price for training and conference room seating. Knoll contends that the price limit on item No. 496-1 places an unnecessary burden on manufacturers, such as itself, by denying them the opportunity of having a complete line of seating on the multiple-award schedule. Knoll also argues that an extra burden is placed on the agency user who desires to purchase a lounge chair, not on the schedule because of the price limitation, to match the balance of the furniture purchased from the schedule. In such a situation, the agency must, pursuant to section 101-26.100-2 of the Federal Property Management Regulations, seek a waiver from GSA to purchase the lounge chair.

The solicitation closed January 6, 1983, and 68 bids were received for item No. 496-1. According to GSA, there were a wide range of items available within the \$300 price limit.

We have held that the determination of what will satisfy the Government's needs is primarily within the discretion of the procuring officials. We will not interpose our judgment for that of the contracting agency unless the protester shows that the agency's judgment is in error and that a contract awarded on the basis of such requirements would be in violation of law by unduly restricting competition. See Chrysler Corporation, B-206943, September 24, 1982, 82-2 CPD 271, and Essex Electro Engineerings, Inc., B-191116, October 2, 1978, 78-2 CPD 247. We concur with GSA's view that its determination to accept only those commercial products under item No. 496-1 which do not exceed \$300 in price is clearly not unreasonable. This determination was made after consultation with representatives of the industry and user agencies. Moreover, the record indicates that there was more than adequate competition. Although Knoll would like to have the price limitation raised, thus increasing competition, the record indicates that GSA's needs will be met with the \$300 limitation, and while Knoll may not agree with GSA concerning such needs, such difference of opinion is not sufficient to upset GSA's determination that its needs will be met by restricting offers under item No. 496-1 to those priced \$300 or less. See Integrated Forest Management, Inc., B-204106, B-204382, January 4, 1982, 82-1 CPD 6, and cases cited.

Knoll's protest is denied.

A handwritten signature in cursive script, reading "Milton J. Fowler".

Acting Comptroller General
of the United States