

DECISION



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

FILE: B-209538

DATE: May 24, 1983

MATTER OF: Transmission Technology Co., Inc.

DIGEST:

1. When tests for helicopter clutch cover areas that have not previously been addressed or that have presented problems in prior research and development, in absence of protester's showing that tests are clearly unreasonable, GAO will not question procuring activity's determination that they represent its minimum needs.
2. GAO limits its review of protests alleging improper evaluation of proposals to a determination of whether the evaluation was reasonable and in accord with solicitation criteria, and will not reevaluate proposals simply because a protest is filed or bias is alleged.
3. When offeror relies on general language in a report that solicitation states will serve as the "baseline" for work to be performed, rather than on specific solicitation requirements, and states in best and final that it does not intend to meet requirements, agency's rejection of proposal is not unreasonable.
4. Original designer is not necessarily presumed best qualified for further development or production of its designs, particularly when all offerors have been provided with copies of published reports on research and development that led to the design.
5. Solicitation provision stating that cost realism study will be performed and that in the absence of significant technical differences between proposals, cost may be the determining factor in award, does not apply when one of two proposals is technically unacceptable.

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Transmission Technology Co., Inc. protests the award of a contract for design, fabrication, and testing of an overrunning clutch¹ for use in Army helicopters. The Applied Technology Laboratory, U.S. Army Research and Technology Laboratories, Fort Eustis, Virginia, awarded a \$694,900 cost-plus-fixed-fee contract to the Sikorsky Aircraft Division, United Technologies Corporation, on September 30, 1982.

Evaluators rejected Transmission Technology primarily because its proposed program for testing the clutch, which must be designed for 30,000 revolutions per minute (RPM) and be capable of transmitting 800 shaft horsepower (SHP), did not actually simulate conditions found in a helicopter drive train.

Transmission Technology argues it is not feasible to test by simulation when the helicopter in which the overrunning clutch will be used has not been designed or manufactured. In addition, Transmission Technology protests that Sikorsky's proposed costs were more than \$200,000 higher than its own, and that award should have gone to it as the lowest offeror. We deny the protest on both grounds.

Background:

The Applied Technology Laboratory issued request for quotations No. DAAK51-82-Q-0078 on June 24, 1982, with a submittal date of August 10, 1982. Purpose of the procurement, the record indicates, was to increase the normal operating speed of overrunning clutches so that they will be compatible with a new generation of lightweight, high-speed gas turbine engines now being developed for Army helicopters.

¹An overrunning clutch is one in which the driven shaft can run faster than the driving shaft. This permits "free-wheeling" as the driving shaft slows down or another source of power is applied. 3 McGraw-Hill Encyclopedia of Science & Technology at 310 (5th Ed. 1982). In a helicopter, if the engine fails, this type of clutch would allow the blades to continue rotating.

Five major tasks were outlined in the statement of work. The successful contractor was to (1) define clutch requirements; (2) develop a preliminary design; (3) complete a detailed design and fabricate three clutch assemblies; (4) obtain all equipment and test rigs necessary "to provide dynamic response representative of a flight system" and perform, at a minimum, certain listed tests; and (5) modify the design based on deficiencies discovered during testing and evaluate it for use in a 30,000 RPM/800 SHP helicopter drive system.

The solicitation stated that proposals would be evaluated on adequacy of technical approach and personnel experience and facilities, with technical approach significantly more important. Design and test approach were the subfactors of greatest but equal value under this factor. Award was to go to the offeror whose proposal presented the best approach for attainment of program objectives, considering cost, technical, and other factors. A cost realism analysis was to be performed, and in the absence of significant technical differences, cost or price might become the determining factor, the solicitation further stated.

Evaluation of Proposals:

The protester and Sikorsky were the only firms responding to the request for quotations. Evaluation of initial proposals yielded a technical score of 53.5 for Transmission Technology and 72 for Sikorsky. Evaluators considered Transmission Technology's strong point to be personnel; however they found the firm's proposal deficient with regard to several of the tests specifically listed in the statement of work, including "full speed and differential speed overrun including 110 percent of overspeed" and "dynamic engagement/disengagement under load." Evaluators could not determine what power levels Transmission Technology proposed to use during testing or whether its test facility had overrunning capability.

Accordingly, the technical evaluation committee recommended that discussions be conducted only with Sikorsky; however, the independent procurement advisory board, noting that Transmission Technology's proposed costs were significantly lower than Sikorsky's, due primarily to fewer man-hours and lower overhead, decided that Transmission Technology's technical score might be improved if it were given an opportunity to clarify its proposed testing efforts. Discussions therefore were held with both offerors.

Transmission Technology's best and final offer, however, continued to be regarded as deficient in the area of testing. Sikorsky, on the other hand, was found to have proposed a superior test approach, with facilities capable of operating at 36,000 RPM. or 120 percent of overspeed. Since the firm's proposal was regarded as well above average in all other areas, award to Sikorsky was recommended.

