



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

11-20-93

REDACTED VERSION

Decision

Matter of: Lockheed Aircraft Service Company
File: B-255305; B-255305.2
Date: February 22, 1994

Robert E. Little, Jr., Esq., and John T. Westermeier, Jr., Esq., Fenwick & West, for the protester.
William A. Bradford, Jr., Esq., and Thomas L. McGovern III, Esq., Hogan & Hartson, for International Business Machines, Federal Systems Company, an interested party.
Gregory H. Petkoff, Esq., and W. Wayne Ross, Esq., Department of the Air Force, for the agency.
Richard P. Burkard, Esq., and John Van Schaik, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that a conversation at a trade show between awardee's representatives and an agency official constituted a violation of statutory procurement integrity provisions and provided the awardee with an unfair advantage in preparing its proposal is denied. The configuration of the helicopter's cockpit, which was the topic discussed by the agency official, was to be determined by the agency after award of the contract (for software and engineering modifications to the helicopter) and was not the subject of the evaluation and there is no indication that the agency official's actions resulted in any advantage to the awardee.
2. Protest against agency's performance risk assessment of protester's and awardee's proposal is denied where agency's evaluation and conclusions reached were reasonable and supported by the record.

DECISION

Lockheed Aircraft Service Company protests the award of a contract to International Business Machines, Federal Systems

The decision issued February 22, 1994, 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]."

Company, (IBM) under request for proposals (RFP) No. F09603-93-R-62801, issued by the Department of the Air Force for modifications to the MH-53J helicopter. Lockheed alleges that a conversation between an Air Force official and IBM representatives which occurred shortly before the issuance of the RFP constituted a violation of the procurement integrity provision of the Office of Federal Procurement Policy Act, 41 U.S.C. § 423 (1988 and Supp. IV 1992) (OFPP Act) and tainted the procurement. The protester also alleges that the agency unreasonably evaluated the performance records of Lockheed and IBM, resulting in an improper selection decision.

We deny the protest.

BACKGROUND

The RFP, issued December 22, 1992, required that the contractor accomplish all design engineering, software development and modification, system integration, kit fabrication, trial installation, and testing necessary to provide 41 MH-53J helicopters with an Interactive Defense Avionics System (IDAS) and Multi-Mission Advanced Tactical Terminal (MATT). The purpose of the modification is to enhance mission capability, readiness, and supportability. In addition to modifying existing equipment, the contractor is to furnish new equipment, software kits, and simulator kits.

The RFP provided that the award decision would be based on an "integrated assessment" of each proposal and that the agency's evaluation of the technical proposal would be more important than its evaluation of price. Under the technical evaluation area, the RFP set forth specific technical items and factors which would be evaluated. In addition, the RFP provided that the proposals would receive a "proposal risk rating" and a "performance risk rating." The RFP explained that proposal risk "assesses the risk associated with the offeror's proposed approach as it relates to accomplishing the requirements of this solicitation" and performance risk "assesses the probability of the offeror successfully accomplishing the proposed effort based on the offeror's demonstrated present and past performance." The RFP provided that in conducting the risk assessments, the agency would use data provided by offerors and obtained from other sources.

The agency received five proposals in response to the RFP. Both the IBM and Lockheed proposals were rated acceptable in each of the technical evaluation areas and were considered to present low proposal risk and moderate performance risk. A moderate risk rating denoted a degree of risk between high and low. The Air Force assigned the performance risk

ratings after considering the contracts identified as relevant by the offerors in their proposals, contractor performance assessment reports (CPAR), data generated from mechanization of contract administration system (MOCAS) reports,¹ as well as questionnaires which were provided to the contractors' customers. The risk assessment also included the past and present performance of proposed subcontractors.

Neither the protester nor the awardee was evaluated as proposing the lowest price. IBM's evaluated price was \$61,274,922, while Lockheed's price was estimated to be [deleted]. The Air Force source selection authority concluded that no other technical proposal was superior to IBM's proposal. The source selection document stated that while IBM did not offer the low price, the difference in price was "more than offset by the superior technical characteristics and mission enhancements afforded by IBM's proposed modification program." Accordingly, the Air Force awarded the contract to IBM.

