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**United States Government Accountability Office  
Washington, DC 20548**

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## **Decision**

**Matter of:** Lockheed Martin Corporation

**File:** B-404724; B-404724.3

**Date:** April 19, 2010

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John L. Formica, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### **DIGEST**

1. Agency's evaluation of two aspects of the awardee's proposal as constituting "weaknesses" rather than "deficiencies" was reasonable where the record demonstrates that the agency was fully aware of and understood the awardee's approach and considered the potential impact of these aspects of the awardee's approach on the successful performance of the contract in a manner that was consistent with the terms of the solicitation.
2. Agency's evaluation of the awardee's price proposal is unobjectionable where the record evidences that the agency's determination that it had "high confidence" in the awardee's ability to perform the contract at the prices proposed was reasonably based and consistent with the terms of the solicitation.
3. Agency was not required to inform the protester during discussions that certain of its proposed prices and its overall price were higher than the government's estimate, and higher than the awardee's proposed price, where the agency did not consider the awardee's proposed prices to be unreasonable given its technical approach.

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## DECISION

Lockheed Martin Corporation, of Gaithersburg, Maryland, protests the award of a contract to HP Enterprise Services (HP), LLP, of Plano, Texas, under request for proposals (RFP) No.NNX10272008R, issued by the National Aeronautics and Space Administration (NASA), for information technology (IT) services. The protester argues that the agency's evaluation of proposals and selection of HP's proposal for award were unreasonable.

We deny the protest.

## BACKGROUND

The RFP provided for the award of the Agency Consolidated End-User Services (ACES) contract, which is one of five new contracts "that will form the foundation" of NASA's Information Technology Infrastructure Integration Program (I3P). Contracting Officer's Statement at 1. The agency explains that the I3P was established in 2007 in order to meet NASA's requirement for infrastructure improvements to NASA's current "decentralized IT organization." *Id.*; RFP, Performance Work Statement (PWS) Addendum, at BATES 582. The agency states that I3P will "transform the way IT services are delivered and managed across [NASA]," with the overall goals of I3P being to "enable Agency-wide collaboration through a seamless IT infrastructure; realize efficiencies in IT infrastructure operating costs; reduce the complexity of managing IT services across [NASA]; and improve IT security across [NASA's] mission environment." RFP, PWS Addendum, at BATES 582. The ACES contract provides for "a long-term outsourcing arrangement with industry to provide and manage the vast majority of NASA's personal computing hardware, standard software requirements, mobile IT services, peripherals, associated end-user services, and supporting infrastructure," and will serve between 47,500 and 52,500 NASA employees and on-site contractors. Contracting Officer's Statement at 1.

The RFP, issued under the commercial item acquisition procedures of Federal Acquisition Regulation (FAR) Part 12, provided for the award of an indefinite-delivery/indefinite-quantity, fixed-price contract, for a base period of 4 years, with two 3-year options. RFP at BATES 418, 832.

Offerors were informed that the contract would be awarded to the offeror submitting the proposal determined to represent the best value to the government, considering the evaluation factors of mission suitability, past performance, and price. The solicitation advised offerors that in determining which proposal represented the best value to the government, the evaluation results under the mission suitability and past performance factors would be approximately equal to price. The RFP further

provided that the mission suitability factor, standing alone, would be considered significantly more important than the past performance factor. RFP at BATES 889. Offerors were informed that their proposals would receive a numerical score and adjectival rating under the mission suitability factor, and that the mission suitability factor was comprised of the following five subfactors: technical approach, integration approach, management approach, small business utilization, and safety and health. RFP at BATES 890. *Id.* Proposals were to be evaluated on a 1,000-point scale under the mission suitability factor, with the available points being allocated to the subfactors as follows: technical approach (325 points); integration approach (250 points); management approach (250 points); small business utilization (100 points); and safety health (75 points).<sup>1</sup> RFP at BATES 890. With regard to the price factor, the RFP stated that an offeror's proposed price would "be evaluated for realism, completeness, and reasonableness," and that the agency would "assess its level of confidence (performance risk) in the Offeror's ability to successfully perform the contact at the price (total and unit) proposed."<sup>2</sup> RFP at BATES 899-900.

