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Decision

Matter of: General Dynamics Armament and Technical Products, Inc.

File: B-405671

Date: December 14, 2011

J. Alex Ward, Esq., Carrie F. Apfel, Esq., Damien C. Specht, Esq., and Ethan E. Marsh, Esq., Jenner & Block LLP, for the protester.

Cpt. Travis P. Sommer, and Sarah L. Andich, Esq., Department of the Army, for the agency.

Peter D. Verchinski, Esq., and Guy R. Pietrovito, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest asserting that the agency failed to reasonably evaluate the protester's technical proposal is denied where the record shows the agency's evaluation was reasonable and consistent with the terms of the solicitation.

DECISION

General Dynamics Armament and Technical Products, Inc., of Charlotte, North Carolina, protests the award of a contract to American Ordnance LLC, of Middletown, Iowa, under Request for Proposals (RFP) No. W52P1J-11-R-0010, issued by the Department of the Army, U.S. Army Materiel Command, for the M58A4 Mine Clearing Line Charge (MICLIC). General Dynamics primarily challenges the Army's evaluation of its proposal.

We deny the protest.

BACKGROUND

The RFP provided for the award of a fixed-price, indefinite-delivery/indefinite-quantity (ID/IQ) contract for the production of the MICLIC, which is a trailer-mounted, rocket-propelled line charge that provides breaching capability for ground forces. Each MICLIC consists of 1,400 C-4 explosive pellets that are assembled on a 350-foot nylon rope/detonator cord. When discharged by a rocket, the MICLIC is capable of clearing a path 46-feet wide and 350-feet long. Agency Report (AR), Tab 25.1, Source Selection Plan, at 6.

Offerors were informed that award would be made on a best value basis, considering the following evaluation factors and subfactors:

Technical approach	
	Manufacturing plan
	Quality plan
	Management plan
Past performance	
	Quality
	On-time delivery
Price	
Small business utilization	

RFP at 73-74. The RFP advised that the technical approach factor was slightly more important than the past performance factor, the past performance factor was slightly more important than the price factor, and the price factor was significantly more important than the small business utilization factor. Id. at 74. With respect to the technical approach subfactors, the manufacturing plan and quality plan subfactors were of equal importance, and each slightly more important than the management plan subfactor. The two past performance subfactors were of equal importance. Id.

The RFP provided for rating proposals as excellent, good, marginal, or poor. In this regard, the RFP described in detail the basis for the various adjectival ratings under each subfactor.¹ With regard to the manufacturing plan subfactor, offerors were informed that an excellent rating included (1) thoroughly describing the facilities, equipment, tooling, materials, manufacturing methods/processes and process controls used to manufacture the MICLICs; and (2) for all components to be procured from subcontractors, thoroughly describing all work to be accomplished by the subcontractor, including detailed manufacturing equipment and processes. Id. at 75. In contrast, a good rating under this subfactor reflected plans that only adequately described how the offeror would satisfy RFP requirements, and that had no significant weaknesses. Id. at 76. A marginal rating reflected a plan that only briefly described how the RFP requirements would be satisfied, and included some significant weaknesses or inadequate descriptions. Id. at 76-77.

With regard to the quality plan subfactor, offerors were informed that an excellent rating would be used for plans that thoroughly describe: (1) the offeror's proposed procedures for identification, control, correction and resolution of deficiencies found in components, assemblies, and end items; (2) procedures for inspection, prevention

¹ The RFP informed offerors that the evaluation would take place at the subfactor level, and that a final overall rating for the technical approach evaluation factor would be based on a composite rating of the subfactor ratings. RFP at 75, 81.

and control of critical defects such that there is a very low risk that material exhibiting critical defects would be produced and delivered; (3) an effective inspection process to insure that incoming supplies and materials to be utilized in production will conform to all requirements; and (4) plans for continuous improvement in manufacturing and inspection methods. Id. at 77. Similarly, a good rating under this subfactor would be used for plans that only adequately describe how the offeror would satisfy these requirements, and contained no significant weaknesses. A marginal rating would be used for plans that only briefly describe how the RFP requirements would be satisfied. Id. at 77-78.

With regard to the management plan subfactor, the RFP provided for the evaluation of how thoroughly an offeror's manufacturing plan detailed facilities, equipment, tooling, material, manufacturing methods/processes, and process controls to perform the contract. In this regard, offerors were informed that an excellent rating would be used for plans that included "a thorough description of key personnel who have relevant experience and/or subcontractors/vendors that will perform major or critical aspects of the requirement," and that thoroughly describe "a robust process to manage the subcontractor/vendor and supplier base." Id. at 79. A good rating would be used for plans that only adequately describe how the offeror would satisfy RFP requirements, and had no significant weaknesses. Id. at 80.