After learning of the award, Lockheed filed two protests with our Office. The first protest included the allegation that the award was tainted by an improper communication between an Air Force officer and IBM. Lockheed also alleged, based upon negative trade publication articles about IBM's performance on contracts "very similar to" the one at issue here, that the agency should have rated IBM with "unacceptably high risk for past performance." Following a debriefing, Lockheed filed a second protest contesting the performance risk rating assigned to its own proposal and arguing that the agency failed to hold meaningful discussions concerning Lockheed's past performance.

ALLEGED IMPROPER COMMUNICATION

Lockheed alleges that in October of 1992, during the conduct of the procurement, an Air Force source selection official disclosed to IBM proprietary or source selection information concerning this procurement. The protester asserts that this occurred during IBM's participation as an exhibitor at a military trade show, the Old Crows Symposium, which took place at Ft. Walton Beach, Florida on October 27-28, 1992. The protester's argument is based on the fact that during the symposium, the chief of the MH-53J program, an Air Force major, visited the display where IBM and the Harris Corporation, its teaming partner for this procurement, mdisplayed and demonstrated a "mockup" of a helicopter

¹The MOCAS database is maintained by the Defense Logistics Agency (DLA) and contains contractor past performance data.

cockpit, and had a conversation with IBM representatives. Subsequently, on January 8, 1993, the major was named as a member of a 15-person technical team and participated in the evaluation of proposals. The protester claims that the conversation constituted a violation of the OFPP Act.² In the alternative, Lockheed contends that the conversation should be viewed as an improper communication which provided IBM with an unfair competitive advantage.

In response to the allegation, the agency has provided an affidavit from the major describing his conversation with the IBM representatives at the symposium. The affidavit states, in relevant part, as follows:

"I spent about ten or twenty minutes at the IBM booth. . . . I sat in the mockup . . . and looked at how the plastic instrument replicas were positioned on the various panels. I made a comment that when the Cockpit Crew Station Working Groups (CSWG) convened, after contract award, some changes would likely be made. When asked, I gave the example of moving the radar altimeter display to the outside of the left and right cockpit instrument panel, because it made the job of hovering at night easier for the pilot. I also indicated redundant gauges like the cruise guide and eight-day clocks would likely be eliminated. I made the point emphasizing I was not a human factors engineer and this was my personal opinion. I also emphasized any changes and placements of cockpit instruments and final decisions regarding cockpit displays would be determined by the CSWG. The CSWGs will be comprised of pilots and flight engineers who actively fly, and human factors engineers, who as a team would fix the cockpit."

The Air Force maintains that the major's conversation had no bearing on the evaluation process and the source selection since the CSWG, which was to be established after contract award, is to "define the cockpit

²In its initial protest to our Office and in a letter to the Air Force shortly after the Old Crows Symposium, the protester questioned whether IBM's attendance at the symposium and another trade show, which, more, constituted a violation of the Act. The Air Force and IBM responded to the allegation. IBM pointed out, for example, that no violation could occur by IBM's disclosing its own information to the general public at a trade show. In its comments, Lockheed has abandoned this aspect of its argument; instead, it focuses on information allegedly disclosed by the major to IBM.

instrumentation configuration so that it meets contract technical requirements and operational needs." The Air Force states that the RFP sought only a tentative design of the cockpit and required that offerors construct an engineering mockup of the modified cockpit and present recommended instrument panel configurations for review by the CSWG. The agency states that this information was intended to be evaluated to determine "the mockup's capability to support [subsequent] CSWG meetings, and not the configuration of the cockpit" itself. It states further that both IBM and Lockheed received the same rating under this standard and that no evaluation was performed on the cockpit configuration.

The OFPP Act states in pertinent part:

"(b) Prohibited conduct by procurement officials

During the conduct of any Federal agency procurement of property or services, no procurement official of such agency shall knowingly--

(3) disclose any proprietary or source selection information regarding such procurement directly or indirectly to any person other than a person authorized by the head of such agency or the contracting officer to receive such information." 41 U.S.C. § 423(b)(3).

