



Comptroller General
of the United States

Washington, D.C. 20548

Decision

REDACTED VERSION*

Matter of: Schweizer Aircraft Corporation

File: B-248640.2; B-248640.3

Date: September 14, 1992

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Carl L. Vacketta, Esq., Pettit & Martin, for Slingsby Aviation, Ltd., an interested party.

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Daniel I. Gordon, Esq., and Paul Lieberman, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest against the evaluation of technical proposals is denied where that evaluation was reasonable and consistent with the solicitation's evaluation criteria.

2. Allegation that consensus evaluation did not reflect the individual evaluators' notations is denied where the record indicates that the consensus reasonably reflects the collective view of the evaluators and the characteristics of the proposal, and there is no credible evidence that the consensus evaluation was unreasonable.

DECISION

Schweizer Aircraft Corporation protests the award to Slingsby Aviation Limited of a contract under request for proposals (RFP) No. F33657-91-R-0004, issued by the Department of the Air Force. Schweizer contends that its technical proposal was not properly evaluated; that its technical proposal and Slingsby's were not treated equally in the evaluation process; that the cost evaluation of Slingsby's proposal was not reasonable; and that award to Slingsby violated the RFP's Domestic Source Restriction (DSR) clause.

* The decision issued on September 14, 1992, contained proprietary information and was subject to a General Accounting Office protective order. This version of the decision has been redacted. Deletions in text are indicated by "[deleted]."

We deny the protests.

The Air Force issued a draft RFP on April 26, 1991, for the acquisition of 125 training aircraft and related contractor logistics support (CLS).¹ The aircraft, referred to as "Enhanced Flight Screener" (EFS) aircraft, are used for training novices and judging their suitability as pilots.

In July and August 1991, an operational evaluation (OpEval) was conducted of offerors' proposed aircraft. The OpEval was conducted at two locations, Wright-Patterson Air Force Base and the Air Force Academy in Colorado Springs, Colorado. The eight offerors' aircraft flown at the OpEval were evaluated on the basis of the draft RFP, which was nearly identical to the final RFP, except as otherwise noted below. Both foreign and domestic aircraft and offerors participated in the OpEval. The offerors received both written and oral comments on the performance of their aircraft at the OpEval.

Among the written comments given to Schweizer prior to the firm's September 16, 1991, OpEval debriefing were the following:

"The placement of the wing (at shoulder height) required additional effort to clear for other aircraft especially in the traffic pattern. During formation flying, lead had a very difficult time monitoring the wing man due to the wing placement."

"Wing placement blocked visibility at 9 and 3 o'clock."

"Due to the high torque effect of the engine[,]
rudder inputs were constantly needed to fly
coordinated maneuvers."

During the September 16, 1991, OpEval debriefing, the Air Force representatives addressed both the visibility issue and the matter of the engine's high torque effect causing a constant need for rudder inputs. The Air Force endeavored to make clear to Schweizer that, while both issues were

¹The number of aircraft was later reduced to 113 through a modification request. In addition, we note that two contracts were actually issued: one for the aircraft and a separate one for the CLS.

noteworthy, no deficiency was involved in either matter. Transcript (Tr.) at 438-40 (O'Connor).²

The final RFP, which contemplates a firm, fixed-price contract for a base year and six 1-year options, was issued on September 20, 1991. The RFP states that award will be made to the offeror whose proposal the SSA determines can best satisfy the needs of the government, based on the RFP requirements. The four evaluation areas, in descending order of importance, are technical/operational utility (divided into five items), most probable life cycle cost (MPLCC), management/schedule, and logistics support. The technical/operational utility area is to be evaluated both for the soundness of the offeror's approach and for the offeror's having demonstrated understanding of, and compliance with, the RFP requirements. The RFP states that a major part of the source selection process will be based on information collected during the OpEval. Evaluation is based on Air Force Regulation 70-30, which involves the assignment of color codes and risk codes to various aspects of the proposals. Thus, proposals were qualitatively evaluated as blue/exceptional; green/acceptable; yellow/marginal; or red/unacceptable. Separately from these color ratings, proposal risk was assessed as high, moderate, or low.

