441 G St. N.W. Washington, DC 20548 Comptroller General of the United States

Decision

Matter of: Skyladder Corporation--Protests and Costs

File: B-423498.2, B-423498.3

Date: August 13, 2025

Nicole Chapman, for the protester.

Kelsey M. Skaggs, Esq., Defense Logistics Agency, for the agency. Paula A. Williams, Esq., and Evan D. Wesser, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

- 1. Protest challenging the issuance of a delivery order by a vendor that did not submit a quotation because it could not meet the required delivery schedule is dismissed where the protester failed to rebut the reasonableness of the required delivery schedule and, therefore, the protester is not an interested party to pursue its challenges.
- 2. Request that GAO recommend reimbursement of protest costs is denied where the agency did not unduly delay taking corrective action in the face of a clearly meritorious protest.

DECISION

Skyladder Corporation, a small business located in Scottsdale, Arizona, protests the issuance of a delivery order to General Electric Company (GE), located in Lynn, Massachusetts, under request for quotations (RFQ) No. SPE4A6-25-Q-1221 (RFQ 1221), by the Defense Logistics Agency (DLA) Aviation, for wiring harnesses, critical application items identified as national stock number (NSN) 6150-01-611-8881. The wiring harnesses are intended for use on the T700 engine that powers the Army's Apache and Blackhawk Helicopters and the Naval Air Systems Command (NAVAIR) Seahawk Helicopters. The protester, in a supplemental protest filed with our Office,

¹ DLA Aviation, a major subordinate command of DLA, is responsible for the procurement of spare parts for United States' military aircrafts, including the wiring harnesses being solicited here. Contracting Officer's Statement and Memorandum of Law (COS/MOL) at 1-2.

raises several challenges to the agency's conduct of this procurement. The protester also requests reimbursement for the costs related to filing and pursuing its initial protest.

We dismiss the protest and deny the protester's request for a recommendation for the reimbursement of the protester's costs of filing and pursuing its protest.

BACKGROUND

Prior to issuing RFQ 1221 that is the subject of this supplemental protest, DLA Aviation posted RFQ No. SPE4A6-25-T-31W4 (RFQ 31W4) as an automated solicitation on DLA's Internet Bid Board System (DIBBS) website on April 4, 2025.² The RFQ was issued as a total set-aside for small businesses using the simplified acquisition procedures of Federal Acquisition Regulation part 13. Agency Report (AR), Exh. 10, RFQ 31W4 at 1. RFQ 31W4 sought quotations for a contractor to supply and deliver 40 wiring harnesses within 252 days after date of order and requested quotations on or before the close of business on April 11. *Id*.

The solicitation incorporated the terms and conditions of the DLA Master Solicitation for Automated Simplified Acquisitions Revision (DLA Master Solicitation) which informed vendors that quoting a greater number of delivery days than the 252 days requested may result in the quotation not being considered. COS/MOL at 2; AR, Exh. 11, DLA Master Solicitation at 5. Additionally, the DLA Master Solicitation stated that since delivery is an evaluation factor, there may be an evaluation preference for quotations of fewer delivery days than the number of delivery days requested by the government. *Id.*

The agency received multiple quotations by the April 11 deadline for receipt of quotations, to include quotations from Skyladder, a small business concern, and from GE, a large business. COS/MOL at 2; see also, AR, Exh. 15, Agency Record of Significant Events at 1, 5. GE quoted a total price of \$249,864, with a 90-day delivery schedule. AR, Exh. 12, GE Quotation at 1. Skyladder quoted a total price of \$134,180.40, with a 315-day delivery schedule. Exh. 13, Skyladder Quotation at 1. Following evaluation of quotations, because of the urgent and compelling need for the solicited requirements, on April 25, the contracting officer issued delivery order No. SPE4A6-25-F-057U to GE because it had the 40 wiring harnesses in stock and offered the earliest delivery schedule of 90 days. COS/MOL at 3; AR, Exh. 15, Agency Record of Significant Events at 5.

