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## Decision

**Matter of:** Teknion LLC

**File:** B-407989; B-407989.2

**Date:** May 8, 2013

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Michael A. Hordell, Esq., Michael R. Golden, Esq., Heather K. Weiner, Esq., and Samuel W. Jack, Esq., Pepper Hamilton LLP, for the protester.  
Marcia G. Madsen, Esq., Polly Myers, Esq., and David Dowd, Esq., Mayer Brown LLP, for the intervenor.  
Kathleen K. Barksdale, Esq., General Services Administration, for the agency.  
Cherie J. Owen, Esq., and Sharon L. Larkin, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### **DIGEST**

Agency reasonably determined that vendor's quotation was technically unacceptable where it failed to comply with a mandatory solicitation requirement.

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### **DECISION**

Teknion LLC, of Mount Laurel, New Jersey, protests the establishment of a blanket purchase agreement (BPA) with Kimball International, Inc., of Jasper, Indiana, under request for quotations (RFQ) No. 31130007, issued by the General Services Administration (GSA) to supply benching style workstations for FBI offices nationwide. Teknion contends that the agency's evaluation of the firm's quote was flawed and that the awardee's quote was ineligible for award.

We deny the protest.

### **BACKGROUND**

The agency issued the RFQ via the GSA eBuy system on October 31, 2012, under Federal Acquisition Regulation (FAR) subpart 8.4, to vendors holding GSA Federal Supply Schedule (FSS) contracts. RFQ at 1. The RFQ informed vendors that the agency planned to establish a BPA with a 1-year base period and three 1-year options. Agency Report (AR), Tab 2, Statement of Work, at 20. Vendors were informed that a BPA would be established on a best-value basis, considering the technical quote and price quote. RFQ at 2. The RFQ advised that technical quotes

should address the following four evaluation factors listed in descending order of importance: reconfiguration, durability, management plan, and past performance. Id. at 3. The technical factors, when combined, were approximately equal to price. Id. Vendors were to address each of these four factors in their written technical quotes. Id. In addition, vendors were also instructed to address the first factor, reconfiguration, in their oral presentations. Specifically, each vendor was to address reconfiguration with regard to two “work style scenarios” set forth in the RFQ. Id. at 3-4.

As relevant here, the RFQ stated that vendors’ written quotes were required to address the following with regard to reconfiguration:

Explain the furniture product’s ability to easily reconfigure (Ease of Reconfiguration) and address any necessary tools and/or hardware that is involved in the benching work station transition. . . . Explain the timeliness<sup>1</sup> of how assembly and disassembly of components are adapted to a new environment.

RFQ at 3.

Because this procurement was conducted using the FSS, the RFQ required that “all products quoted must be on the contractor’s [multiple award schedule] contract at the time of receipt of quotations.” RFQ at 5. However, the RFQ permitted vendors to use contractor teaming agreements to satisfy the solicitation’s requirements. AR, Tab 3, Questions & Answers, at 4. The RFQ also informed vendors that the agency planned to select an awardee based upon initial quotes; therefore, vendors were instructed to submit their best prices and technical quotes in the initial submission. Id. at 2.

The agency received eight quotes by the November 23 due date. After evaluating all of the quotes, the agency determined that only one--the quote submitted by Kimball--was eligible for award. AR, Tab 5, Award Memorandum, at 16.

With regard to Teknion’s quote, the agency assigned the quote a rating of “does not meet” under the reconfiguration subfactor. AR, Tab 4, Technical Evaluation Report, at 35. Specifically, although the agency found that the firm’s quote sufficiently explained the product’s ability to easily reconfigure, the firm did not explain “the timeliness of how assembly and disassembly of components are adapted to a new environment.” Id. The agency eliminated Teknion’s quote from the competition and ultimately made award to the only offeror that had not been eliminated from the competition. This protest followed.

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<sup>1</sup> In this context, it appears that the agency meant that offerors should address the speed of assembly and disassembly.

## DISCUSSION

Teknion's protest challenges the agency's evaluation of the firm's technical and price quotes. The protester also maintains that the quote submitted by Kimball was unacceptable and should have been rejected.