The final RFP incorporates by reference Department of Defense Federal Acquisition Regulation Supplement (DFARS) clause 252.214-7001, "Domestic Source Restriction (AUG 1987)." The DSR clause provides that only domestic and Canadian sources are eligible for award. The DSR clause was not in the draft RFP, nor was it incorporated by reference or otherwise mentioned in that document. The Air Force apparently incorporated the clause in the final RFP without consideration of its meaning. The agency never intended to limit the procurement to domestic and Canadian sources; and, throughout the source selection process, the agency treated the proposals as if the DSR clause were not in the RFP.

Six proposals were received in response to the final RFP, which was issued on September 20, 1991. Four of those proposals, including Schweizer's and Slingsby's, were included in the competitive range that was established in December 1991.

Schweizer's proposal addressed what it termed the "noncompliances" identified by the Air Force during the OpEval and explained Schweizer's proposed corrective action, if any, for each one. With respect to the visibility

²Transcript citations refer to the transcript of the hearing conducted in connection with these protests.

problem caused by the shoulder-level wing, Schweizer indicated in its proposal that it understood the problem but had decided not to take corrective action:

"The side windows in the rear compartment are enlarged to the greatest extent structurally possible. Schweizer considers the need to move the head to clear above and below the wing a small price to pay for the elimination of the large blind area under the wing of a low wing aircraft. No action proposed."

Concerning the OpEval comment that the engine's high torque effect required constant rudder inputs, Schweizer responded in its proposal as follows:

"With an engine powerful enough to meet the performance goals of EFS, propeller effects will be noticeable. Schweizer will insert a 'NOTE' in the flight manual."

In the evaluation of proposals, Schweizer and Slingsby received identical scores in many areas. The specific differences challenged in Schweizer's protests are discussed here.

For the operational utility item, one of the five items in the heavily weighted technical/operational utility area, Slingsby's proposal was assigned a blue color rating and a low risk evaluation; Schweizer's proposal received a green color rating and a high risk assessment. Schweizer's evaluation reflected the agency's continuing concern about the impact of both the limited visibility caused by the placement of the Schweizer aircraft's wings and the constant rudder inputs required in flying Schweizer's aircraft. The latter concern was the primary reason that the agency evaluators assigned a high risk rating to Schweizer's proposal for the operational utility item. The need for constant rudder inputs was considered to detract from the aircraft's usefulness as a screening vehicle, because the student pilots' preoccupation with the rudder inputs was seen as making it more difficult for the instructors to evaluate the students' capabilities. The visibility limitation associated with the placement of the wings was viewed as possibly necessitating changes to the agency's training program. Despite these concerns, the evaluators found Schweizer's aircraft acceptable for the operational utility item and therefore assigned it a green color rating.

For the manufacturing/quality assurance item (another of the five items in the technical/operational utility area), both Schweizer's and Slingsby's proposals were assigned green color ratings, but the risk associated with Schweizer's

proposal was rated medium, while Slingsby's was low. Schweizer's medium risk rating resulted from the agency's concern that there could be delays caused by the offeror's proposed transfer of manufacturing from Sweden to the United States.

Neither the visibility issue nor the need for constant rudder inputs due to the aircraft engine's high torque effect was the subject of clarification requests or deficiency reports, nor was either subject discussed at the negotiations held with Schweizer on February 24 and 25, 1992.³ Moreover, no changes relevant to the protests were made in Schweizer's best and final offer, which was submitted by the March 30, 1992, due date.

A final briefing was held for the source selection authority (SSA) on April 22, 1992. During that briefing, the chair of the source selection evaluation team (SSET) explained the relative importance of the technical areas and detailed the color ratings and risk assessments for each offeror's proposal in each area. In addition, a copy of the proposal assessment report was provided to the SSA, and the calculation of MPLCC was explained. Because two of the four proposals failed to meet mandatory requirements of the RFP, they were eliminated from consideration for award. As a result, the Air Force was left with a choice between Schweizer's proposal and Slingsby's.