Source selection information is defined as:

"[I]nformation determined by the head of the agency or the contracting officer to be information--

(A) the disclosure of which to a competing contractor would jeopardize the integrity or successful completion of the procurement concerned; and

(B) which is required by statute, regulation, or order to be secured in a source selection file or other restricted facility to prevent such disclosure;

as further defined by regulations issued pursuant to subsection (m) of this section." 41 U.S.C. § 423(p)(7).

The Act's implementing regulations provide that:

"Source selection information is limited to--

- (i) Bid prices submitted in response to a Federal agency solicitation for sealed bids, or lists of those bid prices prior to public bid opening;
- (ii) Proposed costs or prices submitted in response to a Federal agency solicitation (for other than sealed bids), or lists of those proposed costs or prices;
- (iii) Source selection plans;
- (iv) Technical evaluation plans;
- (v) Technical evaluations of proposals;
- (vi) Cost or price evaluations of proposals;
- (vii) Competitive range determinations . . .
- (viii) Rankings of bids, proposals, or competitors;
- (ix) The reports and evaluations of source selection panels . . .; or
- (x) Other information marked as 'SOURCE SELECTION INFORMATION--SEE FAR 3.104' based upon a case-by-case determination. . . ." Federal Acquisition Regulation (FAR) § 3.104-4(k)(2).

Because we are unable to conclude that the information discussed by the major at the symposium constitutes proprietary or source selection information, we find no merit to the protester's contention that a violation of the OFPP Act occurred. Even assuming the major could be considered a "procurement official," we do not think that the information discussed at the symposium--his opinion about an issue which would not be evaluated--constituted source selection information. We do not see, nor has the protester shown, how the major's opinions about the proposed configuration of the cockpit could be considered source selection information under the definition set forth above, particularly given the fact that the RFP had not yet been issued.

Moreover, we agree with the agency that discussing a tentative cockpit configuration could not have given IBM a competitive advantage, since the proposed configuration

was not evaluated. The RFP specifically stated that the cockpit design would be determined by the Air Force after award. As stated, the cockpit design was not listed as a basis for selection nor was it used as a factor in the source selection process. The protester does not rebut the Air Force's position that the major's views about cockpit configuration could not have had any impact on the evaluation. In sum, there is nothing in the record to suggest that the "information" conveyed by the major had any relevance to the source selection. We therefore cannot conclude that the major's conversation concerning the cockpit configuration conveyed a competitive advantage to the awardee during the award selection process. See RAMCOR Servs. Group, Inc., B-253714, Oct. 7, 1993, 93-2 CPD ¶ 213.

The protester also speculates that the award decision was the "direct result of offered enhancements that would have resulted from the kind of operational feedback obtained at the Old Crows Symposium." Lockheed asserts that with one exception, "all of the IBM enhancements mentioned in the [Air Force] Source Selection Decision Document could well have been inspired or confirmed by dialogue between [Air Force] personnel and the IBM personnel conducting the display." Specifically, Lockheed alleges that IBM offered certain "bells and whistles" such as a moding cursor switch, a cursor range/bearing display capability, and a flight director system as a result of the conversation.

There is no evidence in the record that these items were discussed at the symposium or that the major disclosed any information during the conversation which would have provided IBM with an advantage. First, prior to the issuance of the final detailed RFP specifications, a significant amount of interaction took place between the Air Force and the prospective offerors. Several months before the issuance of the RFP, in March and again in July 1992, the statement of work and specifications for the IDAS/MATT modification program were issued to industry for comment. The Air Force reports that comments were received from numerous contractors, including Lockheed. In August 1992, industry representatives were permitted to view the MH-53J helicopter. One day before the symposium, a draft RFP was issued, and finally, a pre-solicitation conference was held in November 1992. The RFP itself, when issued in final form in December, contained nearly 500 pages of detailed specifications.

Second, we have no reason to believe that the major possessed any "key" information not otherwise available to all offerors. Although he was chief of the MH-53J helicopter program, the major was 1 of 15 technical team members and had no extensive involvement with the preparation of the specifications. Nor is there anything

in the evaluation record to suggest that IBM's proposal contained anything unusual or that the firm benefited from any improper advice; its proposal was considered essentially equal to that of Lockheed. In this regard, IBM has shown that each of the enhancements identified by Lockheed had been developed and demonstrated on other programs prior to the symposium.

