

DECISION

1506-215
24097
**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

FILE: S-210045**DATE:** January 24, 1983**MATTER OF:** S.A.F.E. Export Corporation**DIGEST:**

Protest that firm would have submitted lower quotation for five smoke alarms but for the fact that the person soliciting quotations allegedly did not inform the protester that he was seeking quotations for the U.S. Government--rather than for a commercial firm--does not provide basis to object to award since the agency ultimately purchased the alarms not on the basis of competitive quotations but rather from a local firm in compliance with Defense Acquisition Regulation § 3-604.1 which does not require competition for small purchases not in excess of \$1,000.

S.A.F.E. Export Corporation protests the Department of the Army's handling of a small purchase procurement for smoke alarms by the United States' NATO/SHAPE Support Group in Brussels, Belgium. We deny the protest.

S.A.F.E. contends that it was contacted in its Frankfurt, Germany, and Antwerp, Belgium, offices by someone requesting a quotation for five smoke alarms. S.A.F.E. claims that the person requesting the quotation never identified himself as a U.S. Government contracting person, nor did he describe the project for which the smoke alarms would be used. As a result, S.A.F.E. alleges that it assumed the smoke alarms were being solicited by a commercial--non-U.S. Government--source, and therefore S.A.F.E. offered its commercial price which is higher than its U.S. Government price. S.A.F.E. asserts that had it known it was submitting a quotation on a U.S. Government requirement, it would have offered to furnish the five smoke alarms for a total price of \$62.50, or \$27.27 less than the Government paid. In summary, S.A.F.E. asserts that it was not given a fair opportunity to

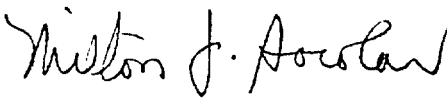
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offer its low U.S. Government pricing because of the alleged nondisclosure by the person requesting the smoke alarm prices that he was a U.S. Government contracting agent.

The Army reports that it purchased five ionization type smoke alarms from a local firm. In this regard, the Army notes that although S.A.F.E. initially was contacted and requested to quote a price because the Army knew of its interest in selling smoke alarms, the urgency of the requirement for the smoke alarms ultimately led to the Army's determination to make the purchase immediately from a local firm offering the alarms at what it considered to be a reasonable price.

In these circumstances, we cannot legally object to the award. Although S.A.F.E. was contacted initially, the Army did not make award on the basis of competitive quotations. Instead, the Army determined that it needed to procure the alarms locally and did so pursuant to the authority of Defense Acquisition Regulation § 3-604.1 (1976 ed.), which permits purchases not in excess of \$1,000 to be made without competitive quotations if the price is considered reasonable. This regulation points out that the administrative cost of determining the reasonableness of the price through competition may far exceed the potential savings. Since the contracting officer found the price reasonable, the purchase was proper.

The protest is denied.

for 
Comptroller General
of the United States