The MPLCC for Schweizer's proposal was calculated as approximately [deleted] lower than Slingsby's: [deleted] versus [deleted]. In the technical/operational utility area, the SSA was told about various strengths and weaknesses of the two proposals, including the rudder input and visibility issues. In the briefing slides shown to the SSA, the rudder input matter was described as "yaw oscillations excessive" and "yaw detracts from screening." The visibility problem was raised using the terms: "side and aft visibility limited."

The SSA questioned the basis for combining a green color rating with a high risk assessment for Schweizer's proposal in the technical/operational utility area. In response, the SSET chair prepared a talking paper on the Schweizer aircraft's yaw characteristics. That paper presented quotations in the area of the engine torque effect and rudder inputs from the observations and evaluations made by the test pilots of the Wright-Patterson pilots during the OpEval; no information based on the Air Force Academy pilots was included in the talking paper. Based on the further

³As explained above, however, both issues were specifically raised during the September 16, 1991, OpEval debriefing.

clarification provided in the talking paper, the SSA concluded that the high risk rating was appropriate for Schweizer's aircraft in the technical/operational utility area.

The SSA determined that the additional technical merit of Slingsby's proposal was worth the higher cost. On the basis of that cost/technical tradeoff, he determined that award should be made to Slingsby.

Schweizer challenges several aspects of the evaluation. First, Schweizer challenges the technical evaluation of its proposal on several different levels: the original evaluations written up by the OpEval pilots; the way those original evaluations were converted into ratings for the operational utility item; and the information which was given (or not given) to the SSA. Second, Schweizer contends that its proposal and Slingsby's were not treated equally. Third, the protester claims that the agency never informed Schweizer of the agency's concerns and thus did not conduct meaningful discussions with Schweizer. Fourth, Schweizer alleges that the agency's calculation of Slingsby's MPLCC was not reasonable. Fifth, Schweizer argues that the cost/technical tradeoff performed by the SSA lacked a reasonable basis. Sixth, Schweizer contends that Slingsby was ineligible for award because it is a United Kingdom source, while the domestic source restriction (DSR) clause prohibits award to a source that is neither domestic nor Canadian. In order to provide a logical order of analysis, we have organized our discussion by substantive technical issue and we address all the protest grounds related to one such issue before turning to the next one.

YAW OSCILLATION

As articulated by Schweizer, the most significant single issue presented in the protest is the reasonableness of the Air Force's conclusion that Schweizer's aircraft was characterized by yaw oscillation. Schweizer's argument focuses on the term "yaw oscillation" itself, which Schweizer defines as a directional movement characterized by a wobbling to the right and left of the nose of the aircraft. Schweizer alleges that "[n]one of the individual evaluators . . . [n]or any of the pilots participating in the [OpEval] noted any kind of 'yaw oscillation.'" Schweizer contends that the only first-hand evaluators, the pilots, observed nothing more than an insignificant characteristic related to rudder sensitivity, and that other agency personnel misunderstood that minor observation and treated it as a significant disadvantage for the Schweizer aircraft. Schweizer claims that yaw oscillation is a serious matter caused either by an aircraft's instability or by pilot behavior, in contrast to the rudder sensitivity

phenomenon noted by the pilots in Schweizer's aircraft, which Schweizer contends is a minor matter that may be easily and inexpensively corrected. In addition, according to Schweizer, the SSA was never told of the pilots' original observations underlying the criticism.

In reviewing a protest against the propriety of an agency's evaluation of proposals, it is not the function of our Office to independently evaluate proposals and to substitute our judgment for that of the agency. Research Analysis and Maintenance, Inc., B-242836.4, Oct. 29, 1991, 91-2 CPD ¶ 387. We will question the agency's technical evaluation only where the record shows that the evaluation does not have a reasonable basis or is inconsistent with the evaluation criteria listed in the RFP. Id.