In light of the extensive interaction between the Air Force and the prospective offerors in developing the RFP's detailed specifications, which were provided to all offerors, and given the major's limited role in the procurement, especially at the time of the conversation, we think that it is doubtful that the major disclosed any competitively useful information to IBM. Accordingly, we conclude that no action by the major conferred an unfair competitive advantage on IBM in this competition.³ See General Elec. Gov't Servs., Inc., B-245797.3, Sept. 23, 1992, 92-2 CPD ¶ 196.

PERFORMANCE RISK ASSESSMENT

Lockheed alleges that the agency's evaluation of its own and IBM's past performance record was flawed, resulting in improper performance risk assessments. In reviewing an evaluation of an offeror's performance risk, we will examine it to ensure that it was reasonable and consistent with the stated evaluation criteria, since the relative merit of competing proposals is primarily a matter of agency discretion. CTA Inc., B-253654, Oct. 12, 1993, 93-2 CPD ¶ 218. As discussed below, we find that the record

³In a footnote in its December 3, 1993 comments, Lockheed first made reference to the fact that IBM's design team included a former Air Force officer. In a later submission, Lockheed argued that this former officer also was a procurement official and that his employment with IBM constitutes a separate violation of the procurement integrity provisions of the OFPP Act. Even assuming that the footnote which first raised this matter could be construed as a new protest ground, it is untimely since it does not independently satisfy our timeliness requirements. Unitor Ships Serv., Inc., B-245642, Jan. 27, 1992, 92-1 CPD ¶ 110. Considered most favorably to the protester, this argument appears to be based on information contained in IBM's proposal, which was provided to Lockheed as part of the original agency report that Lockheed received on November 12. Lockheed was required to raise the issue by November 29, 10 working days later. 4 C.F.R. § 21.2(a)(2) (1993). See Biomedical Research Inc., B-249522, Nov. 25, 1992, 92-2 CPD ¶ 381. Since it did not do so, we will not consider this issue.

supports the Air Force's conclusion that both the Lockheed and IBM proposals presented a moderate performance risk. Accordingly, we have no basis to disturb the award decision.

Lockheed's Rating of Moderate Performance Risk

In response to the RFP's instruction that offerors list relevant past or current contracts, Lockheed included a discussion of the following contracts or programs in the past performance volume of its proposal; (1) Quiet Knight; (2) AC-130 Gunship Special Operations Forces Improvement (SOFI) Kit Development, trial and kitproof installation; (3) Combat Talon I Mod 90; (4) Gunship SOFI Production Installation; (5) Honeywell AV-8 Digital Video Mapping System; (6) Lockheed-Sanders Air Force Mission Support Systems (AFMSS); (7) Special Operations Forces-Aircrew Training System; and (8) Gunship SOFI Interim Contractor Support.

The evaluators summarized Lockheed's performance risk as follows:

"Indications from the CPAR data as well as the questionnaires show that at the beginning of the major programs identified, [Lockheed and its proposed subcontractor, Honeywell] missed certain milestones and then improved as the program developed. There is little previous history to show that [Lockheed or its subcontractor] finish a program very far from the original schedule. Nonetheless, it is evident from the previous contracts identified by [Lockheed] that they may miss early deliveries. Based on the above, some doubt exists that [Lockheed's] team will be able to deliver the required goods or services within the . . . required delivery schedule."

Turning to the specific data relied on, the Air Force found that the AC-130 SOFI Gunship contract was the most similar to the IDAS/MATT effort of any identified by Lockheed. The agency found that Lockheed had experienced considerable cost overruns on that contract and that late data deliverables were a problem. The evaluators noted that Lockheed fully admitted the shortcomings and outlined plans to minimize the problem in the future. In addition, the evaluators discussed favorably Lockheed's performance under two of the other programs listed in its proposal. First, under the SOFI Gunship Production Installation contract, although the evaluators found that "early problems were encountered relating to failure to devote adequate resources," they noted that "these problems were addressed as the program proceeded" and "each of the aircraft receiving the installation was delivered on time or early." With

respect to the other contract discussed, the Combat Talon, the evaluators found that Lockheed's work was reported to be excellent.

