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Decision

Matter of: Axxeum, Inc.

File: B-420013; B-420013.2

Date: October 29, 2021

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DIGEST

Agency reasonably rejected protester's quotation as technically unacceptable where the quotation did not clearly show that the vendor's proposed parts met the solicitation's requirements.

DECISION

Axxeum, Inc., a small business of Huntsville, Alabama, protests the issuance of a purchase order to Mereo 4 Holdings, LLC (Mereo), a small business of Chicago, Illinois, under request for quotations (RFQ) No. W58RGZ-21-Q-0002, issued by the Department of the Army, Army Contracting Command-Redstone Arsenal (Army), for Bell Huey II spare parts in support of Lebanon. Axxeum alleges that the agency unreasonably evaluated its lower-priced quotation as technically unacceptable and impermissibly issued the order to a higher-priced vendor.

We deny the protest.

BACKGROUND

On April 22, 2021, the Army issued the RFQ as a combined synopsis/solicitation under commercial item acquisition and simplified acquisition procedures of Federal Acquisition Regulation (FAR) subparts 12.6 and 13.5. The solicitation contemplated the issuance

of a fixed-price purchase order for Bell Huey II spare parts.¹ Agency Report (AR), Tab 4, RFQ at 3.² The RFQ was 100 percent set aside for small businesses and provided for a 1-year period of performance. *Id.* at 1, 3.

The RFQ informed vendors that the purchase order would be issued on a lowest-price, technically acceptable basis, considering the following factors: technical, schedule, and price. *Id.* at 46-47. For the technical factor, the RFQ instructed vendors to propose “the Spare Part by Part Number, specific Material Condition, and Quantity” offered in accordance with the statement of work (SOW) and the spare parts list. *Id.* Vendors were warned that quotations that failed to meet minimum criteria would be technically unacceptable and rejected. *Id.* at 47. The RFQ also provided that the agency intended to issue the order without discussions and that quotations “shall be complete, self-sufficient and directly responsive” to the RFQ’s requirements. *Id.* at 45.

As relevant here, the SOW required the contractor to provide the spare parts in the material condition specified in the spare parts list. AR, Tab 5, RFQ attach. 0001, SOW at 4; AR, Tab 7, RFQ attach. 0003, Spare Parts List at 1. The SOW defined three material conditions: new (NE), overhauled (OH), and new surplus (NS). AR, Tab 5, RFQ attach. 0001, SOW at 4.

The spare parts list identified 16 Bell Huey II helicopter spare parts. AR, Tab 7, RFQ attach. 0003, Spare Parts List at 1. For fourteen of the parts, the spare parts list identified one acceptable material condition code--either NE or OH. *Id.* For the other two parts, part 15, gearbox assembly (T/R), and part 16, gearbox assembly (IGB), the list identified two acceptable material condition codes, OH or NS. *Id.* The RFQ also permitted vendors to propose alternate spare parts so long as vendors provided original equipment manufacturer documentation for the alternate part and clearly stated the part number for which the alternate part was proposed. RFQ at 47.

The Army received timely quotations from five vendors, including Axxeum and Mereo. AR, Tab 11, Unsuccessful Vendor Letter at 1. Although Axxeum submitted the lowest price, the evaluators found Axxeum’s quotation was unacceptable under the technical factor because the quotation “did not clearly state any of the items by part number or the material condition for any of the items being offered.” AR, Tab 10, Technical Evaluation at 2. Mereo submitted the only technically acceptable quotation and had the

¹ Although the solicitation was issued as an RFQ, the parties use the terms vendors and quotations, and offerors and proposals interchangeably. Here, the distinction between a quotation and a proposal has no bearing on our analysis in the protest and therefore, references herein are considered interchangeable. We, however, refer only to the submission of quotations by vendors for consistency.

² The agency amended the RFQ once and all citations are to the conformed solicitation unless otherwise noted. We also note all citations to the record refer to the Adobe PDF page numbers of the document.

second lowest price. AR, Tab 12, Prenegotiation Objective Memorandum/Price Negotiation Memorandum (POM/PNM) at 9.