We need not explore the intricacies of aeronautic terminology, as Schweizer would have us do, in order to resolve the matter, because the record demonstrates that both Schweizer and the SSA were told of the precise nature of the pilots' observations. The technical definition of the term "yaw oscillation" and the question of whether the agency evaluators used it correctly are without consequence here.

Schweizer cannot dispute that at least some of the pilots expressed concern that the high torque effect of Schweizer's engine necessitated constant rudder inputs. Among the pilots' comments handwritten during or immediately after the flight in the Schweizer aircraft were the following:

"Lot of rudder required. Torque."

"Lots of rudder changes due to power setting."

"Excessive [rudder] inputs required."

"Significant rudder throughout."

"Rudder use would present major prob. for student learning."

Those "raw" comments were later written up in consensus reports. The report from the Wright-Patterson pilots included the following description of Schweizer's aircraft:

"Rudder coordination immediately after takeoff was difficult due to the very sensitive rudder and significant engine torque."

"Constant attention was needed to keep coordinated flight during power and airspeed changes due to a

very sensitive rudder and significant torque effects of the engine."

"Rudder coordination required constant attention on final approach due to the sensitive rudder and the significant torque effects of the engine."

Clearly, at least some of the pilots did find that the power of Schweizer's engine and the structure of the aircraft were requiring constant rudder input whenever throttle or airspeed changed, although Schweizer correctly points out that the Air Force Academy pilots did not record criticism in this area. The consensus language from both groups of pilots, however, included the following comments:

"Constant rudder monitoring required."

"Amount of rudder required: continuous and sensitive."

"Constant rudder coordination required."

Schweizer challenges the content of the consensus reports. The protester contends that only a few of the pilots noted the need for constant rudder input due to the significant torque effect of Schweizer's engine, and that the evaluators acted unreasonably in adopting what Schweizer views as the opinion of a minority of the pilots. The agency explains that the pilots reached a consensus judgment that there was a need for constant rudder input with Schweizer's aircraft.

It is proper for technical evaluators to discuss the relative strengths and weaknesses of proposals in order to reach a consensus rating, which often differs from the ratings given by individual evaluators. General Servs. Eng'g, Inc., B-245458, Jan. 9, 1992, 92-1 CPD ¶ 44. Schweizer did not seek the testimony of pilots to challenge the consensus rating or offer any other evidence that there was not, in fact, a consensus among the pilots concerning the rudder input concern. Indeed, even if no consensus had been reached among the pilots and the decision to carry forward this criticism of Schweizer's aircraft had been made by a higher-level evaluator, there would be nothing improper in such action.⁴ The overriding concern in the evaluation

⁴It is for this reason that no impropriety arose from the agency's alleged failure to provide adequate weight to the views of the pilots who flew Schweizer's aircraft at the Air Force Academy. Even if we assume, arguendo, that those pilots all disagreed about the need for constant rudder input in the Schweizer aircraft, the evaluators could

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process is that the final score assigned accurately reflect the actual merits of the proposals, not that it be mechanically traceable back to the scores initially given by the individual evaluators. The Cadmus Group, Inc., B-241372.3, Sept. 25, 1991, 91-2 CPD ¶ 271. Here, the record provides no basis to question whether the final evaluation comments reflected the attributes of the Schweizer aircraft.

The evaluation of the Schweizer aircraft in this area was accurately passed on to the SSA. The talking paper on Schweizer's yaw characteristics provided the SSA with reports from the pilots' observations, including, for example, the following:

"Constant attention was needed to keep coordinated flight during power and airspeed changes due to the very sensitive rudder and significant torque effects of the engine."

The SSA was thus told, without use of the perhaps confusing term "yaw oscillation," that pilots had observed that the high torque effect of Schweizer's engine causes a need for constant rudder inputs. The SSA was thus accurately informed of the pilots' concerns.⁵

⁴(...continued)
reasonably decide, as a matter of technical judgment, to include the criticism in the summary reports and briefing to the SSA. In addition, we note that the record does not support Schweizer's suggestion that the agency was attempting to suppress the allegedly favorable views of the Air Force Academy pilots: the report from those pilots stated that Schweizer's aircraft was "unsuitable" for the EFS mission.