### Technical Unacceptability of Teknion's Quote

Teknion protests the agency's determination that the firm's technical quote failed to "explain the timeliness of how assembly and disassembly of components are adapted to a new environment," as required by the solicitation. See RFQ at 3. Teknion contends that it repeatedly addressed the flexibility of its workstations, which the firm states "facilitates assembly and disassembly of components." Comments at 6. For example, during its oral presentation, Teknion stated that its system had the "ability to move and change down the road," could be reconfigured "without touching the utilities, so there is no down time," and features work surfaces that are "easy to move about." Protester's Comments at 7-8 (quoting portions of oral presentation recording). Teknion also notes that, during the oral presentation, the firm stated that "changes can be made with no downtime," electric and data termination points "can be changed quickly and easily," and that layouts were easy to change, "minimizing downtime." Id. at 8.

Where, as here, an agency issues an RFQ to FSS contractors under FAR subpart 8.4 and conducts a competition, we will review the record to ensure that the agency's evaluation was reasonable and consistent with the terms of the solicitation and applicable procurement laws and regulations. LS3 Techs. Inc., B-407459, B-407459.2, Jan. 7, 2013, 2013 CPD ¶ 21 at 4; Digital Solutions, Inc., B-402067, Jan. 12, 2010, 2010 CPD ¶ 26 at 3-4. A protester's mere disagreement with the agency's judgment does not establish that an evaluation was unreasonable. DEI Consulting, B-401258, July 13, 2009, 2009 CPD ¶ 151 at 2. In a competitive FSS procurement, it is the vendor's burden to submit a quote that is adequately written and establishes the merits of the quote. The Dixon Group, Inc., B-406201, B-406201.2, Mar. 9, 2012, 2012 CPD ¶ 150 at 6.

We have reviewed each of the statements that the protester contends addressed timeliness, and find that none of them satisfy the solicitation's requirement that proposals "explain the timeliness" of assembly and disassembly. Specifically, most of the statements highlighted by the protester focus on the ease of assembly and disassembly, rather than the speed with which it can be accomplished. Aside from a few vague references to minimizing downtime, and a statement that electric and data termination points can be changed "quickly," neither the protester's written quote nor its oral presentation "explain[ed]" the timeliness of assembly and disassembly as required by the RFQ. See RFQ at 3. Therefore, we find that the agency's determination that Teknion's quote failed to meet the solicitation's

requirement to explain the timeliness of assembly and disassembly to be reasonable.<sup>2</sup>

#### Acceptability of Kimball's Quote

Teknion argues that Kimball's quote should have been rejected as nonresponsive because it relied on an unsigned contractor teaming agreement to satisfy the RFQ's requirements. Supp. Protest at 4-9. To support its arguments, the protester cites the RFQ's requirement that products quoted must be on the vendor's FSS contract at the time of receipt of the quote. Teknion contends that since the teaming agreement submitted with Kimball's quote was unsigned, the agreement was not valid, and therefore, Kimball's quote offered items that were not on its FSS contract at the time of quotes.<sup>3</sup>

FSS procedures provide agencies a simplified process for obtaining commonly used commercial supplies and services, Federal Acquisition Regulation (FAR) § 8.401(a), and, although streamlined, satisfy the requirement for full and open competition. 41 U.S.C. § 259(b)(3) (2006); FAR § 6.102(d)(3). Where an agency announces its intention to order from an existing FSS, all items quoted and ordered are required to be on the vendor's schedule contract as a precondition to its receiving the order. LS3 Techs. Inc., supra, at 9; Science Applications Int'l Corp., B-401773, Nov. 10, 2009, 2009 CPD ¶ 229 at 2.

Here, the awardee's quote notified the agency that Kimball planned to provide the requested items using a contractor teaming agreement. The quote offered only items that were on the FSS contracts of Kimball or its teaming partners, and prior to issuance of the order, the agency received a signed copy of the agreement. The RFQ required that the requested items be on the offerors' FSS contracts at the time of submission of the quote, but the RFQ did not establish a deadline for submission of signed teaming agreements. Kimball submitted a quote that notified the agency of the existence of a teaming agreement and, in compliance with the RFQ's requirements, demonstrated that all of the offered items were on the FSS contracts of Kimball or its teaming partners. Further, the agency confirmed that the teaming

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<sup>2</sup> Because we find that the protester's quote was reasonably eliminated from the competition for technical unacceptability, we need not address Teknion's challenge to the agency's evaluation of the firm's price quote.