With regard to the price evaluation, offerors were required to submit unit prices for three different quantity ranges in each of three different ordering periods, and were informed that the Army would calculate a weighted evaluation price for each ordering period. See RFP, attach. 20, Price Matrix. The RFP provided that the agency's selection decision would be based upon a total evaluated price, which would be calculated by adding all the evaluated (weighted) prices for each of the three ordering periods and any other price related evaluation factors (such as transportation costs). RFP at 82.

The Army received proposals from three offerors, including General Dynamics and American Ordnance, which were evaluated by the agency's source selection evaluation board (SSEB). Following the evaluation of proposals, the agency established a competitive range that included the proposals of General Dynamics and American Ordnance, and conducted discussions with those firms.

Among other things, the Army informed General Dynamics that its proposal had a significant weakness under the manufacturing plan subfactor. Specifically, General Dynamics was informed that its proposal did not "fully and adequately" define all the work that one of its subcontractors, [DELETED], would accomplish, nor did it include another subcontractor's capabilities to [DELETED]. AR, Tab 13, General Dynamics Discussion Letter, at 1, 2. The protester was also informed that it had a significant weakness and two other weaknesses under the quality plan factor. Specifically, the agency told General Dynamics that its failure to address how it would assess the accuracy and reliability of certain inspection equipment (that is,

gages) was a significant weakness. General Dynamics was informed that the two weaknesses concerned its brief discussion of its continuous improvement measures, and how it would develop and implement inspection plans.² *Id.* at 2.

Revised proposals were received and evaluated as follows:³

		General Dynamics	American Ordnance
Technical		Marginal/ moderate risk	Good/ low risk
	Manufacturing Plan	Marginal/ moderate risk	Good/ low risk
	Quality Plan	Marginal/ moderate risk	Good/ low risk
	Management Plan	Good/ low risk	Good/ low risk
Past Performance		Marginal/ moderate risk	Good/ low risk
	Quality	Marginal/ moderate risk	Good/ low risk
	On Time Delivery	Excellent/ very low risk	Good/ low risk
Small Business Utilization		Excellent/ very low risk	Excellent/ very low risk
Evaluated Price		[DELETED]	\$33,186,000

See AR, Tab 26, Source Selection Decision.

The protester's marginal ratings under the manufacturing plan and quality plan subfactors reflected the evaluators' judgment that General Dynamics had not substantially improved its proposal during discussions. Under the manufacturing plan, the agency found that General Dynamics still had a significant weakness for both failing to provide detailed information regarding [DELETED] and for failing to provide detailed information about its subcontractor's capabilities [DELETED]. AR, Tab 23.2, Final Manufacturing Plan Subfactor Rating, at 3. Under the quality plan, the

² The two quality plan subfactor weaknesses that were identified in discussions were actually considered significant weaknesses by the SSEB, and the weakness identified in discussions as significant was in fact only considered a weakness. *Compare* AR, Tab 21.3, Initial Quality Plan Subfactor Evaluation, at 3-4, *with* Tab 13, General Dynamics Discussion Letter, at 2.

³ The protester's ratings did not change as a result of discussions.

agency found, consistent with its initial evaluation, that General Dynamics still had a significant weakness for its inspection plans since the firm had merely repeated several paragraphs from its initial proposal rather than expand and explain its plans. AR, Tab 23.3, Final Quality Plan Subfactor Rating, at 3. The agency also found that the firm's response had failed to alleviate the agency's concerns regarding the firm's ability to assess gage accuracy, and this remained a weakness. AR, Tab 23.3, Final Quality Plan Subfactor Rating, at 3. The agency found, however, that General Dynamics had provided additional information regarding its continuous improvement plan, and thus this was no longer viewed as a weakness. Id. at 4.

The SSEB's evaluation judgments were reviewed by the source selection authority (SSA), who determined that American Ordnance's proposal offered the best value to the agency. AR, Tab 26, Source Selection Decision, at 1. Specifically, the SSA found that American Ordnance's superior adjectival and risk ratings under the technical and past performance factors reflected that firm's lower performance risk as compared to General Dynamics. In this regard, the SSA noted that the SSEB had assessed two significant strengths with respect to American Ordnance's technical approach, whereas the only evaluated significant strength in General Dynamic's proposal was with respect to small business utilization. Also, the SSA noted that American Ordnance had been evaluated as having only minor weaknesses under the technical factor where General Dynamics was evaluated as having two significant weaknesses. Id. at 18-19. The SSA recognized American Ordnance's higher total evaluated price compared to General Dynamics but concluded that American Ordnance's technical superiority outweighed the [DELETED] price premium. Id. at 19.