⁵The record does not support Schweizer's argument that it was unreasonable and inconsistent with Air Force Regulation 70-30 for the evaluators to combine a green color rating with a high risk assessment. Schweizer contends that the agency could not properly combine a green rating, whose definition states that any weakness could be easily corrected, with a high risk rating, whose definition indicates that there are concerns that cannot be corrected at all. The combination is permitted under the Air Force regulation, which explicitly provides that "[a]ny risk assessment rating may be used with any color code as appropriate according to evaluation results." It is not unreasonable for an agency to conclude both that a proposal meets solicitation requirements, thus meriting a green color rating, and that the proposal is likely to cause significant
(continued...)

As noted above, the Air Force accurately informed Schweizer of those concerns. During the OpEval debriefing, the Air Force notified Schweizer in writing of the agency's view that, "[d]ue to the high torque effect of [Schweizer's] engine[,] rudder inputs were constantly needed to fly coordinated maneuvers." Because the written debriefing explicitly explained the agency's concerns about the aircraft's high torque effect's requiring constant rudder input, there is no factual basis for Schweizer's allegation that the agency did not identify this concern to Schweizer and thus failed to conduct adequate discussions in this area.⁶ There is no requirement that agencies conduct all-encompassing discussions; rather, agencies are only required to reasonably lead offerors into the areas of their proposals which require amplification or correction. Son's

⁵(...continued)

disruption of schedule or degradation of performance, thus receiving a high risk assessment. Here, the agency reasonably concluded that Schweizer met all the relevant RFP requirements, but that the need for constant rudder input posed a significant risk of interference with the screening of pilots. While Schweizer may quibble with alleged inconsistencies within the agency regulation's definition of rating categories, criticism of the precise wording of the definitions does not form a basis for protest. Assignment of color coding, or grades, is necessarily an inexact science. The relevant standard is whether the agency's evaluation was reasonable and in conformance with the RFP evaluation criteria. Because the Air Force's action in assigning a green/high risk rating to Schweizer met that standard, we deny this ground of protest.

⁶Schweizer claims not to have understood the Air Force's comments during the OpEval debriefing to be directed to Schweizer's aircraft in particular. According to Schweizer, all propellor aircraft experience the phenomenon described in the debriefing, a phenomenon which Schweizer contends should properly be labeled "rudder coordination." Tr. at 522-24 (Schweizer). This argument is without merit. Schweizer apparently concedes that the large size of its proposed engine means that its aircraft does require more rudder input than most propellor aircraft. Tr. at 524, 538 (Schweizer). Moreover, it would have been unreasonable for Schweizer to have assumed that the agency was raising an issue in Schweizer's OpEval debriefing that was merely a characteristic common to all propellor aircraft. The only reasonable interpretation of the agency's criticism is that Schweizer's aircraft is different from other aircraft in this area, which means that something other than routine rudder coordination is at issue.

Quality Food Co., B-244528.2, Nov. 4, 1991, 91-2 CPD ¶ 424.

The Air Force plainly met that standard here, and we consequently find no basis to conclude that the discussions held with Schweizer were other than adequate.⁷

Finally, we note that Schweizer has effectively left unchallenged the substance of the agency's concern that, due to the high torque effect of the engine, rudder inputs would be constantly needed to fly coordinated maneuvers in Schweizer's aircraft. Instead, Schweizer has sought to minimize the impact of this phenomenon. Thus, Schweizer alleges that it is good for a screener aircraft to require frequent rudder input, because it tests the skills of student pilots. Tr. at 544 (Schweizer). Schweizer concedes, however, that whether frequent use of rudder input is a benefit or a detriment in the context of student pilots is a matter of technical judgment and that one "can argue it both ways." Tr. at 543-44 (Schweizer). Thus, we are left with a dispute between the offeror and the Air Force concerning the usefulness to the agency of aircraft which demand constant rudder input. The fact that a procester disagrees with the agency's technical judgment does not

