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DECISION



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

[Protest Against IFB Specifications]

FILE: B-199015

DATE: January 7, 1981

MATTER OF: Autologic, Incorporated

DIGEST:

Protest that specifications in IFB are restrictive is denied where specifications reflect agency's minimum needs. Allegation that other procuring agencies may use the specifications as starting point for their procurements to the detriment of photocomposition industry is without merit as each procurement must be justified as reflecting agency's minimum needs.

Autologic, Incorporated (Autologic), has protested the specifications contained in invitation for bids (IFB) No. 12412 issued by the Government Printing Office (GPO) as being unduly restrictive of competition.

The IFB is for a Utility Cathode Ray Tube Typesetter, a photocomposer that produces formatted, typographic-quality text matter, either in full size or on microfilm. The typesetter is to expand the capacity of the Electronic Photocomposition Division at GPO and will be used with three VideoComp 500 photocomposers.

Prior to bid opening, Autologic protested to our Office that the IFB, as issued, was restrictive of competition because the specifications could only be met by equipment manufactured by Information International, Inc. (III). III is the producer of the VideoComp. Autologic argues that a system it offers will meet the needs of GPO if the restrictive specifications are deleted.

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Initially, Autologic objects to section F.2.3 of the mandatory specifications which reads as follows:

"The Full Size Output System shall be controlled by means of a CPU contained in the system. This CPU and associated software shall enable the system to accept typesetter drive tapes written for input to systems which use the Information International Inc. (III) 500 BIL software to control the type-setting device."

This specification, according to Autologic, requires suppliers other than III to develop software to emulate III equipment and to redesign their systems, both involving considerable expense and giving III a substantial competitive advantage. Autologic suggests that a "generic" software package be utilized which is compatible with systems offered by other suppliers.

GPO has responded that the software required is not dictated by the III equipment but by the "full face" cathode ray tube (CRT) technology utilized by the VideoComp and the Linotron 1010 (which this unit will replace). GPO states this technology began with the Linotron 1010's in 1967 and III is the only active vendor which has incorporated this technology into its full-size output.

GPO, following the Autologic protest, considered modifying its software for use by machines which use the "limited window" technology employed by Autologic and other firms. GPO estimates the conversion would cost \$30,000 or more and result in a less efficient software package. Further, GPO notes that such a revision would increase composition computing time by 25 percent (because of an extra translation pass) and since current annual computer cost is over \$1 million, this represents a \$250,000 increase in costs.

Autologic disagrees with the above statements, contending that these cost figures were arrived at in a vacuum because GPO had no proposal from Autologic or other vendor on which to base its estimate and

that the discussion ignores certain areas in which Autologic contends its system is superior to the VideoComp. However, it is clear from the record that GPO considered Autologic's position with regard to the software and concluded that it would not be economically feasible to modify the software. Whether the cost figures are exact does not change the conclusion reached by GPO.

The same specification section requires that the equipment offered utilize existing typesetting fonts which are currently being used by GPO, stating, in pertinent part, as follows:

"The CPU and associated software shall permit the system to accept, store and use all of the present library of character fonts which GPO has purchased from Information International Inc. (III) for use on their Videocomp 500 phototypesetters."

The fonts being used by GPO are proprietary to III, which has prohibited GPO from providing the fonts and supporting documentation to other suppliers. Therefore, Autologic argues there is no method by which another supplier can fulfill this requirement.

GPO contends that it has no economic alternative but to utilize the III fonts. The current value of the fonts GPO now possesses is \$137,515 and since GPO is now converting from hot metal to phototypesetting, an additional \$134,400 of fonts would have to be purchased. To have to duplicate these fonts for another phototypesetter would require GPO to expend over \$500,000. This expenditure is avoided by requiring compatibility with the III fonts by the bidders.

In summary, Autologic contends that it can meet every functional need of GPO's requirement; however, because of the design nature in which the specifications are drawn, only III can offer its standard equipment and be responsive. GPO has determined that it is essential to its needs to require the "full-face" technology from a compatibility standpoint and for economic reasons.

Procuring activities have broad discretion in drafting specifications reflecting their minimum needs and such a determination of minimum needs will not be disturbed by our Office unless it is clearly shown to be without a reasonable basis. Digital Equipment Corporation, B-183614, January 14, 1976, 76-1 CPD 21. Based on our review, we subscribe to GPO's position set forth above, and we find that GPO has adequately justified its minimum needs. While GPO disputes Autologic's contention that the IFB contained design specifications, we note that even if the specifications are design rather than functional in nature, this does not automatically render the invitation restrictive unless the design specifications exceed the Government's minimum needs. G. A. Braun, Inc., B-189563, February 1, 1978, 78-1 CPD 89. Moreover, we have recognized that where an item being procured must be compatible with existing Government-owned equipment, competition may be restricted. Tele-Dynamics Division of Ambac Industries, Inc., B-187126, December 17, 1976, 76-2 CPD 503; and Christie Electric Corporation, B-197481, October 14, 1980, 80-2 CPD 273.

Finally, regarding Autologic's position that the procurement should have been sole source because other agencies look to GPO for guidance and would assume these specifications were the minimum needs of such a procurement, we make the following observations. Two bids were received by GPO--the low bid from III and another responsive bid which offered an item of III equipment and a microfiche recorder. Therefore, since there was the possibility of competition, a sole-source purchase would have been improper. Concerning Autologic's allegation that this procurement will have an effect on other agencies which would use GPO's specifications as a starting point for their procurements, we point out that every set of specifications must be justified as reflecting the agency's minimum needs. We note that the procurement which Autologic cites as an example of this type of problem has been canceled and the agency's requirement is being reevaluated following discussions with GPO and the Joint Committee on Printing because the other agency could not justify the statement of its minimum needs.

The protest is denied.

A handwritten signature in cursive script that reads "Milton J. Rowles".

For the Comptroller General
of the United States