The evaluators also criticized the past performance of Lockheed's primary proposed subcontractor, Honeywell. The Air Force evaluation cited four contracts, including two of those listed in Lockheed's proposal under the AV-8 Digital Video Mapping System program, which were "plagued" with schedule problems.

In addition, the Air Force considered MOCAS reports on both Lockheed and Honeywell. For instance, the MOCAS reported that although Lockheed had a high delinquency rate--averaging 23 percent during the previous 12 months--as of July 1993, the firm had only an 8.8 percent delinquency rate. A MOCAS report on Honeywell indicated a contract performance delinquency rate of 25 percent and a current rate of approximately 30 percent. The report also stated that Honeywell had been in the Contractor Improvement Program and on the Contractor Alert List. The Air Force found that "[t]heir current trend gives no indication that they have been able to realize any improvement as a result of changes in management or procedures within the past year or more." Accordingly, Lockheed's proposal received a performance risk rating of moderate.

Lockheed primarily argues that the agency improperly relied on inaccurate data contained in the MOCAS database. Specifically, it contends that the MOCAS data overstates the delinquency rate of Lockheed and its proposed subcontractor, Honeywell. In addition, the protester alleges that the database erroneously stated Honeywell was in the Contractor Improvement Program the first two quarters of 1992 and on the Contractor Alert List for the previous 12 months.

The Air Force responds that the MOCAS data was not a major factor in the evaluation and was used only to show performance trends over a 12-month period. The agency notes that the MOCAS report did not differentiate between types of contracts, supplies, or services and that the data was not helpful for examining strengths and weaknesses on individual contracts. The Air Force states, however, that the information obtained was consistent with the other performance information received such as the CPARs and questionnaires. The Air Force concludes that there was nothing improper in the limited use of the data as an indicator of performance trends.

We agree. The record supports the agency's position that the data was used to identify current trends in overall performance in the most general terms. Moreover, with respect to Lockheed, the MOCAS data revealed a decrease

in its delinquency rate. The data, which in our view was not particularly negative concerning Lockheed's performance, played an insignificant role in the agency's performance risk evaluation. As stated, Lockheed's performance assessment primarily was based on its performance of the contracts cited in its proposal, including the AC-130 SOFI Gunship contract as well as concerns with the performance record of Honeywell. The evaluation record shows that there were late deliveries on some of the contracts identified by Lockheed and, in fact, Lockheed candidly admitted to the late deliveries during discussions and proposed solutions to eliminate future problems.

While the protester disputes the accuracy of the MOCAS information concerning Honeywell's placement in the Contractor Improvement Program and on the Contractor Alert List, the record confirms the agency's findings. The Air Force has provided a statement from a DLA Contractor Alert List manager which states that Honeywell, in fact, was consistently in the Contractor Improvement Program and on the Contractor Alert List.

In addition to challenging the MOCAS data, Lockheed objects to the agency's assessment of its past performance on various other grounds. It states that, contrary to the Air Force's conclusion, Lockheed has appropriate procedures in place for successful management of its subcontractors, and that Lockheed's "late and deficient data deliverables" on the AC-130 SOFI Gunship contract were reasonable under the circumstances.

The record shows that during discussions concerning its performance under the AC-130 contract, Lockheed essentially [deleted].⁴ The fact that Lockheed was aware of problems and working to solve them does not require that the agency conduct their assessment as if the problems did not exist. The record shows in this regard that IBM also had outlined procedures to correct past problems noted by the agency and that the Air Force did not simply accept the procedures as remedying any future problems. In our view, the agency acted reasonably by considering the firm's performance under the AC-130 contract, and we find Lockheed's position in this protest concerning its past performance under this contract to be without merit.

With respect to the evaluation of Honeywell's past performance, the protester alleges that the Air Force's reliance upon Honeywell's performance problems on the QF-106 Full Scale Aerial Target, one of four contracts cited by the

⁴For instance, in response to a discussion question about its performance, Lockheed conceded that [deleted].

agency, was unreasonable because that contract was "largely irrelevant" to the IDAS/MATT effort. The protester has not challenged the Air Force's conclusions with respect to the other three contracts cited.