In accordance with the RFQ, the Army issued the order to Mereo for \$1,650,285 on the basis of the initial quotations received. *Id.* The Army therefore did not establish a competitive range, did not hold discussions, and did not request clarifications. Contracting Officer's Statement and Memorandum of Law (COS/MOL) at 6. This protest followed.

DISCUSSION

Axxeum alleges that the Army unreasonably evaluated its quotation as technically unacceptable. Protest at 3-6. Specifically, the protester argues that the evaluators misinterpreted the RFQ to require vendors to provide information on the proposed parts in a specific format. *Id.* Axxeum also argues that the Army improperly evaluated its quotation using unstated evaluation criteria and elevated an "informational deficiency" related to the RFQ's instructions to an evaluation criterion. *Id.* at 6-8. Axxeum further contends that the agency should have requested a clarification before rejecting Axxeum's quotation as technically unacceptable. Protest at 8-10. For the reasons discussed below, we conclude that the Army reasonably found that Axxeum's quotation was technically unacceptable, and therefore find no basis to sustain the protest.³

Technical Evaluation

As noted above, the Army conducted this procurement using simplified acquisition procedures for commercial items. Simplified acquisition procedures are designed, among other things, to reduce administrative costs, promote efficiency and economy in contracting, and avoid unnecessary burdens for agencies and contractors. 10 U.S.C. § 3205; FAR 13.002; *see also* 41 U.S.C. § 3305 (simplified procedures for small purchases by civilian agencies). When using these procedures, an agency must conduct the procurement consistent with a concern for fair and equitable competition and must evaluate quotations in accordance with the terms of the solicitation. *ERIE Strayer Co.*, B-406131, Feb. 21, 2012, 2012 CPD ¶ 101 at 4. In reviewing protests of an allegedly improper simplified acquisition evaluation, our Office examines the record to determine whether the agency met this standard and executed its discretion reasonably. *Emergency Vehicle Installations Corp.*, B-408682, Nov. 27, 2013, 2013 CPD ¶ 273 at 4. An offeror's disagreement with an agency's evaluation is not sufficient to sustain the protest. *McLaurin Gen. Maint., Inc.*, B-411443.2, B-411443.3, Jan. 14, 2016, 2016 CPD ¶ 41 at 3.

The RFQ instructed vendors to propose "the Spare Part by Part Number, specific Material Condition, and Quantity offered in accordance with (IAW) Attachment 001 titled

³ While we do not address in detail all of the arguments Axxeum raised in its protest, we have reviewed each, and conclude that none of these other protest grounds provides a basis to sustain the protest.

‘Statement of Work’” and attachment 003 titled “Spare Parts List.” RFQ at 46. Vendors were notified that for a quotation to be evaluated as technically acceptable, the quotation must meet stated criteria, one of which was that “[t]he offeror proposed Spare Part by Part Number, specific Material Condition, and Quantity were offered in accordance with (IAW) Attachment 001 titled ‘Statement of Work’ and Attachment 003 titled ‘Spare Parts List’.” *Id.* at 47. Moreover, the RFQ specifically stated that quotations should provide such detail so as to demonstrate that the company understands the scope of the government’s requirements. *Id.* at 45. The evaluators found that “Axxeum, Inc.’s quote did not clearly state any of the items by part number or the material condition for any of the items being offered and is found technically unacceptable.” AR, Tab 10, Technical Evaluation at 2.

Axxeum contends that, in fact, it provided the required information, albeit not in a succinct table. Protest at 5. Axxeum notes that under the technical factor section of its quotation, it proposed to “source, purchase, and consolidate all of the Spare Parts with appropriate part numbers as identified in Attachment 0003 and offered with the quality requirements of Attachment 0001 Statement of Work.” AR, Tab 2d, Axxeum Quotation at 4. Furthermore, Axxeum asserts that its quotation indicated that the proposed parts, including the appropriate part number, were identified in the price section of its quotation. *Id.* Axxeum’s quotation also provided that any deviation from the requested parts listed would be identified and appropriate supporting documentation would be provided. *Id.*

Under the price section of Axxeum’s quotation, Axxeum included a signed standard form (SF) 1449, which included the list of parts identified in the RFQ, and the RFQ SF30 amendment 0001, which also included parts identified in the RFQ. *Id.* at 9. Axxeum inserted its proposed prices on the SF30. Axxeum argues that it clearly linked the technical and price factors in its quotation and that the documents submitted provided the appropriate parts’ information required by the RFQ. Comments at 9-10.