GAO Analysis:

Transmission Technology's protest is, in essence, a challenge to the extent and type of testing required by Applied Technology Laboratory. In its best and final offer, the firm indicated clearly that it did not believe the solicitation requirement for a "dynamic response representative of a flight system" was a valid one. It stated:

"No attempt has been made to simulate the dynamic response characteristics of a typical helicopter in these test rigs. It is * * * felt that a dynamic simulation would be extremely expensive and not practical at this point in time since the engine inertias, mounting structures, and rotor inertias have not been defined."

Transmission Technology now argues that this approach was advocated in a 1977 report, "Helicopter Freewheel Unit in Design Guide," that the solicitation stated would serve as the "baseline" for work to be performed under this contract.

In our opinion, Transmission Technology's reliance on a general statement in the report concerning the high cost

of other-than flight testing was misplaced in view of the very specific requirements outlined in the solicitation. Although the particular helicopter in which the overrunning clutch will be used has not yet been designed or manufactured, as the project engineer points out, many of the areas that Applied Technology Laboratory required to be tested are not unique to a particular helicopter, but rather are typical of any helicopter during takeoff, landing, and other maneuvers. Other tests, the record indicates, covered areas that either had not been addressed in the 1977 report or that the report indicated had presented problems in prior Applied Technology Laboratory research and development projects on the overrunning clutch. In addition, as the solicitation specifically stated, the results of the tests were to serve as the basis for modifications and would affect the ultimate design of the clutch. These tests therefore appear to represent the Government's minimum needs.

Our Office consistently has stated that procuring activities are primarily responsible for determining and accommodating their minimum needs, since they are most familiar with their own requirements and with the environment in which the product being procured will be used. Thus, we will not question a determination of minimum needs or the technical judgment on which such a determination is based unless these are clearly shown to be unreasonable. Polymer Chemicals, Inc., B-207396, September 21, 1982, 82-2 CPD 250. We do not believe Transmission Technology has made such a showing here.

As for Transmission Technology's ability to meet the Government's minimum needs, our review of its proposal, as usual, has been limited to a determination of whether the evaluation was reasonable and in accord with the criteria listed in the solicitation, as well as with the statutes and regulations governing Federal procurement. See Blurton, Banks, & Associates, Inc., B-205865, August 10, 1982, 82-2 CPD 121. Our Office will not substitute its judgment for an agency's--by conducting technical evaluations and rendering independent determinations as to whether proposals are acceptable--merely because a protest has been filed or bias has been alleged. National Motors Corporation et al., B-189933, June 7, 1978, 78-1 CPD 416.

In this case, we find that the evaluators reasonably determined that Transmission Technology's proposed testing program did not meet the Government's needs. In the agency report to our Office, the project engineer has described, in extremely technical terms, aspects of the testing program proposed by Transmission Technology that evaluators found unacceptable. For example, because Transmission Technology proposed testing the clutch in a "scatter shield," housing deflections, which in earlier tests had caused the clutch to jam, could not have been detected. In addition, Transmission Technology proposed using such small motors (3 to 5 horsepower) that the evaluators found its overrunning and differential speed tests would not have been representative of an 800 SHP clutch. Most important, evaluators found that Transmission Technology did not meet--and did not intend to meet--Applied Technology Laboratory's requirement for testing that would provide a "dynamic response representative of a flight system." The record clearly supports this finding.

As evidence of its capability, Transmission Technology argues that its engineers designed an overrunning clutch more than 10 years ago, while Sikorsky merely "copied" its design in producing the 1977 report referred to above. We do not find Sikorsky's alleged copying relevant, since the protester acknowledges that the information was in the public domain. An original designer, moreover, is not necessarily presumed best qualified for further development or production of its designs, particularly when, as here, both offerors were provided with copies of prior published reports on the clutch. See generally International Harvester Co., 61 Comp. Gen. 388 (1982), 82-1 CPD 459 (a protest by the original designer of the armored bulldozer).

We therefore conclude that Transmission Technology's challenge to the extent and type of testing required by Applied Technology Laboratory, and to the evaluation of its ability to meet it, are without legal merit. We find Applied Technology Laboratory's rejection of the proposal reasonable, and the award to Sikorsky in accord with stated criteria and the procurement statutes and regulations.

B-209538

Finally, since Applied Technology Laboratory found a significant difference between the two technical proposals, the protester's lower proposed costs would not--under the terms of the solicitation--have become the basis for award. See Quest Research Corporation, B-203167, December 10, 1981, 81-2 CPD 456. The record indicates that evaluators noted relative costs in deciding to negotiate with both Sikorsky and Transmission Technology, and the fact that discussions were held, giving Transmission Technology an opportunity to further explain its testing approach and facilities, effectively refutes the protester's allegation that the award to Sikorsky was preordained.

The protest is denied.

for 
Comptroller General
of the United States