On April 29, Skyladder filed a protest with our Office, docketed as B-423498, alleging as follows: (1) issuance of the delivery order to GE, a large business, was improper because the agency did not obtain concurrence from the Small Business Administration (SBA) to dissolve the total small business set-aside; (2) the delivery order was issued to

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² DLA's DIBBS is a publicly accessible web-based application that provides the capability to search for, view, and submit secure quotations on RFQs for DLA items of supply. See DIBBS Information, https://www.dla.mil/Working-With-DLA/Applications/Details/Article/2921495/dibbs-dla-internet-bid-board-system/ (last visited Aug. 4, 2025).

a large business without a written contemporaneous limited source justification for award based on urgency; and (3) the agency failed to issue an amendment to notify other vendors of the agency's urgent need for the wiring harnesses. *See generally*, AR, Exh. 17, Skyladder's Initial Protest.

On May 7, prior to the due date for its agency report responding to the initial protest, DLA Aviation notified our Office that it would take voluntary corrective action in response to the protest by canceling RFQ 31W4 and terminating the delivery order issued to GE. Req. for Dismissal at 1. Additionally, the agency noted that the solicited requirements are urgently needed to support grounded military aircrafts currently in a non-mission capable status, and therefore the agency would procure its urgently needed requirements under RFQ 1221, publicly posted on DIBBS on May 2, and sent to Skyladder by email on the morning of May 5 at 11:54 a.m., eastern standard time (EST). *Id.* at 1 n.1; *see also*, AR, Exh. 24, Email to Skyladder (RFQ 1221). Based on the agency's proposed corrective action, we dismissed Skyladder's initial protest as academic. *Skyladder Corp.*, B-423498, May 15, 2025 (unpublished decision).

As noted, during the pendency of the initial protest, DLA Aviation publicly posted RFQ 1221 on DIBBS on May 2 and the contracting officer additionally emailed RFQ 1221 to Skyladder at 11:54 a.m., EST, on the morning of May 5. COS/MOL at 3-4. Relevant here, RFQ 1221 was issued on an unrestricted basis for a contractor to supply and deliver 40 wiring harnesses within 60 days or less based on urgency and the solicitation informed vendors that quotations exceeding this 60-day delivery schedule would not be accepted. AR, Exh. 2, RFQ 1221 at 2, 4. The agency explains that this requirement was deemed urgent because NAVAIR has critical unfulfilled orders for the wiring harnesses at its maintenance sites causing work stoppages and there exists current and high priority backorders for these requirements at the Corpus Christi Army Depot in Texas and in Fort Novosel, Alabama. See AR, Exh. 30, Competition in Contracting Act (CICA) Determination and Findings (D&F) at 1-2.

The deadline for submission of quotations was on or before the close of business on May 5, see AR, Exh. 2, RFQ 1221 at 1; close of business was 4:30 p.m., EST. COS/MOL at 4. Skyladder did not submit a quotation in response to RFQ 1221.

However, on May 5 at 7:13 p.m. EST, Skyladder filed a supplemental protest with our Office, docketed as B-423498.2. Of particular relevance here, Skyladder stated that the firm cannot meet the 60-day delivery schedule and therefore "no longer pursues contract award." Supp. Protest at 2. However, the protester requests a finding by our Office that DLA Aviation's procurement actions in connection with RFQ 1221 remain defective. *Id.* For example, the protester reasserted its initial allegations that withdrawal of the set-aside did not have the SBA's procurement center representative's concurrence, and that the agency provided no written limited source justification to support its urgency determination. Additionally, the protester also challenges as unduly restrictive or unreasonable the 60-day delivery schedule requirement, and the sufficiency of the time provided to submit quotations in response to RFQ 1221. *Id.*

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at 2-3.