Award was made to American Ordnance, and following a debriefing, General Dynamics filed this protest.

DISCUSSION

General Dynamics challenges the Army's evaluation of its proposal under each of the evaluation factors and subfactors and its source selection decision. We have reviewed all of the protester's arguments, and find the agency's evaluation and selection decision to be reasonably based. As examples of our review, we address below two of the protester's challenges to its evaluation, and its challenge to the final selection decision.

Manufacturing Plan Subfactor

General Dynamics challenges the evaluation of its proposal as marginal and moderate risk under the manufacturing plan subfactor. Specifically, the protester objects to the Army's assessment of a significant weakness with respect to two of its subcontractors. As noted above, the agency concluded that, despite discussions in this regard, General Dynamics failed to provide detailed information regarding [DELETED] and about another subcontractor's capabilities [DELETED]. See AR,

Tab 23.2, Final Manufacturing Plan Subfactor Rating, at 1-3; see also Tab 13, General Dynamics Discussion Letter, at 1.

The evaluation of an offeror's proposal is a matter within the agency's discretion. IPlus, Inc., B-298020, B-298020.2, June 5, 2006, 2006 CPD ¶ 90 at 7, 13. A protester's disagreement with the agency's judgment in its determination of the relative merit of competing proposals does not establish that the evaluation was unreasonable. VT Griffin Servs., Inc., B-299869.2, Nov. 10, 2008, 2008 CPD ¶ 219 at 4. In reviewing a protest against an agency's evaluation of proposals, our Office will not reevaluate proposals, but instead will examine the record to determine whether the agency's judgment was reasonable and consistent with the stated evaluation criteria and applicable procurement statutes and regulations. Shumaker Trucking & Excavating Contractors, Inc., B-290732, Sept. 25, 2002, 2002 CPD ¶ 169 at 3.

General Dynamics disagrees that its proposal did not adequately address the agency's concerns. In this regard, the protester argues that the RFP only required offerors to provide the names of proposed subcontractors and identify the work they would perform, and did not require offerors to provide a detailed description of proposed subcontractors' capabilities. We disagree. As noted above, the RFP required a detailed manufacturing plan that included a description of the essential manufacturing facilities, equipment, and processes to be used. RFP at 75. Moreover, the RFP informed offerors that manufacturing plans that better detailed the manufacturing facilities, equipment, and processes of component subcontractors would be rated higher than those that did not. Id.

General Dynamics also contends that it adequately addressed the agency's concerns during discussions. Again, we disagree. With respect to the subcontractor it proposed for [DELETED], General Dynamics responded to the agency's discussion questions with a two-paragraph, very general explanation of its subcontractor's experience providing [DELETED] under another unidentified Army contract, and of the subcontractor's quality control for [DELETED]. See AR, Tab 16, General Dynamic Discussion Reponses, at 1-1 – 1-2. The Army states that this response failed to state where the subcontractor obtains [DELETED], and provided limited information regarding the subcontractor's capabilities [DELETED]. In this regard, there was no information provided with regard to the subcontractor's role in the unidentified Army contract. Under these circumstances, we find that the Army reasonably concluded that General Dynamics had not adequately described its subcontractor's essential manufacturing facilities, equipment and processes, which supported the agency's assessment that this failure was a significant weakness.

Similarly, with respect to [DELETED], General Dynamics maintains that its proposal and discussion response demonstrate that its subcontractor would be [DELETED]. The evaluators noted that the subcontractor would have to [DELETED], but found that there were no details provided about this equipment or the subcontractor's experience with it. See AR, Tab 23.2, Final Manufacturing Plan Subfactor Rating,

at 1-3. In response to the agency's discussion requesting that General Dynamics provide its subcontractor's capabilities [DELETED], the protester stated that its subcontractor had both [DELETED], and the protester listed some of the firm's most recent experience. We find reasonable the Army's assessment that General Dynamic failed to demonstrate its subcontractor's capabilities for this key component of the MICLIC.

Quality Plan Subfactor

General Dynamics also challenges the Army's evaluation of its proposal as marginal and moderate risk under the quality plan subfactor. Specifically, the protester objects to the agency's assessment of a significant weakness under this subfactor for not providing detailed inspection plans for incoming supplies. The protester contends that its proposal provided "detailed diagrams" on this subject. Comments at 13, citing, AR, Tab 12-02, General Dynamics Technical Proposal, at 2-5 - 2-6.