The solicitation included detailed proposal preparation instructions, and requested, among other things, that proposals include mission suitability, past performance, and price volumes. RFP at BATES 837. With regard to the price volume, the RFP included a "price model" to be completed by the offerors that included "20 separate worksheets plus a summary worksheet that correlated to the 20 services contained in the PWS." Contracting Officer's Statement at 7; *see* RFP BATES at 901-51. Offerors were to complete the price model by providing "firm-fixed-prices, firm-fixed-price rates (monthly or annually), or firm-fixed-price discount rates depending on the nature of the [contact line item number (CLIN)]" for each of the 340 CLINs

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<sup>1</sup> The RFP stated that the agency's findings during its evaluation of proposals would be classified as "strengths, weaknesses, significant strengths, significant weaknesses, or deficiencies," as defined in the solicitation. RFP at BATES 889. The RFP further provided that proposals would receive an adjectival rating under the mission suitability factors and its subfactors based upon the percentage of available points the proposal received. For example, a proposal receiving 51 percent to 70 percent of the available points would be evaluated as "good," while a proposal receiving 71 percent to 90 percent of the points available would be evaluated as "very good." RFP at BATES 890-91.

<sup>2</sup> The RFP stated that proposals would receive "level of confidence" ratings of either "high," "medium," or "low." The solicitation also provided specific definitions for these ratings, defining, for example, "high" as "[t]he Government has a very high level of confidence that the proposed prices (total & unit) correlate very closely to the actual costs that the offeror would incur to successfully implement its proposal," and "medium" as "[t]he Government has a reasonable level of confidence that the proposed prices (total & unit) correlate very closely to the actual costs that the offeror would incur to successfully implement its proposal." RFP at BATES 900.

included in the worksheets. Contracting Officer’s Statement at 7. The majority of these 340 CLINs “were repeated for each of the ten contract years.” Id. The solicitation further advised offerors that they were to provide explanations regarding, among other things, their pricing assumptions and estimating techniques, including the “basis of all projections, rates, ratios, percentages, and other factors in sufficient detail to facilitate the [agency’s] understanding and ability to mathematically verify these estimating tools,” and “traceability to the technical and management approaches proposed” by the offerors in the mission suitability volume of their respective proposals. RFP at BATES 851.

The agency received proposals from three offerors, including HP and Lockheed Martin.<sup>3</sup> The initial proposals of HP and Lockheed Martin were evaluated as follows:

Offeror	Mission Suitability	Past Performance	Level of Confidence	Price-Base Year	Price-Base & OptionsYears
Lockheed Martin	Good/602 pts.	Moderate	Medium	\$155,300,713	\$1,738,940,696
HP	Very Good/741pts.	Moderate	Medium	\$130,509,039	\$1,362,465,372

Agency Report (AR), Tab 57, Final Source Selection Authority (SSA) Briefing, at BATES 11771. The proposals of HP and Lockheed Martin were included in the competitive range.<sup>4</sup> Oral and written discussions were conducted. As part of the discussion process, the agency provided HP and Lockheed Martin with documents setting forth the weaknesses identified by the agency in its evaluation of the offerors’ respective proposals, as well as a number of items requiring clarification. AR, Tab 30, Competitive Range Letter and Discussion Package-Lockheed Martin, at BATES 7639-58; Tab 32, Competitive Range Letter and Discussion Package-HP, at BATES 7661-86; Discussions concluded, and final proposal revisions (FPR) were requested and received. The proposals of HP and Lockheed Martin, as revised, were evaluated as follows:

Offeror	Mission Suitability	Past Performance	Level of Confidence	Price-Base Year	Price-Base & OptionsYears
Lockheed Martin	Very Good/838 pts.	Moderate	High	\$172,416,807	\$1,654,719,014
HP	Very Good/864 pts.	Moderate	High	\$127,925,844	\$1,312,515,018

AR, Tab 57, Final SSA Briefing, at BATES 11771. The agency’s source selection authority selected HP’s higher-rated, lower-priced proposal for award. AR, Tab 59, Source Selection Statement, at BATES 12052. After requesting and receiving a debriefing, Lockheed Martin filed this protest.

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<sup>3</sup> Lockheed Martin holds the current contract with NASA for similar services under NASA’s Outsourcing Desktop Initiative service model. Contracting Officer’s Statement at 33; Protest at 14.

<sup>4</sup> The third offeror withdrew from the competition prior to discussions.

