



## Decision

**Matter of:** Chase Defense Partners

**File:** B-418803

**Date:** August 10, 2020

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Fred Fielding for the protester.

Ashley M. Kelly, Esq., and Stephen T. Davis, Esq., Defense Logistics Agency, for the agency.

April Y. Shields, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### DIGEST

Protest challenging an agency's cancellation of a solicitation after a prior successful agency-level protest is denied where the agency demonstrates a reasonable basis for its decision to cancel.

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### DECISION

Chase Defense Partners,<sup>1</sup> of Hampton, Virginia, protests the cancellation of request for quotations (RFQ) No. SPE4A6-20-T-4618, issued by the Defense Logistics Agency for electrical special purpose cable assemblies. The protester, which had previously filed a successful agency-level protest challenging the agency's issuance of a purchase order under the RFQ, challenges the agency's decision to cancel the RFQ. The protester argues that the agency should instead be required to reevaluate the quotations and issue a purchase order to the protester.<sup>2</sup>

We deny the protest.

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<sup>1</sup> Chase's protest was submitted on behalf of Chase Supply, Inc., doing business as Chase Defense Partners. See also Agency Report (AR), exh. B, Quotation from Chase Supply, Inc., Nov. 4, 2019, at 2-3.

<sup>2</sup> This protest is not subject to a GAO protective order because Chase opted to file its protest without an attorney. Accordingly, our discussion of some aspects of the record is necessarily general in order to limit references to non-public information.

Nonetheless, GAO reviewed the entire record in preparing this decision.

## BACKGROUND

The RFQ, issued on November 1, 2019 as a total small business set-aside and pursuant to Federal Acquisition Regulation part 13, simplified acquisition procedures, contemplated the issuance of a purchase order for 30 electrical special-purpose cable assemblies. AR, exh. A, RFQ. After the agency received and evaluated quotations, including one from Chase, the agency selected another vendor for award on January 31, 2020. See AR, exh. D, Purchase Order, Jan. 31, 2020; Contracting Officer's Statement and Memorandum of Law (COS/MOL), June 30, 2020, at 1.

On February 3, Chase filed a protest with the agency, asserting that the awardee was not eligible for award because it was offering cable assemblies from a large business manufacturer. On May 27, the agency sustained Chase's protest. The agency cancelled the purchase order and advised that a new solicitation would be issued to procure the cable assemblies. COS/MOL at 2; see *also* Protest, exh. 2, Agency-Level Protest, Feb. 3, 2020; Protest, exh. 3, Agency's Decision on Agency-Level Protest, May 27, 2020.

On June 5, Chase filed this protest with our Office.

## DISCUSSION

Chase argues that the agency's decision to cancel the RFQ was improper and that the agency should instead be required to reevaluate the quotations and make a new award decision. Chase also "request[s] [that] an award be made to [it] under the current solicitation." Response to Agency Report (Comments), July 2, 2020, at 3; see *also* Protest at 2 ("We believe under the preservation of the integrity of the procurement process, we should still be awarded this bid").

A contracting agency must have a reasonable basis to support a decision to cancel an RFQ. *Progressive Servs. Corp.*, B-404183, B-404251.2, Jan. 11, 2011, 2011 CPD ¶ 18 at 2. A reasonable basis to cancel exists when, for example, an agency determines that a solicitation does not accurately reflect its needs. *MedVet Dev. LLC*, B-406530, June 18, 2012, 2012 CPD ¶ 196 at 2-3. So long as there is a reasonable basis for doing so, an agency may cancel a solicitation no matter when the information precipitating the cancellation first arises, even if it is not until offers (or, as here, quotations) have been submitted and evaluated. *A-Tek, Inc.*, B-286967, Mar. 22, 2001, 2001 CPD ¶ 57 at 2-3.

We have fully considered the record and the parties' arguments and find no basis to sustain Chase's protest. Here, the contracting officer explains that, after Chase's agency-level protest was sustained and the prior purchase order was cancelled, "the supply division ran a forecasting report to determine, given the current stock on hand, when the next purchase request [ ] would be generated and for what quantity, to determine the current need and when the next solicitation should be issued." COS/MOL at 3; see, e.g., AR, exh. F, Forecasting Report, June 25, 2020. The contracting officer

further explains that he determined, based on that forecasting report at that time, the RFQ overstated the agency's needs. In this regard, the agency argues that, "[b]ecause the solicitation did not accurately reflect DLA's needs, the contracting officer had a reasonable basis to decide to resolicit the smaller quantity at a later date." COS/MOL at 3.

The agency also points out that, after it sustained Chase's agency-level protest, Chase raised questions about alleged differences in the items manufactured by the approved sources listed in the original RFQ. COS/MOL at 3 n.2; see AR, exh. G, Email from Chase to Agency, May 29, 2020. The RFQ had identified the requested cable assemblies by National Stock Number 6150-01-406-8988, and identified three approved sources. RFQ at 2, 6. The agency explains that, after its decision to cancel the RFQ and in response to Chase's concerns, it requested its customers "that require this item to verify the technical specifications against the approved manufacturer's specifications." COS/MOL at 3 n.2. The agency further explains that "[n]o solicitation can be issued until the item requirements are verified by the [agency's customers]." *Id.*

We conclude that the agency has demonstrated a reasonable basis for canceling the original RFQ. We note that the agency plans to resolicit its updated requirements based on its needs. Notwithstanding the protester's request for more information about the agency's current inventory of these cable assemblies, Chase acknowledges that the agency's inventory "cannot be verified until a decision is made by legal, safety personnel, and [the agency's customers]," Comments at 3--which is consistent with the agency's explanation that it is considering Chase's concerns and working with its agency customers to verify its requirements.

Finally, we find no basis to consider the protester's "request [that] an award be made to [it] under the current solicitation." Comments at 3. The objective of our bid protest function is to ensure full and open competition for government contracts, and as a general matter, our Office does not consider it appropriate to review a protest that an agency should procure items from a particular firm. See, e.g., *Bell Helicopter Textron, Inc.*, B-241037, Oct. 12, 1990, 90-2 CPD ¶ 289 at 2.

The protest is denied.

Thomas H. Armstrong  
General Counsel