

DATE:December 15, 3976

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Galuraith - Pilot Marine Corporation

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- 1. Although RFP specified part number of item, which only one firm had previously supplied, alternate, qualified, equal, and interchangeable products made by other firms meeting Governpent's RFP requirements can be considered, since these alternate intoducts were not specifically excluded by KFP, albeit that they were not specifically solicited; sevious sole-source firm was nade aware that requirement was going to be completed; and there is no indication of prejudice to potential offerors because of RFP's failure to state "equal" assemblies were exceptable.
- 2. No modification to qualified product portion of ____em offerid by successful offeror under PIP was necessary to meet Government's requirement of interchangeability with previously supplied product, although unqualified portion of item was eltered. In any case, QPL preparing activity, acting within its discretion, has found requalification of product to be not necessary. Therefore, offeror offered qualified product in accordance with RFF QPL requirements and was eligible for award.
- 3. Protests that successful offeror cannot meat requirement that procured items be interchangeable with protester's previously supplied units, without violating proprietary rights and infringing on patents of protester, will not be considered on merits.

The Gelbraith - Pilot Marine Corporation (GPMC) has protested the award of contracts to Beckman Instriments, Inc. (Beckman), under requests for proposals (RFP's) NOC104-76-R-XA31 (-XA31) and NOO104-76-B-1376 (-1376), issued by the Navy Ships Parts Control Center (SPCC), Mechanicsburg, Pennsylvania. RFP -XA31 called for NSN (National Stock Number) 2H 6630-00-983-2579 (NSN-2579), GPMC part number PMC N8LV-MODS salinity indicating cell and valve assemblies. RFP-1376 called for NSN IH 6630-00-983-2577 (NSN-2577), GPMC part number CN8-S3 cell and valve assemblies. The RFP's required the assemblies to be qualified for listing on qualified products list (QPL) 15103-6, dated April 1, 1975. r--185955 B--186168

The Havy has reported that MSN-2579 and MSN-2577 arsomblies are extremely similar. Each designated MSN assembly consists of the same GFMC manufactured call and valve assembly listed on the QFL with different sized flanges, nuts and bolts.

Since these items had previously been supplied only by GFMC, the RFP's were initially issued to GFMC in August and September of 1975. However, in August 1975, the Defense Contract Audit Agency and the Defense Contract Administration Services Region had determined that GFMC's price under a previously swarded latter contract (MOOLO4-75-C-4264) for NSN-2579 assemblies appeared to be excessive. Consequently, in Noveber 1975, after GFMC submitted prices under the RFF's, SFCC contacted other pots tial suppliers of the assemblies, including Beckman, to ascertain whether units equivalent to and interchangeable with GFMC's units could be obtained. In December 1975, Feckman, which also has a call and valve assembly listed on the above QFL, indicated an interest in competing under the RFF's. Therefore, the RFF's were opened for competition.

Although Beckman's assembly is of different construction than the GPHC unit, Beckman guaranteed electrical and machanical interchangeability of its unit with the units previously acquired from GPMC. Beckman also stated that it would manufacture the unit in accordance with Beckman's design approved for listing on QPL 15103-6. Beckman also required centerin additional information about the GPMC unit to assure interchangeability, which SPCC apparently supplied.

The closing dates for raceipt of proposals under the RFP's were on January 30, 1976. Awards were made to Beckman as the low offeror for \$212 per unit under RFP -2579 on February 20, 1976, and for \$248 per unit under RFP -2577 on February 24, 1976.

GFMC has protested that, although Beckman may have qualified assembling for listing on QPL 15103-6, it had not qualified a cell and value assembly in accordance with NSN -2577 and -2579 as required by the RFP's and consequently was ineligible for award. GIMC has also alleged that the Beckman assemblies are not designed to operate interchangeably with the GPMC units currently in use, and the likelibood of malfunctions, damage, sud errors in readings and connections would significantly increase if such an interchange were attempted.

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GPMC also contends that the MFP's, as smended, require interchangesbility to be astablished prior to everd, which the Navy admits Beckman did not establish bare. GPMC finally asserts that GPMC's proprietary data rights (e.g., the temperature resistance characteristic curve data for the thermistor on the GPMC assembly) would have to be violated and various GPMC patents would have to be infringed in order to make Beckman's assemblies interchangeable.