⁷Schweizer also argues that the agency misled it by stating, at the OpEval debriefing, that the rudder input problem was a "minor nuisance." There is no merit in this argument. It appears to reflect merely the agency's desire to make clear that the yaw matter did not rise to the level of a deficiency which was required to be corrected in order for Schweizer's proposal to be acceptable. Tr. at 440 (O'Connor). The agency acted properly in ensuring that the offeror understood that Schweizer's constant need for rudder input was a weakness, but not a deficiency. The message was unambiguously given to Schweizer that the need for constant rudder input was a weakness: when Schweizer argued at the OpEval debriefing that it was a strength that its aircraft's high torque effect compelled student pilots to cope with the need for frequent rudder input, the agency immediately replied that the Air Force did not agree. Id.

The agency did not mislead Schweizer about its concern with the rudder input. Whether a concern, even an apparently minor one, in one proposal will play a significant role in the final source selection decision depends on the technical features and cost of competing proposals, a matter which could not be predicted (nor properly discussed) at the time of Schweizer's OpEval debriefing. Moreover, the written OpEval debriefing listed the need for constant rudder input as one of very few criticisms, and it was prominently placed on the front page of the debriefing document (together with the visibility problem).

itself establish that that judgment is unreasonable and thus does not constitute a valid basis of protest. ESCO, Inc., 66 Comp. Gen. 404 (1987), 87-1 CPD ¶ 450.

VISIBILITY

Schweizer contends that the briefing to the SSA improperly identified the limits on the field of view from Schweizer's cockpit as a significant weakness. Schweizer challenges both the characterization of the matter as significant and the agency's alleged failure to consider the effect of Schweizer's proposal to modify the windows in order to increase the field of view.

Pilots at both Wright-Patterson Air Force Base and the Air Force Academy identified the field-of-view limitation caused by the mid-level placement of Schweizer's wings as a problem. That limitation made it difficult for the lead pilot in a formation to see the aircraft flying at his or her wing. Raising or lowering the seat did not solve the problem. Tr. at 326 (Poronsky). The pilot could overcome the wing's obstruction of the view only by dipping the aircraft's wings, which would cause the aircraft to turn dangerously toward the airplane at the wing, or by attempting to crane his or her head above or below the wing. Tr. at 57 (Christen).

Although it is true that Schweizer proposed to modify the rear compartment windows, the agency concluded that the proposed modification would have affected, at most, aft visibility and could not have expanded the field of view to the side, where the wing location would continue to cause the limitation noted by the pilots. Tr. at 326 (Poronsky). The record reflects that the side visibility problem was consistently the agency's primary concern, and Schweizer has not rebutted the existence of the side visibility limitation caused by the placement of its aircraft's wings. Moreover, as explained above, Schweizer was explicitly advised of the agency's concern during the OpEval debriefing, but decided not to take corrective action. Accordingly, we conclude that the pilots' evaluations were reasonable and were accurately reported throughout the evaluation process, including in the SSA briefing. Because the Air Force specifically raised its concern in this area with Schweizer, there is no basis for the protester's claim that the agency did not conduct meaningful discussions in this area.

RELIABILITY, MAINTAINABILITY, AND AVAILABILITY

Schweizer contends that, in the missionization item, its proposal was given credit only for meeting the maintenance man-hour/flying-hour and mission reliability goals, while Slingsby's allegedly comparable proposal was credited with

exceeding those goals. In fact, both proposals actually received a blue color rating and a low risk assessment for this item. Nonetheless, the agency explains that Slingsby's numbers were considered more reliable, because they appeared in the contractually-binding system requirements document (SRD), rather than merely in the prose of the technical proposal. According to the Air Force, Schweizer committed to less impressive numbers in its binding proposed SRD than elsewhere in its technical proposal, and the evaluators therefore discounted Schweizer's claims to a certain extent. Schweizer has not disputed the agency's contention in this regard. We deny this ground of protest.⁸

MOST PROBABLE LIFE CYCLE COST

Schweizer contends that the agency's calculation of the MPLCC of Slingsby's proposal failed to take into account the allegedly higher cost of training and maintenance arising from use of Slingsby's aircraft, whose frame is made largely of a glass-reinforced plastic composite rather than metal. Schweizer has not established that composite aircraft necessitate higher training and maintenance costs, while both the Air Force and Slingsby contend that use of such aircraft will not cause the agency to incur any additional costs. This protest ground constitutes another instance of disagreement with the agency's technical judgment, which, as noted above, does not form a valid basis of protest.

