

*S. Kiback*



Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

**Matter of:** Allied Production Management Co., Inc.  
**File:** B-236121.2; B-236899  
**Date:** December 18, 1989

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### DIGEST

Agency reasonably found bidder nonresponsible where bidder failed to provide sufficient information to permit a finding that the individual sureties on its bid bond were acceptable.

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### DECISION

Allied Production Management Co., Inc. protests the rejection of its bid under invitation for bids (IFB) Nos. N6247489-B-6078 and N62474-87-B-0802, issued by the Department of the Navy for improvements at Marine Corps facilities. The contracting officers rejected Allied's bids based on their determinations that neither of the individual bid bond sureties had demonstrated a net worth equal to or exceeding the penal sum of the bond. Allied contends that the documentation it submitted on behalf of its sureties demonstrated each to be of sufficient net worth; in the alternative, the protester contends that it should be permitted to substitute two acceptable sureties for the ones rejected by the contracting officer.

We deny the protest.

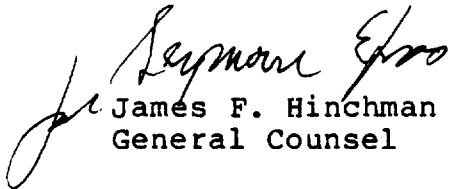
The IFBs required each bidder to provide a bid bond; Allied submitted bid bonds listing Richard Rowan and Lee Nixt as individual sureties. Based on Allied's submissions, the contracting officers could not accurately determine the sureties' net worths and requested additional documentation from Allied. Allied submitted further information. However, based on this information and other materials furnished, the contracting officers concluded that Allied's sureties had not established their financial acceptability and rejected Allied as nonresponsible. These protests followed.

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We recently considered the identical issue of whether the Navy properly rejected Allied's bid based on a determination by the contracting officer that Mr. Nixt and Mr. Rowan, Allied's two sureties, had failed to demonstrate a net worth equal to or exceeding the penal sum of the bond. See Allied Production Management Co., Inc., B-236227.2, Dec. 11, 1989, 89-2 CPD ¶ \_\_\_\_. The documentation submitted by Allied on behalf of its sureties is in that case virtually identical to that submitted in connection with the bids under these IFBs. The protester's arguments against the agency's rejection here are essentially the same ones considered in the previous decision. In our decision of December 11, we found that the agency reasonably determined that Allied failed to provide sufficient information to permit a finding that Mr. Nixt and Mr. Rowan were acceptable sureties. We therefore concluded that the Navy properly found Allied nonresponsible. We also concluded that it was not permissible for Allied to replace the unacceptable sureties after bid opening because the sureties' liability is an element of responsiveness which must be established at the time of bid opening.

Since the circumstances here are virtually the same as those in our prior case, we see no basis for objecting to the contracting officers' decisions to reject Allied's bids.

The protest is denied.

  
James F. Hinchman  
General Counsel