Concerning Honeywell's QF-106 contract, the record shows that the evaluators were concerned about schedule problems and late deliveries. A discussion question addressed to Lockheed concerning the QF-106 contract specifically invited the protester to "[e]xplain why these problems [mentioned by the agency] are not relevant to the proposed IDAS/MATT effort or if relevant, explain the action you have taken to ensure these problems will not occur with the IDAS/MATT Program." Although Lockheed provided a lengthy response to the agency's discussion question regarding this program, Lockheed did not deny that the QF-106 contract is relevant to the IDAS/MATT contract. Thus, in our view, to the extent that Lockheed contends that some portion or all of Honeywell's performance under that contract was irrelevant, it was given an opportunity to explain why, in its view, performance problems under that contract would not indicate the likelihood of performance problems under this contract. Other than to disagree with the agency on the relevance of the QF-106 contract, the protester has not presented any evidence which would show that the agency unreasonably concluded that the four contracts were plagued with problems. This record affords us no basis upon which to object to the Air Force's performance risk assessment.⁵

IBM's Rating of Moderate Performance Risk

Lockheed argues that the Air Force erred in assigning IBM a moderate performance risk rating. It contends that based upon "published reports of IBM's past performance on several programs very similar to the MH-53J IDAS/MATT

⁵The protester also objects to the Air Force's failure to consider Honeywell's experience under the Air Force's Quiet Knight program. The agency explains that, while the program involved similar technology, it did not consider the program to be useful in predicting Honeywell's performance since, unlike the contract at issue here, the Quiet Knight contract did not require production of multiple units to be installed on a fleet of aircraft, did not require product drawing design data, and did not require development of technical orders. Although Lockheed continues to assert that the Quiet Knight program is relevant based on its similar digital map technology, it has not rebutted the agency's position concerning the significant differences between the two contracts. Accordingly, we find the agency's decision was reasonably based.

program," IBM's proposal "warranted an unacceptable risk rating. . . ." Specifically, it asserts that "[b]eginning with the Air Force HH-60D program in 1983," which involved avionics integration of the HH-60D Night Hawk Helicopter program, as well as its performance under Army contracts for avionics integration for the MH-47E and MH-60K helicopters, IBM's relevant past performance has been plagued with problems. In addition, it cites IBM's performance under the MC-130H Combat Talon II program as an example of poor performance. Lockheed asserts that the Air Force unreasonably failed to consider IBM's performance under these contracts.

The record does not support Lockheed's position. The Combat Talon II was cited by IBM in its proposal, was the subject of discussions, and was specifically mentioned by the evaluators as a contract under which IBM had performance problems. The evaluation record specifically states that "IBM experienced difficulties in managing . . . subcontractors and maintaining contract schedule requirements." It appears that IBM's performance under this contract, as well as the MOCAS data (which Lockheed itself argues is unreliable), were the primary bases for the Air Force's decision to assign IBM a moderate performance risk as opposed to a low risk. We therefore find the protester's argument that the Air Force failed to consider this contract to be without merit.

Concerning the other avionics integration programs which Lockheed cites, Lockheed has provided no information which would suggest that the evaluation of IBM's performance risk was unreasonable. Lockheed alleges first that IBM's HH-60D contract was terminated and speculates that the termination was precipitated by IBM's poor performance. IBM specifically cited this contract as a relevant contract in its proposal and has submitted sworn statements from the former Air Force program manager and the former deputy program manager for the HH-60D program rebutting the protester's assertion. The statements describe IBM's performance as exemplary and explain that the termination was due to fiscal constraints and was not a reflection of any dissatisfaction with IBM's performance.

With respect to the Army contracts referenced by the protester, although those contracts were identified in the past performance section of IBM's proposal along with numerous other IBM contracts, IBM's proposal did not discuss these contracts and the Air Force did not consider them in its evaluation. IBM states that the Army contracts were not discussed in detail in its proposal because IBM's role under those contracts was as a subcontractor under an Army program. In addition, IBM states it did not include a discussion of the Army contracts because the RFP limited

the past performance discussion to fifteen pages. Finally, IBM disputes the protester's conclusions about IBM's performance, which are based on trade journal articles.

