

# DECISION



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

FILE: B-185944

DATE: June 29, 1976

MATTER OF: San Diego Marine Construction Corp.

## DIGEST:

Protest questioning Navy's requirement for bidders in procurement of landing craft to supply price breakdown of their bids is denied as requirement is in accord with express language of 10 U.S.C. 7301 and its legislative history.

San Diego Marine Construction Corp. has protested the inclusion in invitation for bids N00024-76-B-2046, issued by the Naval Sea Systems Command, of a provision requiring bidders to submit cost breakdowns of the various elements of their bids.

This procurement involves the purchase of fifty foot landing craft mechanized workboats. Section C, paragraph 37a, of the solicitation states: "Every offeror shall submit with each copy of this offer, a breakdown of each price, \* \* \*". The solicitation provides that this information "\* \* \*" will be treated as business confidential and will not be publicly disclosed."

The Navy bases its inclusion of this requirement for a price breakdown on 10 U.S.C. 7301 (1970 ed.) which states in pertinent part:

"Bids on construction: estimates required  
(a) When advertising for bids for the construction of any naval vessel, the Secretary of the Navy shall require each bidder to file with his bid the estimates on which the bid is based."

San Diego Marine contends that the Navy improperly applies the statute's requirements to the purchase of "\* \* \*" everything from a punt to an aircraft carrier \* \* \*." Moreover, the protester questions whether Congress actually intended the act to apply to formally advertised procurement. In support of this position it points out that the statute was enacted in 1946 when Congress may not have fully considered the distinction between formally advertised and negotiated procurements.

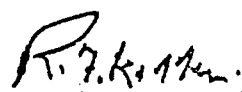
San Diego Marine also questions whether the cost information supplied by a bidder is adequately protected from disclosure to its competitors.

We see no basis to disagree with the Navy's adherence to the requirements of 10 U.S.C. 7301 in the instant procurement. The statutes' reference to "\* \* \* any naval vessel \* \* \*" would appear to cover landing craft. In this regard, 1 U.S.C. 3 states:

"[t]he word 'vessel' includes every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water."

We also note that the act was reconsidered and revised in 1956 when it was codified as 10 U.S.C. 7301. Apparently the purpose of the revision was to more clearly indicate that the statute pertained to "\* \* \* formal bids secured through advertising \* \* \*." S. Rep. No. 2484, 84th Cong., 2d Sess. 530 (1956).

Regarding San Diego Marine's question as to whether a bidder's cost information would be adequately protected by the Government from disclosure to others, we note that an adequate safeguard against the improper disclosure of proprietary information is provided by 18 U.S.C. 1905. See 51 Comp. Gen. 476 (1972).

  
Deputy Comptroller General  
of the United States