## DISCUSSION

### Evaluation of Technical Approach Subfactor to Mission Suitability Factor

Lockheed Martin first protests the agency's evaluation of HP's proposal under the technical approach subfactor to the mission suitability factor. The evaluation of proposals, including the determination of the relative merits of proposals, is primarily a matter within the contracting agency's discretion, since the agency is responsible for defining its needs and the best method of accommodating them. Federal Env'tl. Servs., Inc., B-260289, B-260490, May 24, 1995, 95-1 CPD ¶ 261 at 3. In reviewing an agency's evaluation, we will not reevaluate the proposals, but will examine the record of the evaluation to ensure that it was reasonable and consistent with the stated evaluation criteria as well as with procurement law and regulation. Id. A protester's mere disagreement with a procuring agency's judgment is insufficient to establish that the agency acted unreasonably. See Birdwell Bros. Painting & Refinishing, B-285035, July 5, 2000, 2000 CPD ¶ 129 at 5.

In response to the protest, the agency has provided a detailed record documenting its evaluation of the proposals and the source selection. The record includes a 333-page Strengths and Weaknesses Caucus Summary Report pertaining to HP's proposal, of which 224 pages relates to the agency's evaluation of HP's proposal under the mission suitability factor, a 15-page source selection statement, as well as numerous other documents submitted by the agency in support of its evaluation of HP's proposal.<sup>5</sup>

As relevant to Lockheed Martin's protest, the record reflects that the agency, in evaluating HP's proposal as "excellent" under the technical approach subfactor, specifically identified 3 "significant strengths" and 16 "strengths" in HP's proposed approach. AR, Tab 59, Source Selection Statement, at BATES 12045-46. While not evaluating any aspect of HP's proposal here as representing a "significant weakness" or "deficiency," the agency found two aspects of HP's proposed approach represented "weaknesses." Id. at BATES 12046. These evaluated weaknesses were that HP's proposal "[d]oes not ensure nation-wide cellular coverage in the instance where neither of the two proposed carriers provides the required coverage," and that HP's "[i]nnovative e-mail solution fails to meet one specific archival requirement." Id.

Lockheed Martin argues that the agency acted unreasonably in assessing these aspects of HP's proposal as "weaknesses," arguing that these aspects of HP's proposal should instead have been considered "deficiencies" and HP's proposal downgraded accordingly. The protester argues that because of these "deficiencies,"

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<sup>5</sup> A separate Strengths and Weaknesses Caucus Summary Report was prepared for Lockheed Martin's proposal.

HP's proposal should have received an adjectival rating of "poor," and a commensurately lower point score, under the mission suitability factor.<sup>6</sup>

The record reflects that HP's proposed approach to meeting the RFP's cellular phone and smart phone requirement for "nation-wide coverage and end-user connectivity across all NASA facilities," see RFP at BATES 556, was evaluated as containing a weakness because HP's proposal "did not provide evidence of Center-by-Center coverage for [HP's] proposed cellular carriers." AR, Tab 32, Competitive Range Letter and Discussion Package-HP, at BATES 7668. HP was informed of this assessment during discussions, and in response provided "voice and data coverage maps for each NASA facility" showing the requisite coverage. AR, Tab 38, Oral Discussion Presentation Slides-HP, at BATES 7979-8017. HP also informed the agency during oral discussions that HP "would work with their cellular service providers in the event of coverage issues," and advised the agency that HP would consider changing a carrier should there be any coverage issues that could not be resolved. Contracting Officer's Statement at 47; AR, Tab 72, HP Oral Exchange DVD.

In evaluating HP's FPR, the agency found that the voice and data coverage maps provided by HP "demonstrated the required coverage." Contracting Officer's Statement at 47. However, the agency was unable to find in HP's FPR a reference to the statement made by HP during oral discussions that HP would consider changing cellular carriers in the event of a coverage issue that could not be resolved. Because of this, the agency continued to view this aspect of HP's proposal as a weakness.<sup>7</sup> Id.; AR, Tab 57, Final SSA Briefing, at BATES 11851; Tab 59, Source Selection Statement, at BATES 12046.

With regard to the HP's proposed e-mail solution, the agency found that it did not meet "one of the more than eighty discreet requirements" pertaining to the e-mail solutions as set forth in the RFP. Contracting Officer's Statement at 47. Specifically, the agency found that HP's proposed e-mail solution did not provide for the automatic archiving of all messages and calendar changes for approximately 300 senior NASA managers in the "one particular circumstance[] where a senior manager creates his own appointment on the calendar and an e-mail message is not generated." AR at 9; Tab 57, Final SSA Briefing, at BATES 11851; Tab 59, Source

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<sup>6</sup> The RFP defined "poor" as "[a] proposal that has one or more deficiencies or significant weaknesses that demonstrate a lack of overall competence or would require a major proposal revision to correct." RFP at BATES 891.