In its request to dismiss the supplemental protest, DLA Aviation argues that Skyladder is not an interested party to maintain this protest; that the supplemental protest was untimely filed after the deadline for receipt of quotations; and that the agency's May 7 notice of proposed corrective action terminating the initial delivery order to GE and cancellation of the prior solicitation rendered both the initial and supplemental protests academic. AR, Exh. 20, Req. for Dismissal at 1-3 (May 7, 2025); see generally, Protester's Obj. to Agency Req. for Dismissal at 1-5 (May 8, 2025).

However, as we explained in our dismissal of Skyladder's initial protest as academic, we specifically stated that Skyladder's supplemental protest was "not dismissed at th[at] time" as it would require further development. *Skyladder Corp., supra* at 1 n.1. On this basis, we instructed the parties to file an agency report and comments on the agency report, respectively.

DISCUSSION

On May 6, the contracting officer issued the delivery order to GE pursuant to RFQ 1221 to supply 40 wiring harnesses with delivery in 60 days for a total price of \$249,864. COS/MOL at 4, see also AR, Exh. 9, Simplified Acquisition Award Documentation at 7. On May 14, the agency notified our Office and Skyladder that it had executed a D&F to override the automatic statutory stay of performance on the basis of urgent and compelling circumstances based on the fact that there exists current and forecasted high priority backorders for these wiring harnesses. AR, Exh. 30, D&F at 1-2.

As noted, in its supplemental protest, Skyladder challenges the issuance of RFQ 1221, and the delivery order issued to GE, on multiple fronts. See Supp. Protest at 2-3. For instance, the protester alleges that this RFQ was flawed because without contemporaneous market research or stock verification no vendor--large or small--has ever delivered the solicited wiring harnesses within 60-days or less. *Id.* at 3. Skyladder also challenges the sufficiency of the time to submit quotations in response to RFQ 1221--effectively one business day--which precluded small business participation. According to the protester, these two "constraints appear tailored to a single vendor (GE, which asserted it had stock)," arguing that the agency's corrective action was not meaningful. *Id.*

The agency requests dismissal of the supplemental protest, arguing that Skyladder is not an interested party because the protester did not submit a quotation in response to RFQ 1221 and that by its own admission, Skyladder cannot meet the 60-day delivery schedule requirement. The agency maintains that because Skyladder cannot meet the urgent delivery requirement, the protester therefore lacks standing to challenge any aspect of RFQ 1221 and the decision to issue the delivery order to GE. Req. for Dismissal at 2-3; COS/MOL at 8.

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Turning to the threshold question of whether the agency's delivery schedule requirements were unduly restrictive of competition, we have explained that the determination of a contracting agency's needs and the best method of accommodating them are matters primarily within the agency's discretion. *BHB Ltd. P'ship & Indiana Assocs.*, B-417760 *et al.*, Oct. 9, 2019, 2019 CPD ¶ 356 at 4. When a protester challenges a specification or requirement as unduly restrictive of competition, the procuring agency has the responsibility of establishing that the specification or requirement is reasonably necessary to meet the agency's needs. *Security Logistics Intelligence Constr. Eng'g Co.*, B-422390, May 28, 2024, 2024 CPD ¶ 124 at 3. Where matters of human life and safety are involved, our Office affords considerable deference to the judgments of the agency's technical experts. *Complete Parachute Sols., Inc.*, B-415240, Dec. 15, 2017, 2018 CPD ¶ 2 at 4.

Here, the agency reasonably explains the urgency of its 60-day delivery requirement to facilitate military readiness and to ensure that military aircraft are operational and properly maintained and equipped. The agency report details the "dire need for wiring harnesses to alleviate work stoppages and remedy an aircraft on the ground situation," and to ensure safe operation of military aircraft. See, e.g., COS/MOL at 5-6. In its comments, the protester entirely failed to address the agency's arguments in this regard.

