



Comptroller General
of the United States

1108257

Washington, D.C. 20548

Decision

Matter of: Sunrise International Group, Inc.

File: B-256912

Date: June 20, 1994

Ray E. Baker for the protester.
Wendy A. Polk, Esq., and Riggs L. Wilks, Jr., Esq.,
Department of the Army, for the agency.
M. Penny Ahearn, Esq., and John M. Melody, Esq., Office of
the General Counsel, GAO, participated in the preparation of
the decision.

DIGEST

Agency's cancellation of solicitation after bid opening--on basis that bids received indicate that needs of government can be satisfied by a less expensive article differing from that for which bids were invited--was proper where protester's low bid for short order meals exceeded cost of full course meals under existing contract, leading contracting officer to exercise option under existing contract.

DECISION

Sunrise International Group, Inc. protests the cancellation of invitation for bids (IFB) No. DAKF24-94-B-0012, issued by the Department of the Army for short order meals at the Shreveport, Louisiana Military Entrance Processing Station. The protester contends that the agency lacked a compelling reason to cancel the solicitation.

We deny the protest.

The IFB requested short order noon meals, which included hamburgers, frankfurters, and pizza. The agency's intention in issuing the IFB was to procure a less expensive meal than the full course meal under the existing contract, which costs \$6.25 per meal and includes meat dishes such as steak, veal cutlet, and ham. The protester's bid was low priced at \$6.48 per short order meal, that is, \$.23 more than the existing contract's full course meal. Because the IFB failed to produce a better price or more advantageous offer than that offered by the option under the existing contract, which met the agency's needs, the contracting officer decided that exercising the option was the most advantageous

method of fulfilling the government's needs. As a result, the agency canceled the solicitation. This protest ensued.

Once bids have been opened, award must be made to the responsible bidder which submitted the lowest responsive bid, unless there is a compelling reason to reject all bids and cancel the IFB. Federal Acquisition Regulation (FAR) § 14.404-1(a)(1). The FAR allows for cancellation where the contracting officer determines that the bids received indicate that the needs of the government can be satisfied by a less expensive article differing from that for which bids were invited. FAR § 14.404-1(c)(5); see R.J. Mack Co., B-219359; B-219359.3, Aug. 15, 1985, 85-2 CPD ¶ 175.

The record here indicates that the needs of the government could be met by the less expensive full course meals under the existing contract, which would provide higher quality meals than the solicited short order meals. The savings to the government in canceling the short order meal solicitation and exercising the option under the existing full course meal contract amounts to \$2,619 for the 11,388 meals solicited. Under these circumstances, contrary to the protester's allegation, the agency clearly had a compelling reason to cancel the solicitation.

The protest is denied.

/s/ Ronald Berger
for Robert P. Murphy
Acting General Counsel

¹We note that while the contracting officer did not prepare a formal written determination justifying the cancellation, this procedural inadequacy does not provide a basis to sustain a protest where, as here, the cancellation in fact is warranted. See Adrian Supply Co., B-240871; B-240872, Dec. 21, 1990, 90-2 CPD ¶ 515.