



Comptroller General
of the United States
Washington, D.C. 20548

Decision

Matter of: Brackett Aircraft Radio Company
File: B-246282
Date: January 8, 1992

Alberto Gacharna Jr. for the protester,
Millard F. Pippin, Department of the Air Force, for the
agency,
Barbara C. Coles, Esq., Office of the General Counsel, GAO,
participated in the preparation of the decision.

DIGEST

Cancellation of request for proposals after submission of offers was proper where agency determined it no longer had requirement for items.

DECISION

Brackett Aircraft Radio Company protests the cancellation of request for proposals (RFP) No. F09603-91-R-15460, issued by the Department of the Air Force for harnesses for the AN/ASG-21, B-52 aircraft. Brackett contends that the Air Force's decision to cancel the solicitation after selecting Brackett as the apparent successful offeror was improper.

We dismiss the protest because it fails to state a valid basis for protest. See 4 C.F.R. § 21.3(m) (1991).

The RFP, issued July 24, 1991, contemplated the award of a firm, fixed-price contract to the small business offeror whose offer conforming to the solicitation was the most advantageous to the government, considering price and other factors. The Air Force received four proposals by the August 24 closing date; Brackett submitted the low-priced offer of \$10,315. Brackett was subsequently determined to be a responsible prospective contractor. Brackett maintains that the buyer, in a telephone conversation on September 12, informed one of its representatives that the agency would make award to Brackett and that a written notification of award would be mailed within 1 to 2 weeks.

During the week of September 20, the Air Force's requirements office advised the contracting officer that all requirements were being canceled on the AN/ASG 15 and 21 systems as they were obsolete and no longer needed. As a result, the contracting officer canceled the solicitation on October 8. Brackett's protest to our Office followed.

Brackett contends that the cancellation after it had been determined to be the apparent successful offeror was improper. Brackett alleges that after receiving oral notice from the buyer that it would receive the award, Brackett began making necessary preparations in anticipation of performing the contract. As a result, it claims that it is entitled to "relief in the form of an award of a contract."

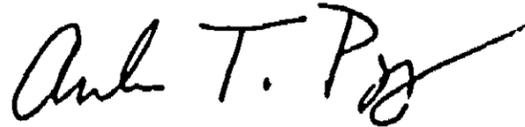
In a negotiated procurement, the contracting officer has broad authority to decide whether to cancel a solicitation and need only establish a reasonable basis for the cancellation. Cantu Servs., Inc., B-219998.9; B-233697, Mar. 27, 1989, 89-1 CPD ¶ 306. Cancellation is appropriate when an agency determines it no longer has a requirement for items. California Inflatables Co., Inc., B-241729, Feb. 6, 1991, 91-1 CPD ¶ 133. Since there is no dispute that the items are in fact not needed, that alone provides a proper basis for cancellation. Pneumatrek, Inc., B-225136, Feb. 24, 1987, 87-1 CPD ¶ 202.

Contrary to the protester's suggestion, the fact that the cancellation occurred after the agency had identified Brackett as the apparent successful offeror does not by itself show that the cancellation was improper; an agency may properly cancel a solicitation no matter when the information precipitating the cancellation arises, even if that is not until proposals are submitted and the protester has incurred costs in pursuing the award. System-Analytics Group, B-233051, Jan. 23, 1989, 89-1 CPD ¶ 57; Dynalectron Corp., B-216201, May 10, 1985, 85-1 CPD ¶ 525.¹ Further, while it is unfortunate that Brackett may have incurred costs in anticipation of being awarded a contract, there is

¹To the extent that Brackett argues that it incurred these costs as a result of relying on oral information from the buyer that it had received the award, we note that Federal Acquisition Regulation § 15.1002 and the IFB provide that the contracting officer shall award a contract to the successful offeror by transmitting written notice of award to that offeror. This did not occur.

no basis for recovery since Brackett expenditures were the result of a business judgment exercised prior to the award of a contract and the government received no benefit as a result. G. McMillan & Co., Inc., B-239805, Sept. 14, 1990, 90-2 CPD ¶ 214.

The protest is dismissed.



Andrew T. Pogany
Acting Assistant General Counsel