

DECISION

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

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FILE: B-217472**DATE:** March 18, 1985**MATTER OF:** Dynalelectron Corporation--PacOrd, Inc.**DIGEST:**

1. Protest allegation that awardee's proposal price is unbalanced made by offeror not in line for award if protest is upheld is dismissed because protester does not have the requisite direct and substantial interest with regard to award to be considered an interested party under GAO Bid Protest Procedures.
2. Procuring agency is not required to discuss all inferior or inadequate aspects of proposal which is found to be technically acceptable.

Dynalelectron Corporation, on behalf of its subsidiary, PacOrd, Inc. (PacOrd), protests the award of contract No. N00189-85-D-0030 for engineering and technical support services to RCA Corporation, RCA Service Company (RCA), under a request for proposals (RFP) issued by the Navy. PacOrd asserts that its proposal was not properly evaluated and that RCA submitted a materially unbalanced proposal which should have been rejected.

We dismiss the protest in part and deny it in part.

Regarding the award to RCA, the record indicates that the contracting officer determined that RCA should be awarded the contract on the basis of the highest combined total technical and price score of 100. The record also shows that the next highest evaluated offeror was Jonathan Corp. with a total score of 96.68, followed by Unidyne Corp. with a total score of 88.92. PacOrd is fourth high with a total of 86.56. Thus, even if PacOrd's protest that RCA's proposal should have been rejected as unbalanced was sustained, the protester is not next in line for award based on its evaluation score. Therefore, the protester does not have the requisite direct and substantial interest

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to be considered an interested party under GAO Bid Protest Procedures, 4 C.F.R. § 21.1(a) (1984); Lockheed Engineering and Management Services, Incorporated, B-212858, Dec. 23, 1983, 84-1 C.P.D. ¶ 18.

PacOrd contends, however, that it should be considered an interested party because, under certain circumstances, it could be in line for award if RCA's proposal was rejected as unbalanced. In particular, PacOrd points out that clause M302(c) of the RFP provides that where competing proposals are determined to be substantially equal technically, price will be the controlling factor. PacOrd asserts that since it was the lowest price offeror in the competitive range, other than RCA, it could be in line for award on this basis if RCA's proposal is rejected.

PacOrd's allegation is factually inaccurate. Another offeror, Continental Page, Inc., which was included in the competitive range, had a lower priced proposal than did PacOrd. In addition, the clause referenced by PacOrd provides in full that price is not expected to be the controlling factor in the selection of a contractor, although it is an important factor. In fact, the price/technical tradeoff assigned technical 85 points and price only 15 points. PacOrd's technical score was approximately 15 percent lower than Jonathan Corp.'s technical score (the offeror with the second high combined point total). Under these circumstances, it is implausible that PacOrd would have been considered substantially technically equal to Jonathan Corp.; thus, price alone would not have become the basis for award, even if RCA's proposal had been rejected. Accordingly, we dismiss this aspect of the protest.

PacOrd's other argument is that the Navy failed to reevaluate PacOrd's revised technical proposal. PacOrd alleges that although it revised its proposal to remedy the deficiency which was brought to its attention by the Navy, PacOrd's score remained unchanged after submission of the revised proposal. The Navy contradicts this assertion. Although PacOrd's technical score remained unchanged, the record contains a November 16, 1984, technical evaluation summary of PacOrd's initial proposal and a December 22 revised evaluation summary of PacOrd's revised technical proposal which make it clear that the revised proposal was separately evaluated.

In response to the agency report, PacOrd added an allegation that it was not adequately notified of the

deficiencies in its proposal. In support of this allegation, PacOrd points out that one of the evaluators assigned PacOrd a zero score on one of the subfactors, "understanding and approach," but that this deficiency was not brought to PacOrd's attention.

As a general rule, the content and extent of discussions is a matter of judgment primarily for determination by the procuring agency and is not subject to question by our Office unless it is clearly without a reasonable basis. Washington School of Psychiatry, B-189702, Mar. 7, 1978, 78-1 C.P.D. ¶ 176. In the conduct of discussions, an agency is not obligated to advise the offeror of every proposal inadequacy short of a deficiency, nor to afford the offeror all-encompassing negotiations, beyond advising the offeror, in as specific a manner as practical, of the corrections required in its proposal. Dynalelectron Corporation, B-199741, July 31, 1981, 81-2 C.P.D. ¶ 70; Gould Inc., B-192930, May 7, 1979, 79-1 C.P.D. ¶ 311.

PacOrd was specifically advised of its deficiency under technical factor 1, "understanding and approach." This factor counted for 30 points out of a total possible technical score of 85 points, and PacOrd lost more than 10 points as a result of its deficiency under this factor. PacOrd's total technical score was 72.71; therefore, PacOrd lost less than three points as a result of its evaluation for all of the other three categories, which accounted for 55 technical points. Accordingly, we believe that the Navy reasonably apprised PacOrd of the deficiencies in its proposal and was not obligated to provide additional information regarding minor proposal inadequacies. We note that even if PacOrd received the maximum technical score on all three factors, other than understanding and approach, it would not have changed PacOrd's technical ranking as fourth high and, therefore, PacOrd was not prejudiced as the result of not being advised of these relatively minor inadequacies.

Accordingly, we dismiss the protest in part and deny it in part.

for *Rayman E. Egan*
Harry R. Van Cleve
General Counsel