

7/21/85  
PL-E

31382

**DECISION**



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

B-218983

**FILE:**

**DATE:** June 6, 1985

**MATTER OF:**

Traffic Marketing Development Services,  
U.S.A., Inc.

**DIGEST:**

No basis exists to preclude a contract award merely because the low bidder submitted a below-cost bid.

Traffic Marketing Development Services, U.S.A., Inc. (Traffic), protests the award of a contract to Sea Air International (SAI) under a General Services Administration (GSA) solicitation for air freight services. Traffic contends GSA improperly accepted a below-cost bid from SAI in violation of "fair bidding" standards.

We dismiss the protest.

The practice of below-cost bidding is not illegal and the government cannot withhold or disturb an award merely because the low bid or offer is below cost. BUR-TEL Security Protection Systems, B-218829, May 16, 1985, 85-1 C.P.D. ¶ \_\_\_\_; Teamster Local No. 270, B-208634, Sept. 15, 1982, 82-2 C.P.D. ¶ 230. Further, whether the low bidder can perform the contract at the bid price is a matter of responsibility of the bidder. Our Office does not review protests concerning affirmative determinations of responsibility absent a showing that the contracting officer acted fraudulently or in bad faith or that definitive responsibility criteria in the solicitation have not been met. Sun Temporary Services, B-210577, Feb. 17, 1983, 83-1 C.P.D. ¶ 167. Neither exception is alleged here.

Robert M. Strong  
Deputy Associate General Counsel

032236