



The Comptroller General  
of the United States

Washington, D.C. 20548

# Decision

Matter of:           Automatics Limited  
File:                 B-223978  
Date:                 August 20, 1986

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## DIGEST

1. A protester complaining that an agency improperly determined that an offeror under a reprocurement solicitation was nonresponsible is not an interested party for purposes of maintaining a protest at the General Accounting Office where there is no allegation that the protester was an offeror under the solicitation.
2. A protester's complaints regarding an agency's alleged failure to mitigate damages under a defaulted contract are matters of contract administration, which the General Accounting Office does not consider.

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## DECISION

Automatics Limited protests the failure of the Oklahoma City Air Logistics Center to award a contract for airborne standby compasses to Phaostron Instrument & Electronic Company, Inc., under request for proposals (RFP) No. F34601-86-R-50348. We dismiss the protest.

The agency issued the RFP as a reprocurement following the termination for default of a contract with Automatics for the compasses. Automatics complains that the Air Force improperly determined that Phaostron, the low bidder under the reprocurement, was not responsible. The protester alleges that although the Small Business Administration (SBA) had declined to issue a Certificate of Competency on behalf of Phaostron, the Air Force did not rely on SBA's action. Rather, the actual reason for the agency's nonresponsibility determination, says the protester, was Phaostron's plan to acquire materials and tooling for the contract from Automatics. The protester contends that this evidences bad faith on the part of the agency and is inconsistent with the agency's obligation to mitigate its damages under the defaulted contract.

Our Bid Protest Regulations require that a party be "interested" before it will be permitted to maintain a protest with this Office. See 4 C.F.R. § 21.1(a) (1986). "Interested party" is defined as an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of a contract or by the failure to award a contract. Id. § 21.0(a). Since Automatics does not contend that it either was or seeks to be an offeror under the procurement, it is not entitled to interested party status. The mere fact that its economic interests may be affected by determinations made in connection with the procurement is not sufficient to enable Automatics to protest those determinations. See Industrial Combustion, B-222043, Feb. 26, 1986, 86-1 CPD ¶ 201.

The protester's contentions concerning the agency's duty under the defaulted contract to mitigate damages also do not provide a basis for maintaining a protest here. The measure of damages under that contract is a matter of contract administration, which this Office does not consider. 4 C.F.R. § 21.3(f)(1).



Ronald Berger  
Deputy Associate  
General Counsel