



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Basic Supply Company, Inc.

File: 241801

Date: November 7, 1990

Joseph L. Williams, for the protester.
Christina Sklarew, Esq., Office of the General Counsel, GAO,
participated in the preparation of the decision.

DIGEST

A small disadvantaged business (SDB) dealer that proposed to supply end items manufactured by a large business is not entitled to the solicitation's SDB evaluation preference.

DECISION

Basic Supply Company, Inc. protests the Navy's award of a contract to Inco Alloys, a large business concern, under solicitation No. N00104-90-R-FU58. Basic contends that it is a small disadvantaged business (SDB) and that it was improperly denied a 10 percent evaluation preference established for such firms under the solicitation. We dismiss the protest without obtaining a report from the agency, pursuant to our Bid Protest Regulations, 4 C.F.R. § 21.3(m) (1990).

The solicitation incorporated Department of Defense Federal Acquisition Regulation Supplement (DFARS) clause, "Notice of Evaluation Preference for Small Disadvantaged Business (SDB) concerns (Unrestricted," DFARS § 252.219-7007 (DAC 88-11)). This clause provides that in supply contracts, SDB concerns competing as regular dealers may get the benefit of an evaluation preference only if they furnish the product of a SDB manufacturer, or, if there are no SDB manufacturers, the product of a small business manufacturer. *Id.* Here, Basic proposed to supply end items that were manufactured by Inco Alloys, the large business concern that received the contract

award. Accordingly, the agency properly did not apply the SDB preference.

The protest is dismissed.

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