



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

1222235

## Decision

**Matter of:** Abacus Technology Corporation  
**File:** B-257311  
**Date:** May 23, 1994

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### DECISION

Abacus Technology Corporation protests the award of any contract under request for proposals (RFP) No. DCA100-94-R-0039, issued by the Defense Information Systems Agency (DISA) for an automated information analysis center within the American Embassy in Mexico City. The protester alleges that DISA had led it to believe that the agency would award a contract to Abacus on a sole-source basis, but that DISA has subsequently changed its procurement plans and offered the requirement to the Small Business Administration (SBA) under the 8(a) program.<sup>1</sup> Abacus argues that as the incumbent, it is uniquely situated to perform the follow-on work.

In its request for relief, Abacus urges that we recommend that DISA award a contract to Abacus on a sole-source basis; that the firm be reimbursed for expenditures made in anticipation of receiving the award; that it be reimbursed for lost profits on the anticipated contract; and that Abacus be reimbursed the costs of preparing a proposal and pursuing this protest.

We dismiss the protest.

In view of the objective of our bid protest function to ensure full and open competition for government contracts, as a general matter, our Office does not consider protests alleging that an agency should procure services from a particular firm on a sole-source basis. Moog Inc., B-237749, Mar. 19, 1990, 90-1 CPD ¶ 306. This rule applies

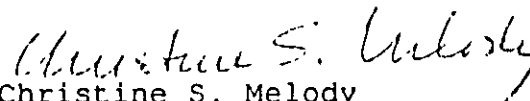
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<sup>1</sup>Section 8(a) of the Small Business Act authorizes SBA to contract with government agencies and to arrange for performance of such contracts by awarding subcontracts to socially and economically disadvantaged small businesses. In a letter dated April 14, SBA accepted the requirement into the 8(a) program, and authorized DISA to negotiate directly with Kajax Engineering, Inc., the proposed awardee under the RFP.

even where the protester claims that its proprietary position as the original equipment manufacturer makes it the only firm qualified to do the work. Id.

As for its claimed expenditures, Abacus is not entitled to reimbursement of any expenses it might have incurred in anticipation of receiving the contract, since any such expenditures were the result of a business judgment exercised prior to the award of a contract, and the government received no benefit as a result. See Leisure Investment Co., B-233904.2, Apr. 4, 1989, 89-1 CPD ¶ 353. Nor is Abacus entitled to the recovery of lost profits because there is no legal authority which permits the recovery of anticipated profits, even where an offeror has been wrongfully denied the award of a contract. See Firebird Constr. Corp.--Recon., B-246182.2, May 27, 1992, 92-1 CPD ¶ 473; Eagle Marketing Group, B-242527, May 13, 1991, 91-1 CPD ¶ 459. Further, since we are dismissing the protest, there is no basis for the award of protest and proposal preparation costs.<sup>2</sup> 4 C.F.R. § 21.6(d) (1994); Carlisle Tire and Rubber Co., B-235413, May 12, 1989, 89-1 CPD ¶ 457.

The protest is dismissed.

  
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<sup>2</sup>To the extent that Abacus argues that the agency's action in offering the requirement to SBA under the 8(a) program is an unfair bargaining tactic used by DISA to pressure Abacus into agreeing to an unfavorable settlement pursuant to a claim under another contract, that is a matter of contract administration which we will not review. 4 C.F.R. § 21.3(m)(1).