<sup>7</sup> The intervenor asserts that because of HP's inclusion in its FPR of the voice and data coverage maps, and the statement that HP would consider changing carriers should coverage problems occur that cannot be resolved, this aspect of HP's proposal should not have been evaluated as posing even a weakness. Intervenor's Comments at 13.

Selection Statement, at BATES 12046; see RFP at BATES 528. The agency, while concluding that “[t]his situation addressed a highly specialized and statistically rare portion of the archive requirement,” and would have “a very limited scope of impact on the Agency,” determined that it constituted a “weakness” in accordance with the terms of the RFP. Contracting Officer’s Statement at 48.

As set forth above, the record demonstrates the agency was fully aware of HP’s proposed approach to the RFP’s requirements regarding cellular phones, smart phones, and e-mail, and fully considered the potential impact of these aspects of HP’s proposed approach to the successful performance of the contract in a manner that was consistent with the terms of the solicitation.<sup>8</sup> The record specifically documents the agency’s concerns regarding HP’s proposed approach, and the agency’s determinations that in light of its concerns and the potential impact on the successful performance of the contract, that these aspects of HP’s proposal should be considered “weaknesses.” Although Lockheed Martin disagrees with the agency’s conclusions here, we cannot find the agency’s evaluation unreasonable.

#### Price Evaluation

Lockheed Martin argues that the agency’s evaluation of HP’s price proposal, and determination based upon this evaluation that HP’s proposal merited a “high” level of confidence in HP’s ability to successfully perform the contract at the prices proposed, were unreasonable.

Price realism is not ordinarily considered in the evaluation of proposals for the award of a fixed-price contract, because these contracts place the risk of loss upon the contractor. However, in light of various negative impacts on both the agency and

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<sup>8</sup> To the extent that the agency’s determinations regarding the e-mail archiving requirement can be viewed as a waiver of that requirement, we note that there is no possibility of prejudice to the protester by such a waiver. In cases such as this, where an agency allegedly waived a certain requirement, prejudice does not mean that, had the agency failed to waive the requirement, the awardee would have been unsuccessful. Brown & Root, Inc. and Perini Corp., a joint venture; B-270505.2; B-270505.3, Sept. 12, 1996, 96-2 CPD ¶ 143 at 11. Rather, the pertinent question in such cases is whether the protester would have submitted a different offer that would have had a reasonable possibility of being selected for award had it known the requirement would be waived. Id. The protester has not made any credible claim that had it been aware that the agency would, as the protester asserts, effectively waive the e-mail automatic archiving function for the 300 NASA personnel in the limited circumstance described above, that Lockheed Martin would have submitted a different proposal that would have had a reasonable possibility for award, given the fact that HP’s proposal was higher-rated than Lockheed Martin’s proposal and was lower-priced by more than \$340 million.

the contractor that may result from an offeror's overly optimistic proposal, an agency may, as here, expressly provide that a price realism analysis will be applied in order to measure the offerors' understanding of the requirements and/or to assess the risk inherent in an offeror's proposal. See, e.g., Wackenhut Servs., Inc., B-286037, B-286037.2, Nov. 14, 2000, 2001 CPD ¶ 114 at 3; Molina Eng'g, Ltd./Tri-J Indus., Inc. Joint Venture, May 22, 2000, B-284895, 2000 CPD ¶ 86 at 4. Although the FAR identifies permissible price analysis techniques, FAR § 15.404-1, it does not mandate any particular approach; rather, the nature and extent of a price realism analysis, as well as an assessment of potential risk associated with a proposed price, are generally within the sound exercise of the agency's discretion. See Legacy Mgmt. Solutions, LLC, B-299981.2, B-299981.4, Oct. 10, 2007, 2007 CPD ¶ 197 at 3; Comprehensive Health Servs., Inc., B-310553, Dec. 27, 2007, 2008 CPD ¶ 9 at 8. In reviewing protests challenging an agency's evaluation of these matters, our focus is whether the agency acted reasonably and in a way consistent with the solicitation's requirements. Pemco Aeroplex, Inc., B-310372.3, July 13, 2008, 2008 CPD ¶ 126 at 7.

