

DECISION



27114
THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D.C. 20548

FILE: B-211240

DATE: December 27, 1983

MATTER OF: MASSTOR Systems Corporation

DIGEST:

1. Decision to procure mass storage devices as part of total system procurement, based on requirement for contractor to be responsible for total system integration and installation, is reasonable, notwithstanding Navy's recitation of additional questionable bases for decision.
2. Protester, supplier of mass storage devices, lacks requisite interest to protest agency requirement for MVS/XA operating system where protester is affected only indirectly by requirement and parties directly affected fail to file timely protests.

MASSTOR Systems Corporation (MASSTOR) has filed a protest against request for proposals (RFP) No. N66032-82-R-0023 issued by the Department of the Navy's Automatic Data Processing Selection Office (ADPSO). Amdahl Corporation (Amdahl) and ViON Corporation (ViON) have participated in this protest. We deny the protest in part and dismiss it in part.

The RFP seeks a single prime contractor to provide a large scale IBM-compatible computer system, including hardware, software, contractor support and documentation. The hardware includes a requirement for a mass storage device. (Mass storage devices are essentially mechanical libraries capable of holding large volumes of data.) The requirement for contractor support includes the preparation of detailed systems installation management plans and detailed wiring and interconnection diagrams and the providing of all cables and connectors needed to install and operate the proposed equipment. The system will be used to handle the combined data processing functions of the Navy Finance Center and the Navy Military Personnel Command. The closing date for receipt of initial proposals was April 29, 1983.

123135
027507

MASSTOR, a supplier of IBM-compatible mass storage equipment, contends that the mass storage device is appropriate for breakout as a separate item and contends that the Navy's insistence upon a single prime contractor violates the requirement for maximum practicable competition. In this regard, MASSTOR argues that the Navy justified the single prime contractor requirement on the basis of administrative convenience and personal preference and points out that we have previously not considered these as sufficient bases for restrictions on competition, citing Bath-Air, Inc., B-204574, December 29, 1981, 81-2 CPD 509; Washex Machinery, Inc., B-191224, July 20, 1978, 78-2 CPD 54; and Interscience Systems, Inc.; Amperif, Inc., B-201943, B-202021, August 31, 1982, 82-2 CPD 187.

The Navy states that this procurement covers a broad spectrum of vendor support over the life of the system, that breaking out components would require additional time and resources to support multiple acquisitions, and that the presence of multiple vendors would complicate problem resolution and could jeopardize the integrity of the system. The Navy also argues that MASSTOR could have competed for this contract as either a prime contractor or as a subcontractor to another offeror and was not, therefore, excluded from the competition.

MASSTOR responds to the Navy's last point by arguing that a requirement in the RFP for the contractor to provide the MVS/XA operating system effectively precluded participation by any company other than IBM and denied MASSTOR the opportunity to find an IBM competitor, such as Amdahl or ViON, with which to team on this procurement. (MVS/XA is a relatively new operating system which was available only from IBM during this period.) Both Amdahl and ViON brought this matter to the attention of ADPSO prior to the solicitation closing date, but neither, to our knowledge, brought the matter up again until each participated in a conference on MASSTOR's protest held in our Office on June 16, 1983, well after the closing date for receipt of initial proposals.

It is well settled that the decision whether to procure by means of a total package approach rather than by separate procurements for divisible portions of a requirement (i.e., component breakout) generally is a matter within the discretion of the contracting agency. Interscience Systems, Inc., B-201890, June 30, 1981, 81-1 CPD 542. We will not disturb an agency's decision to procure on a total package basis, or the technical judgment forming the basis for that decision, absent a clear showing that the determination lacks a

reasonable basis. Control Data Corporation, 55 Comp. 1019 (1976), 76-1 CPD 276.

Although, as MASSTOR contends, the Navy may have suggested several questionable justifications--primarily matters of administrative convenience--for its single prime contractor requirement, we note that these were stated merely as an adjunct to an underlying requirement for the contractor to be responsible for all aspects of the integration and installation of this large and complex computer system. We think the Navy's evident concern for the technical integrity and performance of the system provides a reasonable basis for the Navy's actions, notwithstanding the recitation of additional questionable bases, a situation not unlike that in Interscience Systems, Inc.; Amperif, Inc., supra, cited by MASSTOR.

In view of the foregoing, we cannot object to the Navy's single prime contractor requirement. The protest is denied to this extent.

We will not consider the objections raised by Amdahl and VION to the Navy's requirement for MVS/XA. As we noted above, this matter was brought to the attention of ADPSO prior to the solicitation closing date. We can look at this in either of two ways: (1) This communication was not a protest and, therefore, no protest was filed prior to the solicitation closing date--as would be required in order for a protest against such an obvious alleged impropriety to be timely, see 4 C.F.R. § 21.2(b)(1) (1983); or (2) this communication was a protest, but no further protest was filed with our Office within 10 working days of the Navy's initial adverse agency action--closing the solicitation without changing this requirement--as would be required for the protest to be timely. See 4 C.F.R. § 21.2(a) (1983); PRC Government Information Systems, division of Planning Research Corporation, B-203731, September 23, 1982, 82-2 CPD 261. In either case, the protest would be untimely.

Neither will we consider MASSTOR's challenge to the propriety of the Navy's requirement for MVS/XA. Our Bid Protest Procedures provide that for a protest to be considered by our Office, the protester must be an "interested party." 4 C.F.R. § 21.1(a) (1983). In determining whether a party satisfies this requirement, we examine the extent to which the asserted interest is both established and direct. American Satellite Corporation (Reconsideration), B-189551, April 17, 1978, 78-1 CPD 289. We find that MASSTOR lacks the requisite degree of interest to challenge this requirement.

The RFP's requirement for MVS/XA effectively limited this acquisition to IBM computers (as opposed to peripheral equipment, such as mass storage devices)--whether supplied by IBM or third-party vendors. Consequently, only vendors of IBM-compatible computers, such as Amdahl and VION, were directly affected and these parties apparently elected not to pursue this objection. MASSTOR's interest in this question is, at best, indirect, flowing to MASSTOR only through one of these two directly affected potential offerors. In these circumstances, we find that MASSTOR lacks the requisite interest under our procedures to challenge this requirement. The protest is dismissed on this question.

The protest is denied in part and dismissed in part.

for *Harry R. Van Cleave*
Comptroller General
of the United States