We see nothing improper in the awardee's decision not to include a discussion of the Army contracts in its proposal. Moreover, we do not think that it was unreasonable for the Air Force to evaluate IBM's past performance based on the contracts it considered without expanding its review to contracts such as those under the Army MH-47E and MH-60K programs. The fact that the protester has identified contracts which it thinks should have been considered does not render the evaluation unreasonable. We therefore conclude that the Air Force reasonably assigned the IBM proposal a moderate risk rating.

MEANINGFUL DISCUSSIONS

Lockheed also contends that the agency did not hold adequate discussions with it concerning its performance under previous contracts. Generally, the requirement for discussions with offerors is satisfied by advising them of weaknesses, excesses, or deficiencies in their proposals, unless doing so would result either in disclosure of one offeror's technical approach to another or in technical leveling, and by affording them the opportunity to satisfy the government's requirements through the submission of revised proposals. FAR § 15.610(c)(2), (5); General Servs. Eng'g, Inc., B-245458, Jan. 9, 1992, 92-1 CPD ¶ 44. Agencies are not, however, obligated to afford offerors all-encompassing discussions or to discuss every element of a technically acceptable, competitive range proposal that has received less than the maximum possible score. Id.

Here, the Air Force conducted detailed discussions with Lockheed concerning Honeywell's performance under the QF-106 contract and the AV-8 Digital Video Mapping System contracts, Lockheed Sanders' performance under its AFMSS contract, and Lockheed's performance under its Gunship SOFI Production Installation contract, SOFI Interim Contractor Support contract, and Gunship SOFI Kit Development contract. The record does not support the protester's position that the Air Force did not conduct meaningful discussions.

For example, the protester states that, with respect to the Gunship SOFI Interim Contractor Support contract, "[t]here is no reasonable basis to conclude that the language used [in the agency's discussion question] was sufficient to lead [Lockheed] to admit or deny--and discuss its correctives relative to--agency-perceived 'poor' record of subcontractor management." We disagree. The agency's discussion question specifically stated that "you have not been as effective in subcontractor control as desired" and asked why "there is a

lack of aggressiveness in following up on delivery dates and items returned for repair." Moreover, it explicitly asked what action "you have taken to ensure these problems will not occur with the IDAS/MATT Program."

Lockheed also alleged in its initial protest that "to the extent that the agency determine[d] that IBM's proposal was technically superior based on deficiencies in [Lockheed's] proposal," the agency did not provide meaningful discussions to Lockheed. Lockheed asserted that its technical proposal was downgraded for proposed digital mapping system (DMS) modifications which were so complex that they presented a program risk. According to the protester, this issue was not adequately discussed. The agency responded in its administrative report that Lockheed was asked during discussions about whether the DMS was under development and the risk to the IDAS/MATT program and what Lockheed plans to do to mitigate the risks. The report stated further that Lockheed responded to the question by indicating that its proposed DMS is under development, and the Air Force judged the risk potential to be a weakness. We have no basis upon which to challenge this judgment, and we conclude that the agency provided meaningful discussions concerning Lockheed's DMS modifications.

Finally, Lockheed alleged, prior to receiving the agency's report, that the agency improperly found that Lockheed's integration design was weak and should have been the subject of discussions. The Air Force pointed out in its report that equipment installation and locations were discussed in five clarification requests and that Lockheed was rated a "plus in the design integration factor." Since the protester has not responded to the agency's position concerning these issues, we consider the matters to be abandoned and will not address them. See J.M. Yurick Assocs., Inc., B-243806.2, Sept. 16, 1991, 91-2 CPD ¶ 245.

CONCLUSION

Given our conclusions that the agency reasonably assigned both IBM and Lockheed moderate performance risk ratings, and that meaningful discussions were conducted with Lockheed, we have no basis to disturb the award decision. As stated, the proposals were considered essentially equal from a technical and risk standpoint, and the protester has not shown that

determination to be unreasonable. The Air Force's decision to award to IBM at a savings of approximately [deleted] was reasonable.

The protest is denied.

Robert P. Murphy
Acting General Counsel