Each RFP schedule specified a National Stock Number and GPMC part number, which (tepresented an item only GFAC had previously supplied, Nowsver, although alternate products were not specifically solicited, the SYP's did not specifically exclude niternate, qualified, equal and interchangeable assemblies meeting the Government's RPP requirements and manufactured by firms other than CPMC. Mornover, since of those firms approached by SPCC which have products lished on the QPL only. Beckman expressed an interest in competing on the RFP's, there is no indication that any potential offeror was projudiced by the RFP's failure to state that "igual" assemblies were acceptable under the RFP's. Finally, the Navy states that GPS: was made sware that the RFP's were Boing to be competed rather than sole-sourced. Under these circumstances. SPCC could consider such alternate essemblize under the RFP's. See B-149962, December 26, 1962; B-164848, October 15, 1968; 48 Camp. Gen. 6CJ, 610 (1969); 48 id. 612, 613 (1969); B-176861, January 24, 1973.

Furthermore, although the Navy clearly apprised Beckwan prior to the closing dates for receipt of proposals that inverchangesbility was an essential requirement, the FFP's did not specifically include this requirement. Nor was there any RFP requirement that interchangesbility be demonstrated prior to sward.

The Beckman contracts awarded pursuant to the RFF's did include a requirement for electrical and machanical interchangeability with the GPMC unit and provide for tests to confirm interchangeability. The Navy reports that the interchangeability tests were successfully completed under the contracts on sample Beckman unit. GPMC has submitted no substantive evidence to indicate that the Backman assemblies to be supplied are not totally interchangeable with GPMC's units.

If a manufacturer, such as Beckman, has modified or changed the material or processing in a qualified product reasonination, retesting and/r removal from the QPL of the product could be found necessary. See pergraph 4-109, <u>Defense Standardization Manual</u> 4120.3-M, January 1972; D. Moody & Co., Inc., 55 Comp. Gen. 1, 28 (1975), 75-2 CPD 1.

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However, it is within the discretion of the QPL-Grepering activity (in the present cash, the Naval Ship Engineering Center (NAVSEC), Hysttsville, Maryland) to determine whether a qualified product; has been "sufficiently" changed to require reexamination, retuining, or removal from the QPL. The preparing activity's determination in this regard will not be questioned absent a clear showing of arbitrary or capricious action. See 52 Comp. Gen. 653, 666 (1973); B-176139, September 26, 1972, affirmed January 24, 1973.

In the present case, the Navy asserts that although the Beckman unit was calibrated electrically, in thermie'r value, to be compatible with GPNC's unit, no modifications to Beckman's qualified cell and valve assembly were necessary to make it interchangeable with GPNC's casembly. The Navy indicates that the flanges of the RFP items were altered in order to meet the interchangeability requirements. However, as indicated above, the flanges are not subject to jualification requirements. In any case, the interchangeability tests were observed by a NAVSEC (QPL-preparing activity) representative, who found that the altered Beckman units did not have to be requalified. In view of the foregoing, it would appear that Beckman was offering a qualified product in accordance with the RFP's requirements and was thus aligibla for award. See 49 Comp. Gen. 224 (1969), affirmed B-165179, B-165800, December 16, 1969; 52 Comp. Gen. supra; B-176159, supra.

Also, we Neve held that protests that patent infringement would result from public order a Government contract are not for consideration by our Office. Rather, any patent holder's remedy against the Government under such circumstances is by (uit in the United States Court of Claims for money damages. See <u>Aeroquip Corporation</u>, B-184598, September 25, 1975, 75-2 CPD 188, and cases cited therein; 28 U.S.C. § 1498 (1970).

Finally, GPMC's contention that its proprietary data rights would have to Eaviolated in order for Beckman to supply an interchangeable assembly relates to Beckman's responsibility, its., Beckman's ability to perform the coltract in accordance with the MPP's requirements. We no longer consider "proprietary data" protests, which either directly or indirectly question another firm's responsibility. <u>Pelarad</u> <u>Blectronics Corporation</u>, B-187517, November 9, 1976. 3-185955 3-186168

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In view of the foregoing; GPM's protect is desired.

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Deputy Comptroller "General" of the United States