



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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B-179450

October 4, 1973

The Honorable Arthur F. Sampson
Administrator, General Services
Administration

Dear Mr. Sampson:

We refer to a letter dated August 9, 1973, with enclosures, from your General Counsel, recommending rescission of sales contract No. GS-07-DP(S)-30153-59, awarded to Mr. Joe V. Palermo, Bargain Center, for items 72 and 73 under sales invitation No. 7DPS-73-165.

Item 72 was described as follows:

"GENERATORS:

"12.5 KVA, Mfr. Unknown (Parts Missing, wiring torn) - 1 Ea.
3 KW, Mfr. Duplex, Model A (Incomplete, Corroded) 1 Ea.
SUITABLE FOR PARTS AND/OR MATERIAL CONTENT ONLY.
IN/SASP-142B-5-ID-73(54,123) SCRAP. 1 Lot."

Item 73 was described as follows:

"MISCELLANEOUS SCRAP, residue of:

"Telephone Cable, metal cans, compressors, milk dispenser, electrophytograph, fire extinguishers rotary file, electric motors, foam nozzles, oscilloscope, baking pans & racks, power rectifiers. SCRAP 1 Lot.
IN/SASP-142B-5-ID-73 (10, 11, 21, 22, 32, 37-40, 44, 45, 47, 50, 51, 56, 59, 72, 73, 75, 76, 79-81, 83, 89, 92, 99, 105, 115)"

We have reviewed the administrative file and, on the basis of the following information contained therein, we conclude that the contracting officer was on notice of possible error in Palermo's bid and therefore should have requested verification prior to award. Mr. Palermo's item bid page shows that he submitted bids for items numbered "72-H-046" and "73-H245." He states that he thought he was bidding on automobiles and used the numbers on the windshields of the automobiles in submitting

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his bid. The record indicates that the numbers used by Mr. Palermo were the owning agency's seizure numbers and no similar numbers were listed in the invitation for bids. The contracting officer, looking to the first two digits of each number submitted, assumed that Palermo was bidding on items 72 and 73.

It is clear from the record that there was no meeting of the minds and therefore no valid contract came into existence. Under the circumstances, the sales contract may be rescinded as recommended.

Sincerely yours,

Paul G. Dambling

For the Comptroller General
of the United States