



Comptroller General
of the United States
Washington, D.C. 20548

1142214

Decision

Matter of: Knoxville Glove Company
File: B-251598
Date: April 21, 1993

Rodman Townsend, Jr., for the protester.
William Collett for Nationwide Glove Company, Inc., an interested party.
Michael Trovarelli, Esq., Defense Logistics Agency, for the agency.
Henry J. Gorczycki, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that multiple awards should be made because this would result in a lower price to the government because of the nature of the stepladder pricing of the offers is denied, where the tenor of the solicitation is that a single award in the aggregate would be made.

DECISION

Knoxville Glove Company protests an award to Nationwide Glove Company, Inc. under request for proposals (RFP) No. DLA100-91-R-0552 issued by the Defense Logistics Agency (DLA) for work gloves. Knoxville asserts that it submitted the lowest price for a portion of the requirement and therefore, DLA should have made multiple awards with Knoxville receiving an award for that portion of the requirement on which its price was low, since its proposal was otherwise technically equal to Nationwide's proposal.

We deny the protest.

DLA issued the RFP on December 12, 1991, contemplating the award of a firm fixed-price supply contract. The RFP stated a requirement for 74,520 pairs of a single type and style of glove with an option for an additional identical quantity. The RFP included a price schedule requesting a price for

24,840 pairs of the base quantity (Freight on Board (FOB) Destination--Mechanicsburg, Pennsylvania) and a price for 49,680 pairs (FOB Destination--Tracy, California). The RFP requested prices for option quantities allocated in the same way as for the base quantities.

The RFP listed the evaluation factors in the following descending order of importance as follows:

1. Product Demonstration Model
2. Commitment to Customer Satisfaction
3. Past Performance.
4. Price

Although price was the least important of the evaluation factors, the solicitation provided that as offerors' ratings under the other factors became more equal, price would take on more importance. Option prices were specifically required to be evaluated by adding them to the base prices to determine the total evaluated price. The solicitation also stated:

"Award will be made to the responsible offeror whose offer conforms to this solicitation and is most advantageous to the [g]overnment, price and other factors considered. If necessary, more than one award may be made to obtain the total quantity solicited."

DLA received proposals from four offerors, including Knoxville and Nationwide. DLA determined that all four offerors were in the competitive range and requested best and final offers (BAFO). DLA rated Nationwide and Knoxville acceptable and equal on all technical evaluation factors except past performance. On past performance, DLA rated Nationwide acceptable and Knoxville marginally acceptable. Nationwide's total aggregate price for the basic contract and option quantities was slightly lower than Knoxville's total price. In this regard, both Nationwide and Knoxville submitted prices in an incremental or "stepladder" pricing¹

¹The stepladder pricing was not solicited or prohibited by the RFP.

pattern without differentiating between the two different shipping locations, as illustrated below:

| Offeror | | | 2 | | Cumulative Totals | | |
|----------------|----------------|-----------------|---------------------------|--------|-------------------|-----------|------------------|
| | Basic Quantity | Option Quantity | Unit Price Basic / Option | | Total Price | Price / | Basic Quantity 3 |
| Nationwide-1st | 12,000 | 12,000 | \$3.82 | \$3.84 | \$ 91,920 | \$ 91,920 | 12,000 |
| -2nd | 12,000 | 12,000 | 3.87 | 3.89 | 93,120 | 185,040 | 24,000 |
| -3rd | 12,000 | 12,000 | 3.97 | 3.99 | 95,520 | 280,560 | 36,000 |
| -4th | 12,000 | 12,000 | 4.05 | 4.07 | 97,440 | 378,000 | 48,000 |
| -5th | 26,520 | 26,520 | 4.37 | 4.39 | 232,315 | 610,315 | 74,520 |
| Knoxville -1st | 24,840 | 24,840 | 3.884 | 4.084 | 197,925 | 197,925 | 24,840 |
| -2nd | 24,840 | 24,840 | 4.049 | 4.198 | 204,855 | 402,780 | 49,680 |
| -3rd | 24,840 | 24,840 | 4.286 | 4.386 | 215,412 | 618,192 | 74,520 |

Based on the foregoing, DLA made award to Nationwide, determining its offer to be most advantageous to the government, technical factors and price considered.

Knoxville alleges that, although it has not had an excellent record of past performance, its record is "reasonably comparable to that of Nationwide" and that DLA should have rated both offerors equal on the non-price evaluation factors. Knoxville thus asserts that the determining factor for award should have been price and that Knoxville was entitled to award of that portion of the total RFP quantity which would result in the lowest cost to the government. In this regard, Knoxville notes that an award to Nationwide for 49,680 pairs of gloves together with an award to Knoxville for 24,840 pairs would result in a lower cost to the government than the single award to Nationwide for the aggregate requirement.⁴

The basic premise of Knoxville's protest is flawed since, as we find below, the RFP contemplated one award in the aggregate rather than multiple awards. Thus, even assuming Knoxville is correct in asserting that its past performance should be rated equal to Nationwide's past performance, Knoxville would still not be entitled to the award since, under Knoxville's scenario, assuming the proposals are considered technically equal, Nationwide's aggregate price was lower than Knoxville's price and Nationwide would be

²Nationwide's basic unit price reflects a volume discount that would apply even at the reduced quantity that would be supplied by Nationwide under the multiple awards advocated by Knoxville.

³"Option" cumulative total quantities are identical to the "Basic" cumulative total quantities.

⁴Under the multiple award scenario advanced by Knoxville, the total price to the government, including options, would be \$590,642 as opposed to the \$610,315 evaluated price for the aggregate award.

entitled to the single award.⁵ See LinCom Corp., B-242459, Apr. 25, 1991, 91-1 CPD ¶ 409 (when proposals are reasonably viewed as essentially technically equal, price properly becomes the determining factor in the selection of the awardee).

Here, the tenor of the RFP contemplated a single award in the aggregate. Virtually, every relevant statement in the RFP suggests that a single award would be made, e.g., the term "award" is always in the singular. Indeed, the only provision in the RFP evaluation scheme that suggests that multiple awards were a possibility is the statement that "if necessary" more than one award could be made to obtain the entire quantity. This latter statement suggests that multiple awards would only be made if a selected offeror could not supply the entire quantity and does not suggest that the government should make multiple awards merely because a lower cost would result. There is no evidence of any "necessity" to make multiple awards as required by the RFP. We also note that if DLA had contemplated making multiple awards under the RFP, it should have included in the RFP the provision at Federal Acquisition Regulation (FAR) § 52.215-34, "Evaluation of Offers for Multiple Awards,"⁶ as required by FAR § 15.407(h); that provision was not included in the RFP. Where, as here, a solicitation contemplates a single award for the requirement, the contracting agency should generally award on that basis, even where the RFP reserves the right to the agency to make multiple awards. ATD-Am. Co., B-235080, July 12, 1989, 89-2 CPD ¶ 43; Wyoming Weavers, Inc., B-229669.3, June 2, 1988, 88-1 CPD ¶ 519.

In sum, we find no requirement that DLA should make multiple awards under this RFP and therefore Knoxville's protest based on this premise is denied.



James F. Hinchman
General Counsel

⁵Thus, we need not resolve Knoxville's complaints about the evaluation of the past performance factor.

⁶This provision assumes administrative costs for each contract issued in determining whether multiple awards would result in the lowest aggregate cost to the government.