As noted above, the RFP provided for the evaluation of offerors' inspection processes to ensure that incoming supplies and materials will conform to requirements. See RFP at 77. Although General Dynamics contends that its proposal detailed the firm's inspection plans, the record supports the Army's judgment that General Dynamics only "briefly described" its inspection process. That is, the protester's proposal does little more than state that inspection plans would be developed in accordance with government standards and the contract clauses. In this regard, the "detailed diagrams" to which General Dynamic refers are no more than general flow charts of steps that would occur in an inspection process. See, e.g., AR, Tab 12-02, General Dynamics Technical Proposal at 2-5.

Accordingly, we agree with the Army that General Dynamics failed to explain in its proposal what its process would be for the inspection of incoming supplies. Furthermore, in response to the Army's discussions about its inspection process, General Dynamics stated only that its quality control plan would incorporate instructions for quality management of, among other things, material and non-conforming material; that it would use inspection/test plans specific to each component, subassembly, and final assembly; and that its employees would be fully trained in standard operating procedures and inspection/test plans.⁴ See AR, Tab 16,

⁴ General Dynamics complains that the agency unreasonably required the firm to provide a step-by-step guide for its incoming inspection process, given that technical proposals were limited to 50 pages. Protester's Comments at 14 n.7. We disagree. As noted above, the RFP provided for the evaluation of offerors' inspection processes. See RFP at 77. To the extent General Dynamics believes that the RFP too restrictively limited an offeror's ability to respond to the RFP's requirements, this challenge to the terms of the solicitation was required to be filed prior to the closing

(continued...)

General Dynamic Discussion Responses, at 2-1 - 2-2. We conclude that the agency reasonably assessed as a significant weakness the protester's failure to detail its inspection plans for ensuring that incoming supplies satisfied contract requirement.

General Dynamics challenges a number of other weaknesses assessed in the firm's proposal under the quality plan subfactor. We find from our review of the record that this challenges are also without merit. In any event, given the significant weakness assessed under this subfactor with respect to the protester's inspection plans, General Dynamics would not have been entitled to a higher adjectival rating under this subfactor. That is, under the rating methodology established by the RFP, proposals could only be rated higher than marginal under this subfactor where no significant weaknesses were found.⁵ See RFP at 78.

Selection Decision

General Dynamics protests that the SSA in her selection decision considered the firms' prices inconsistently with the RFP criteria. Specifically, the protester argues that the RFP provided for the evaluation of the firms' weighted prices in accordance with a pricing matrix attached to the solicitation. See RFP, attach. 20, Pricing Matrix. General Dynamics contends that in her cost/technical tradeoff, the SSA discounted the protester's price advantage because the SSA noted that, under certain scenarios where the agency orders fewer than the maximum quantity, the price difference between the proposals is significantly reduced. The protester argues that such "speculation" was inconsistent with the RFP, which stated that the award decision would be based upon the total evaluated price.

SSAs have broad discretion in determining the manner and extent to which they will make use of the technical and price evaluation results; their judgments are governed

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date for receipt of proposals. See 4 C.F.R. § 21.2(a)(1). In any case, the record does not show that the Army limited offerors' responses during discussions.

⁵ General Dynamics also complains that the Army failed to conduct meaningful discussions with the firm with respect to one of the weaknesses assessed under the quality plan subfactor. Although we agree that the Army's discussions with respect to the identification, control, correction and resolution of deficiencies were not as specific as they should have been, the record does not establish that General Dynamics was prejudiced thereby. First, as noted above, the protester's marginal rating would not have improved under this subfactor, even if it adequately addressed the agency's concerns with this weakness, because of the other, unrelated significant weakness assessed under this subfactor. Also, General Dynamics does not state, or explain how, it would have changed its quality plan in response to meaningful discussion with respect to this weakness.

only by the tests of rationality and consistency with the stated evaluation criteria. Chemical Demilitarization Assocs., B-277700, Nov. 13, 1997, 98-1 CPD ¶ 171 at 6.

Here, the SSA found that American Ordnance's evaluated technical superiority outweighed the protester's [DELETED] price advantage. While the SSA noted that, under some ordering circumstances, the protester's price advantage may not be as great as [DELETED], the SSA based her source selection decision on the difference between the offerors' overall evaluated prices. See AR, Tab 26, Source Selection Decision, at 19. Specifically, she found that "[e]ven though [General Dynamic's] total evaluated price is lower than [American Ordnance's] total evaluated price, I find that [General Dynamics] did not adequately demonstrate its ability to satisfy the Government's requirements." Id. We find from our review of the record that the SSA reasonably considered the firms' total evaluated prices in her selection decision.

The protest is denied.

Lynn H. Gibson
General Counsel