<sup>3</sup> The protester contends that it is an interested party to pursue this protest even if its other protest grounds are denied. In this regard, Teknion argues that since all of the quotes except for Kimball's were rejected as unacceptable, if the agency had properly rejected Kimball's quote, the GSA would have had to re-open the competition. Supp. Protest at 3. We agree that Teknion is an interested party to pursue a challenge to the awardee's quote under these circumstances.

agreement was valid by receiving a signed version of the agreement prior to making award. Under these circumstances, the awardee's quote satisfied the requirements of the RFQ and the FAR. Therefore, we deny the protester's argument that Kimball's quote was nonresponsive.

Finally, Teknion challenges the acceptability of the awardee's price quote, arguing that comments in the agency's evaluation documents evidence that Kimball's price quote was so flawed as to be unacceptable. Specifically, the protester notes that the evaluation documents contained a notation next to the prices proposed by five of the eight vendors, including the prices proposed by the awardee and the protester. The notation stated:

BPA overall values reflect GSA Calculated amounts (using quoter's raw data), inclusive of all furniture, furniture options, tables, storage, ancillary items, accessories and labor (if applicable) since all quoters did not include all necessary components to calculate the overall BPA dollar value, as identified in the price evaluation breakdown.

AR, Tab 5, Award Memorandum, at 16. The protester points to this language and other comments in the agency's evaluation documents to argue that Kimball's price quote was so flawed that it was rendered unacceptable because the agency was unable to verify the discounts offered by Kimball, which, Teknion argues, "at the very least" rendered Kimball's price quote ambiguous. Protester's Supp. Comments at 16. The protester argues that this ambiguity should have been evaluated as an unacceptable deficiency that rendered the quote ineligible for award. Id. Finally, Teknion contends that the prices calculated by the contracting officer "are not substantiated in any way," and it is unclear how the "calculated by contracting officer" prices were used during the price evaluation.<sup>4</sup> Id. at 17.

The agency states that the language quoted above was intended to indicate that:

While all quoters addressed all the components on each tab within the body of their quote, the summary tab was not reflective of this information. Some quoters omitted components from their summary tab, while other quoters overstated components on their summary tab.

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<sup>4</sup> The award memorandum set forth the quoted prices offered by each vendor and the prices "calculated by contracting officer." AR, Tab 5, Award Memorandum, at 16. With regard to both Teknion and Kimball, the prices calculated by the contracting officer varied by less than 0.001% from the prices contained in their quotes. See id.

Supp. CO Statement at 4. However, the contracting officer determined that the “minor mathematical errors relative to the summary had no negative impact” on the price quotes submitted by the vendors. Id. at 6.

The agency explains that, in evaluating vendors’ price quotes, the contracting officer first reviewed each vendor’s pricing form to identify mathematical errors. Supp. CO Statement at 2. Next, the contracting officer verified discounts and pricing quoted on the individual bills of materials and the pricing form to ensure accuracy. Id. She also reviewed the discounting structure in each vendor’s quote compared to that vendor’s GSA schedule terms and conditions. Finally, the contracting officer reviewed each line of the bill of materials to ensure all products were on the vendor’s schedule and were priced accordingly. Id. at 2-3. As a result, the contracting officer determined that Kimball’s price quote was acceptable. Id. at 3.

On this record we find the agency’s price evaluation to be reasonable and consistent with the stated evaluation criteria. Although the agency identified minor errors in the summary pricing form submitted by Kimball and other vendors, the agency reasonably determined that these errors were not so significant as to render Kimball’s price quote unacceptable or to prevent the agency from evaluating the quoted price. Therefore, we find that the agency’s price evaluation does not provide a basis on which to sustain the protest.

The protest is denied.

Susan A. Poling  
General Counsel