DOMESTIC SOURCE RESTRICTION

Although Schweizer claims that, in accepting Slingsby's offer, the Air Force improperly waived the DSR clause, the protester has failed to show that it was prejudiced by the agency's action. Prejudice, however, is an essential

⁸Schweizer also challenges various other specific evaluations, including (1) alleged credit given to Slingsby, but not to Schweizer, for [deleted]; (2) credit allegedly improperly given to Slingsby for its use of a Hondo, Texas, location; and (3) the failure to mention, in the SSA briefing, that one evaluator had raised concerns in connection with Slingsby's [deleted]. We deny these protest grounds without extensive discussion, because they lack a basis in the record. Concerning each of these protest grounds, our review of the record indicates, respectively, that (1) neither offeror was given credit for [deleted]; (2) the RFP evaluation criteria permitted the agency to give an offeror credit for use of a Hondo, Texas, location; and (3) the evaluator's concerns were resolved satisfactorily, so that there was nothing unreasonable in those concerns' not being mentioned to the SSA.

element of any protest. Corporate Jets, Inc., B-246876.2, May 26, 1992, 92-1 CPD ¶ 471.

In fact, testimony by Schweizer's EFS program manager directly establishes the absence of prejudice. Although the program manager contended that Schweizer had, on four occasions, opted for domestic suppliers over foreign sources for components, none of those instances arose due to the presence of the DSR clause in the RFP. Indeed, one of the cases arose before issuance of the final RFP; yet it was the final RFP which, for the first time, incorporated the DSR clause. Tr. at 17-18 (Hedden). In each of the other three instances, Schweizer's program manager conceded that the preference for domestic sources for components arose because offering a 100 percent domestic product was a theme of Schweizer's business strategy: the company did not believe that the DSR prohibited use of foreign suppliers for components. Tr. at 16 (Hedden). Under Schweizer's interpretation of the DSR clause, the company would apparently have been free, where it had to choose between foreign and domestic sources, to use foreign suppliers for each of the three components.

Other than in these three instances, Schweizer has not alleged prejudice associated with the DSR clause. We therefore conclude that Schweizer has failed to demonstrate any prejudice in this regard.

COST/TECHNICAL TRADEOFF

Having resolved the challenges to the Air Force's conduct of the technical evaluation, we are left with Schweizer's contention that the agency lacked a reasonable basis to prefer Slingsby's [deleted] more expensive proposal over Schweizer's. Where evaluation criteria state that technical factors are more important than price, agencies are not required to award to the low cost, technically acceptable proposal. Henry H. Hackett & Sons, B-237181, Feb. 1, 1990, 90-1 CPD ¶ 136. Agency officials have broad discretion in performing cost/technical tradeoffs, and the extent to which one may be sacrificed for the other is governed only by the test of rationality and consistency with the established evaluation factors. Grey Advertising, Inc., 55 Comp. Gen. 1111 (1976), 76-1 CPD ¶ 325. Award may be made to a higher rated, higher priced offeror where the decision is consistent with the evaluation factors and the agency reasonably determines that the technical superiority of the higher priced offer outweighs the cost difference. See Sabreliner Corp., B-242023; B-242023.2, Mar. 25, 1991, 91-1 CPD ¶ 326.

Here, the RFP provided that technical factors were more important than price, and the record shows that the agency

had a reasonable basis to find Slingsby's proposal technically superior to Schweizer's.. While Schweizer disagrees with the agency's choice, it has not shown that the cost/technical tradeoff was unreasonable or inconsistent with the RFP's evaluation criteria.

The protests are denied.

James F. Hinchman
General Counsel