

DECISION



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Mr. Klemm
THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D.C. 20548
200-032260

FILE: B-196425

DATE: November 5, 1979

MATTER OF: Custom Antenna Service Inc. ✓

[Protest Alleging Awardee's Bid Price Was Unrealistically Low]

DIGEST:

1. There is no requirement in advertised procurements, other than construction procurements, that procuring activity prepare cost estimate.
 2. Low bidder is not precluded from award simply because it may have bid too low and may suffer loss on contract.
 3. When it is clear from initial submission that protest has no legal merit, decision will be rendered without requesting report from procuring activity.
- AGC
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The Walter Reed Army Medical Center (Army) issued invitation for bids (IFB) DADA15-79-B-0062 for the installation of backplate supports and power disconnect units for patient television sets. Eleven bids were solicited. Three bids were received, which ranged in price from \$24,999 to \$83,400. Custom Antenna Service Inc. (Custom) submitted the high bid. The Army advised Custom that it had not been selected for award because it was not the low bidder. Custom subsequently filed a protest with the Army and with our Office.

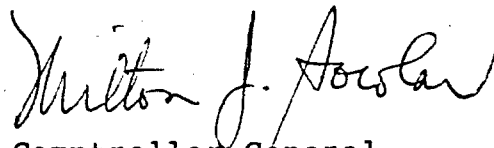
The bases of protest are that the Army had not prepared a cost estimate, and the awardee's bid price was unrealistically low.

There is no requirement in advertised procurements, other than construction procurements, for the Government to prepare a cost estimate. In the instant case, the Army solicited a service contract. Furthermore, we have consistently held that the fact that the low bidder may have bid too low and may suffer a loss on the contract does not preclude an award to that bidder. Moorehead Electric Co., Inc., B-192075, August 9, 1978, 78-2 CPD 109.

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Because we believe that it is clear from Custom's initial submission to our Office that the protest is without legal merit, this decision has been reached without requesting a report from the procuring activity, pursuant to our Bid Protest Procedures, 4 C.F.R. § 20.3(c) (1979). Inflated Products Company, Inc., B-190877, May 11, 1978, 78-1 CPD 362.

Accordingly, the protest is denied.

A handwritten signature in dark ink, appearing to read "Milton J. Fowler". The signature is fluid and cursive, with the first name "Milton" being the most prominent.

For The Comptroller General
of the United States