In responding to an agency report, protesters are required to provide a substantive response to the arguments advanced by the agency. *Yang Enterprises, Inc.*, B-415923, Mar. 12, 2018, 2018 CPD ¶ 109 at 2, *aff'd.*, *Yang Enterprises, Inc.--Recon.*, B-415923.3, Aug. 6, 2018 (unpublished decision). We find that the issues that were raised in the supplemental protest, addressed in the agency's report on the supplemental protest, but not addressed by the protester in its comments, were abandoned. *See* 4 C.F.R. § 21.3(i)(3) ("GAO will dismiss any protest allegation or argument where the agency's report responds to the allegation or argument, but the protester's comments fail to address that response"); *SPATHE Sys., LLC*, B-420463.2, June 13, 2022, 2022 CPD ¶ 146 at 8 n.12. On this unrebutted record, we find no basis to object to the agency's 60-day delivery requirements.

After finding no basis to conclude that the agency's 60-day delivery schedule is unduly restrictive of competition, we agree with the agency that the protester is otherwise not interested to pursue its remaining challenges. Under the bid protest provisions of CICA, only an interested party may protest a federal procurement. 31 U.S.C. §§ 3551-3557. Our regulations implementing CICA define an interested party as an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of a contract or the failure to award a contract. 4 C.F.R. § 21.0(a)(1). A protester is therefore not an interested party if it would not be eligible to receive a contract award were its protest allegations sustained. *Win Aviation, Inc.*, B-422037, B-422037.2, Dec. 21, 2023, 2024 CPD ¶ 12 at 6; *Bluehorse Corp.*, B-414643.2, Aug 11, 2017, 2017 CPD ¶ 259 at 3.

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The protester here represents that neither it, nor in its estimation any other small business, can reasonably fulfill the 60-day delivery requirement and is "no longer [pursuing] contract award." See Supp. Protest at 2. Where the protester concedes it is unable to fulfill the agency's material requirements, it is not an interested party to pursue its other challenges where it would not be next in line for award were our Office to sustain the protest. See, e.g., Panasonic I-Pro Sensing Sols. Corp. of America, B-419260, Jan. 12, 2021, 2021 CPD ¶ 98 at 6; G.S. Link and Assocs., B-229604, B-229606, Jan. 25, 1988, 88-1 CPD ¶ 70. Therefore, we dismiss the protester's supplemental protest allegations.

Finally, Skyladder requests that our Office recommend reimbursement of the filing fees associated with its initial protest. AR, Exh. 32, Req. for Reimbursement. In response, the agency argues that Skyladder is not entitled to be reimbursed for costs related to its initial protest because the agency took reasonably prompt corrective action. COS/MOL at 9.

When a procuring agency takes corrective action in response to a protest, our Office may recommend reimbursement of protest costs if we determine that the agency unduly delayed taking corrective action in the face of a clearly meritorious protest, thereby causing protesters to expend unnecessary time and resources to make further use of the protest process in order to obtain relief. 4 C.F.R. § 21.8(e); *East Coast Nuclear Pharmacy--Costs*, B-412053.5, Aug. 31, 2016, 2016 CPD ¶ 249 at 5. When an agency takes corrective action before the due date set for receipt of an agency report, our Office views such action as prompt and will not recommend the reimbursement of costs. *Career Sys. Dev. Corp.--Costs*, B-411346.10, July 18, 2018, 2018 CPD ¶ 249 at 5.

Here, as noted above, on April 29, Skyladder filed its initial protest (B-423498) alleging various violations in the conduct of the procurement. On May 7, before the May 29 agency report due date, DLA Aviation filed notice with our Office of its intent to take voluntary corrective action to terminate the challenged award and cancel the underlying solicitation. On May 15, based on the agency's proposed corrective action, we dismissed Skyladder's initial protest as academic. Under these circumstances, we decline to recommend reimbursement of protest costs because the agency took reasonably prompt corrective action in response to Skyladder's initial protest. See Career Sys. Dev. Corp.--Costs, supra.

The protest is dismissed, and the request for a recommendation that the agency reimburse the protester its costs of filing and pursuing its initial protest is denied.

Edda Emmanuelli Perez General Counsel

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