In response, the Army argues that “simply slapping some prices into Section B of the Amendment 0001 RFQ form itself is plainly insufficient to meet the Army’s specific submission and evaluation requirements for the Technical Factor.” COS/MOL at 8. The Army also argues that the technical factor required specific parts information, which Axxeum did not submit and for which it did not provide an explanation. *Id.* at 11. The agency contends that with respect to parts 15 and 16 on the spare parts list, the agency would accept parts with either NS or OH material condition codes. *Id.* at 15. The protester’s quotation did not identify the material condition code for the part it would supply to the Army for either parts 15 or 16. *Id.* Rather, the quotation included the RFQ schedule, which indicated that parts 15 and 16 were to be delivered in either NS or OH condition. AR, Tab 2d, Axxeum Quotation at 26-27. The agency argues that absent specific information from Axxeum as to the part number to be provided and its specific material condition, the Army had no idea what parts--or deviations--Axxeum proposed; therefore, the agency argues, it reasonably concluded that Axxeum’s quotation was technically unacceptable. *Id.* at 15-17.

Based on our review of the record, we find no basis to conclude that the Army's evaluation of Axxeum's quotation was unreasonable or otherwise improper. Although the RFQ did not require vendors to provide technical or price information in a specific format,⁴ the RFQ evaluation criteria did require vendors to provide the part numbers and the specific material condition of the proposed parts, which the protester did not do for all the parts. The protester's quotation did not identify the specific material condition--NS or OH--for either part 15 or part 16. Moreover, the quotation did not specify whether Axxeum was proposing to supply parts that deviated from the spare parts list; the quotation did not identify any alternate part numbers, or provide any other supporting documentation for alternate parts.⁵ Rather, Axxeum included a general statement that it would identify alternate parts and provide appropriate information.

When a solicitation requires the submission of information bearing on technical acceptability, the protester must demonstrate its quotation is technically sufficient; there is no requirement that the government ferret out information with respect to informationally deficient quotations. See *HpkWebDac*, B-291538.2, Jan. 22, 2003, 2003 CPD ¶ 28 at 3. It is a vendor's responsibility to submit a well-written quotation, with adequately detailed information, which clearly demonstrates compliance with the solicitation requirements and allows a meaningful review by the procuring agency. *Barbaricum LLC*, B-416728, B-416728.2, Dec. 3, 2018, 2019 CPD ¶ 153 at 5.

The record shows that the protester did not include the specific information the technical evaluation criteria required. Thus, consistent with the solicitation, the agency reasonably concluded that Axxeum's quotation was technically unacceptable and we find no basis to sustain this protest ground.

Clarifications

Axxeum also argues that if there was an informational deficiency in its quotation, the agency was required to request a clarification before rejecting the quotation. Protest at 8-10. Although Axxeum concedes that the RFQ stated that the agency intended to issue the purchase order without discussions, Axxeum asserts that clarifications are not discussions. *Id.* at 10 n.7. Axxeum also asserts that if the agency had requested a clarification, Axxeum would be able to point to where its quotation included the information the evaluators were seeking. *Id.*

As noted above, the Army conducted this acquisition using simplified acquisition procedures. These procedures grant contracting officers broad discretion to develop suitable evaluation procedures and do not require the agency to engage in exchanges,

⁴ See RFQ at 46 ("There are no page limits or formatting requirements for the offeror's quote.").

⁵ As noted previously, the RFQ permitted vendors to propose alternate spare parts so long as vendors also provided manufacturer documentation for the alternate part and clearly stated what part number for which the alternate part was proposed. RFQ at 47.

either clarifications or discussions, with vendors after quotations are submitted. See FAR 13.106-2(b); *United Coatings*, B-291978.2, July 7, 2003, 2003 CPD ¶ 146 at 12-13. A vendor does not have an automatic right to clarifications regarding its quotation. *PN & A, Inc.*, B-406368, Apr. 23, 2012, 2012 CPD ¶ 145 at 5. Consequently, the protester's contention provides no basis to sustain this ground of protest.

The protest is denied.

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General Counsel