As mentioned previously, the solicitation included a detailed price model to be completed by offerors, and requested that proposals include explanations regarding the offerors' pricing and estimating techniques as well as the bases for their respective projections, rates, ratios and percentages to facilitate the agency's price analysis. The agency explains and the record reflects that in performing its evaluation of the offerors' price proposals, the agency reviewed the proposed prices for the CLINs included in the pricing model for the base year, and that "for consistency with the year 1 detailed analysis, an examination of the years 2-10 priced elements, as well as other priced elements . . . was performed." Contracting Officer's Statement at 31; AR, Tab 26, Initial Price Evaluation Report-HP, at BATES 7003. The agency states that it compared "proposed hardware offerings and associated prices with readily available, published technical literature from original equipment manufacturers, resellers of IT equipment, and other authoritative sources" to see if the proposed prices reflected market pricing. Contracting Officer's Statement at 32. The proposed prices were also compared to each other, historical prices paid, and the agency's independent government estimate. *Id.* at 30.

The agency found during its evaluation of HP's initial proposal that HP's prices or rates for 31 CLINs were "unrealistically high or low relative to the market or were inconsistent relative to other pricing in the proposal." Contracting Officer's Statement at 33; *see* AR, Tab 26, Initial Price Evaluation Report-HP, at BATES 7003-06, 7009. The agency also found that 15 pricing assumptions and estimating techniques set forth in HP's proposal were "not acceptable to the Government," and identified certain other areas of HP's price proposal for which additional explanation or clarification was required. AR, Tab 26, Initial Price Evaluation Report-HP, at BATES 7009.

In conducting discussions, the agency provided HP with a detailed description of each of the agency's concerns as evaluated under each of the evaluation factors,



including price. AR, Tab 32, Competitive Range Letter and Discussions Package-HP, at BATES 7661-86. Written and oral discussions were conducted, with HP confirming in response to certain questions that its pricing was complete for the particular CLIN in question, and in other instances, stating that its proposed price for the referenced CLIN “did not include all costs” associated with the CLIN at issue, and that HP’s “CLIN price will be adjusted in the FPR.” AR, Tab 38, Oral Discussions Presentation Slides-HP, at BATES 8170.

The agency reviewed HP’s FPR, and determined that “there were no assumptions that the Government cannot accept and no outstanding questions.” AR, Tab 54, Final Price Report-HP, at BATES 11391. The agency also concluded that “[a]ll elements” of HP’s price proposal “previously considered unreasonable due to the fact that they were low relative to the market are now considered reasonable,” and that “confirmation that all individual requirements were understood and accounted for in the pricing was obtained.” Id. at 11384. The agency specifically noted with regard to the CLINs for which HP’s proposed prices had been evaluated as unreasonably low compared to current market pricing, such as for certain computer seats, that “[p]ricing has been increased appropriately and understanding of requirements has been confirmed.” Id. at 11386-87. The agency further noted for CLINs where it had appeared that HP had not included certain items in its proposed prices, that the inclusion of these items in HP’s pricing had been confirmed. In addition to finding that HP’s proposed prices and price proposal as revised were reasonable, realistic, and complete, the agency also evaluated HP’s proposal as “high confidence” under the performance risk factor, noting that HP’s proposed staffing levels “depict a good understanding of Center requirements . . . thereby increasing confidence in the Offeror’s ability to successfully perform at the proposed prices.” Id. at 11388. The agency further noted HP’s “large cash reserve (\$13.3 billion on hand as of 1/31/2010).” Id.

The record further reflects that the agency was aware of, and considered the differences in, prices proposed by Lockheed Martin and HP. AR, Tab 59, Source Selection Statement, at BATES 12051-52. The agency explains here that while it was “unable to definitely determine” why the prices proposed by HP and Lockheed Martin differed, the agency “believed that the differences in price” were attributable to differences in the “hardware component” for certain services caused by the offerors’ differing technical approaches, as well as Lockheed Martin’s “potential larger workforce at contract start, overall higher labor compensation rates, and [Lockheed Martin’s] more risk adverse business posture.”<sup>9</sup> Contracting Officer’s Statement at 38. The agency notes in this regard that the solicitation “encouraged offerors to submit new and innovative approaches for providing end-user services to

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<sup>9</sup> The RFP requested fixed-price proposals, and did not require the submission of the information that would be needed to make a definitive comparative judgment of this nature.

the Agency,” and that the agency’s receipt of proposals offering differing approaches was expected. AR at 4; Contracting Officer’s Statement at 40.

