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DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

9687

FILE: B-193980

DATE: April 5, 1979

MATTER OF: Specialty Tools, Inc.

DIGEST:

Under 15 U.S.C. § 637(b)(7), [Small Business Administration (SBA) has authority to issue or deny certificate of competency] (COC) and GAO will not review SBA determination, require issuance of COC or require reopening of case when COC has been denied.

Specialty Tools, Inc. (STI), protests award to any bidder other than itself under solicitation Nos. FTAN-EU-98262-A-11-30-78, and FTAN-E2-95176-A-9-27-77 issued by the Federal Supply Service, General Services Administration (GSA). STI states, in essence, that it was the apparent low bidder but was found nonresponsible on the basis of negative recommendations contained in its plant facilities reports, conducted by GSA.

STI contends that information contained in these reports is inaccurate; STI further asserts that:

". . . [It] belie[ves] that the real reason, and the only reason, for the negative recommendations of the two plant facilities reports . . . is that Mr. Patrick O'Connell, formerly a principal in Specialty Tools, Inc., is president of R & O Industries [STI's supplier for the solicited items] The government is determined not to do business with STI because of R & O. This can be termed nothing less than a vendetta, and a vendetta is no ground for denial of a contract where a contractor is low bidder"

GSA has advised us that Solicitation No. FTAN-E2-95176-A-9-27-77 has been withdrawn and the procurement cancelled. GSA informed the Small Business Administration (SBA) that it proposed rejecting the STI bid on the other solicitation because of the negative plant facilities report, and requested an SBA determination. By letter dated February 21, 1979, the SBA declined to issue STI a Certificate of Competency (COC) for this procurement.

Under 15 U.S.C. § 637(b)(7), as amended by Pub. L. 95-89, § 501, 91 Stat. 561, August 4, 1977, the SBA has authority to make final disposition of questions concerning the responsibility of a

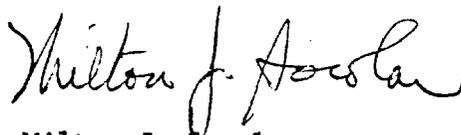
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small business concern to receive and perform a specific Government contract. Our Office will not review this SBA determination, nor will we require SBA to issue a COC, or reopen a case when a COC has been denied. Semco, Inc., B-192623, August 28, 1978, 78-2 CPD 147; Tri Rivers Ambulance, Perman Ambulance Service, Inc., B-190326, April 18, 1978, 78-1 CPD 299; Clarksburg Coating Corporation, B-189418, September 2, 1977, 77-2 CPD 172; 53 Comp. Gen. 344, 346 (1973); Cf. Specialty Tools, Inc., B-193649, February 16, 1979, 79-1 CPD 119.

STI's allegations of GSA's motive in making its negative reports is unsupported and it is not the practice of our Office, pursuant to our bid protest function, to conduct investigations for the purpose of establishing the validity of a protester's speculative statements. Fire & Technical Equipment Corp., B-191766, June 6, 1978, 78-1 CPD 415.

We note that under SBA regulations, a firm which has been denied a COC may request a meeting with SBA to discuss the reasons for denial for the purpose of enabling the applicant to improve or correct its capacity or credit for future procurements. 13 C.F.R. § 124.8-16(d) (1978).

The protest is dismissed.



Milton J. Socolar
General Counsel