

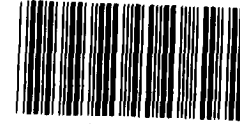


UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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OCTOBER 15, 1980

PROCUREMENT AND SYSTEMS
ACQUISITION DIVISION

B-200627



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The Honorable Lester L. Wolff
House of Representatives

Dear Mr. Wolff: _____

Subject: Inquiry of Contract Award to a Non-small
Business Concern (PSAD-81-5)

This is in reply to your letter of September 16, 1980, in which you asked us to look into two issues raised by the Filtron Manufacturing Company, Inc., in its unsuccessful bid to furnish filters for electronic communications systems under solicitation number DAAD 07-80-B-0093. The two issues are whether (1) the solicitation was a set-aside for small business and (2) the contracting officer followed applicable instructions and requirements of this procurement.

Regarding the first issue, we were informed by the contracting officer that this solicitation was not a set-aside for small business. He further stated that, before advertising for the contract, he had consulted with the local small business representative who had advised him there were insufficient small business sources to compete on this contract. Therefore, the solicitation was issued without a provision limiting responses to small business concerns. We confirmed this information in a conversation with the small business representative.

In section L.9 of the instructions to bidders, the solicitation does contain a reference to small business. The reference merely indicated the maximum number of employees a concern may have and still qualify as a small business. This instruction was included to assist prospective bidders in responding to a question in the bid package which seeks to identify small business concerns. It does not have anything to do with setting aside the contract for small business. If the procurement had been set aside for small business, the solicitation would have clearly

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indicated that offers are solicited from small business concerns only.

Regarding the second issue, we believe proper procedures were followed. The procurement was advertised as required by regulation, and the low responsible bidder, the RFI Corporation (a large business), was awarded the contract. The Filtron Manufacturing Company, Inc., was second low bidder.

Please advise us if we can be of further assistance.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "W. H. Sheley, Jr.", written in black ink.

W. H. Sheley, Jr.
Acting Director