Although Lockheed Martin raises a number of arguments regarding the propriety of the agency’s evaluation of price proposals—that is, that the agency should have considered certain information that was not considered, and should have performed alternative analyses—its protest fails to demonstrate that any of the agency’s actions, inactions, or analyses are inconsistent with, or contrary to, the terms of the solicitation or applicable statute or regulation. As indicated, an agency has considerable discretion in determining the nature and extent of required price realism and proposal risk assessments in the context of fixed-price contracts, and based on our review of the record, we cannot find unreasonable the adequacy or reasonableness of the agency’s actions, analysis, or conclusions.

### Discussions

Lockheed Martin argues that discussions were not meaningful because the agency did not specifically inform Lockheed Martin that its overall pricing was significantly higher than either the agency’s estimate or the pricing submitted by HP. The protester does not assert that its proposed pricing was inconsistent with its proposed approach to performing the contract, or that its proposed pricing included any mistakes, or that the agency unreasonably determined that Lockheed Martin’s proposed pricing was reasonable, realistic, and complete. Rather, the protester asserts simply that it should have been told that its proposed price was overall higher than the government estimate and HP’s proposed pricing, such that it “could not prevail in the competition with its current approach,” and that if it had been informed of this during discussions, it “would have restructured its entire approach and submitted a much different proposal.” Protester’s Comments at 5; Protester’s Supp. Comments at 9.

As a general matter, although discussions must address deficiencies and significant weaknesses in a firm’s proposal, the precise content of discussions is largely a matter of the contracting officer’s judgment. FAR § 15.306(d)(3); General Dynamics-Ordnance & Tactical Sys., B-401658, B-401658.2, Oct. 26, 2009, 2009 CPD ¶ 217 at 6-7. We review the adequacy of discussions to ensure that agencies point out weaknesses or deficiencies that, unless corrected, would prevent an offeror from receiving award. General Dynamics-Ordnance & Tactical Sys., *supra*. In terms of discussing price, agencies are not required to advise a firm that its prices are considered high, unless it has determined that the offeror’s pricing is unreasonably high, such that the pricing would preclude award to the firm. Karrar Sys. Corp., B-310661, B-310661.2, Jan. 3, 2008, 2008 CPD ¶ 51 at 3.

The protester’s assertion here is without merit. An agency may not inform an offeror of a price it must meet to obtain further consideration or its relative price standing, and need not inform an offeror that its price is higher than the government estimate

or another offeror's proposed price unless, as stated above, the government has reason to believe that the offeror's proposed price is unreasonable. Patriot Taxiway Indus., Inc., B-403690, Dec. 6, 2010, 2010 CPD ¶ 291 at 9; Blue Cross Blue Shield of Texas, Inc. B-261316.4, Nov. 9, 1995, 95-2 CPD ¶ 248 at 6-7. Lockheed Martin's argument thus must hinge upon a showing that the agency considered the firm's pricing unreasonably high so as to preclude award to Lockheed Martin. The record does not support such a showing. Although the record reflects that Lockheed Martin's pricing was considerably higher than both the agency's estimate and HP's pricing, the record also reflects that the agency determined Lockheed Martin's pricing to be reasonable, realistic, and complete for its proposed technical approach, and Lockheed Martin does not argue otherwise. AR, Tab 52, Final Pricing Report-Lockheed Martin, at BATES 10976-77.

Finally, there is no evidence in the record that the agency considered Lockheed Martin's pricing to be a deficiency or a significant weakness. To the contrary, the source selection decision states that Lockheed Martin's pricing was found to be reasonable, and the determination to make award to HP was based upon the agency's determination that HP's proposal was higher-rated under the mission suitability factor as well as lower-priced. Accordingly, Lockheed Martins' protest that pricing discussions were misleading and not meaningful is denied.<sup>10</sup>

The protest is denied.

Lynn H. Gibson  
General Counsel

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<sup>10</sup> Lockheed Martin has made a number of other contentions concerning the evaluation of proposals and the agency's conduct of discussions that the protester asserts was unequal and unfair. Lockheed Martin withdrew a number of these contentions, and the remaining contentions, even where not specifically addressed in this decision, were each considered, and found either to be insignificant in view of our other findings, or without merit based upon the record as a whole. For example, the alleged instances of unequal or unfair discussions involved relatively insignificant areas of cost when considering the more than \$340 million price difference between HP's and Lockheed Martin's proposals.