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**Comptroller General  
of the United States**

**United States General Accounting Office  
Washington, DC 20548**

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## **Decision**

**Matter of:** Martin Electronics, Inc.--Costs

**File:** B-291732.2

**Date:** April 22, 2003

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James J. McCullough, Esq., Louis D. Victorino, Esq., and Steven A. Alerding, Esq., Fried, Frank, Harris, Shriver & Jacobson, for the protester.

Maj. Edward E. Beauchamp, and William G. Bradley, Esq., U.S. Army Materiel Command, for the agency.

Tania Calhoun, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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### **DIGEST**

Agency unduly delayed taking corrective action until after submission of the supplemental agency report, the protester's comments on that supplemental report, and a hearing notice, in the face of a clearly meritorious protest that the agency's selection of one awardee was unreasonable and unsupported and that the agency's evaluation of another awardee's proposal was inconsistent with the solicitation's stated evaluation criteria; accordingly, General Accounting Office recommends that the protester be reimbursed for the costs of filing and pursuing its protest.

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### **DECISION**

Martin Electronics, Inc. (MEI) requests that our Office recommend that it be reimbursed the reasonable costs of filing and pursuing its protest challenging awards made to Pyrotechnic Specialties, Inc. (PSI) and Valentec Systems, Inc., by the U.S. Army Operations Support Command (OSC) under request for proposals (RFP) No. DAAA09-02-R-0078 for M583A1 White Star Parachute 40mm cartridges. After receipt of the protester's comments on the agency's supplemental report, and after our Office scheduled a hearing, the agency took corrective action in response to the protest. Based upon the corrective action, we dismissed the protest as academic. MEI contends that the agency unduly delayed taking corrective action in the face of its clearly meritorious protest.

We grant the protester's request and recommend that the agency reimburse the protester its reasonable costs of filing and pursuing the protest.

The OSC issued the solicitation on May 3, 2002 seeking fixed-price proposals from firms that could provide 138,134 M583A1 White Star Parachute 40mm cartridges, with a 100 percent evaluated option. The cartridge is an illuminating 40mm round which is shoulder-fired from grenade launchers and used for training and combat to illuminate the battlefield. MEI holds a current OSC contract to provide these cartridges.

The Army planned to award one contract, but reserved the right to make a split award based upon a 61/39 percent division of the requirement. RFP § A.1. Offerors were advised that award might be made without the conduct of discussions. Id. § A.i. Award was to be made to a firm whose proposal represented the best value to the government, which was to be determined after an integrated assessment of five evaluation factors: recent, relevant past performance; product-to-process enhancement efforts; technical capability; price; and small business utilization. RFP § M-1, amend. 1. The first three evaluation factors were of equal importance, and were significantly more important than price.<sup>1</sup>

With respect to the recent, relevant past performance factor, the RFP defined “recent” as occurring within the 3 years prior to the solicitation closing date, and defined “relevant” as “producing the same or similar items, requiring the same or similar manufacturing processes, skills, and abilities.” Id. The recent, relevant past performance factor was comprised of two equally important subfactors, on-time delivery and quality. Offerors were required to submit a description of their government/commercial contracts received or performed during the 3 years prior to closing of this solicitation; these descriptions were to address such things as whether deliveries had been made on time and whether any quality problems had been encountered. RFP § L-9(a).

Section M-1 of the solicitation characterized the product-to-process enhancement efforts factor as:

Information provided by the offeror that demonstrates contractor’s efforts to incorporate process improvements and initiatives to enhance product or performance on same or similar items. Information provided by the offeror on internal programs or innovations initiated by the offeror, based on production experience or knowledge of product-to-process inter-relationships, that resulted in recommended design or production process changes to improve the item or its performance.

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<sup>1</sup> The RFP was silent as to the relative importance of the small business utilization factor, which was not at issue in the protest.

Five firms submitted proposals by the June 28 closing date. The Army’s source selection evaluation board (SSEB) evaluated the proposals, conducted preaward surveys of the three offerors at issue here, and arrived at the following evaluation results:

	<b>MEI</b>	<b>PSI</b>	<b>Valentec</b>
<b>Recent, Relevant Past Performance</b> (On-Time Delivery) (Quality)	Good (Good) (Good)	Good (Good) (Good)	Neutral (Neutral) (Neutral)
<b>Product-to-Process Enhancement Efforts</b>	Excellent	Excellent	Neutral
<b>Technical Capability</b>	Excellent	Excellent	Excellent
<b>Price</b>			
100 percent of the requirement	[DELETED]	[DELETED]	[DELETED]
61 percent of the requirement	[DELETED]	[DELETED]	[DELETED]
39 percent of the requirement	[DELETED]	[DELETED]	[DELETED]

The contracting officer, acting as the source selection authority (SSA), documented his conclusions regarding the merits of each proposal in a source selection decision (SSD). The SSA made no distinction among the proposals under the technical capability factor. Under the recent, relevant past performance factor, the SSA stated that Valentec’s proposal was rated “neutral” under both subfactors because it had no recent, relevant contracts within the last 3 years. The SSA made no distinction between MEI and PSI under the quality subfactor but, under the on-time delivery subfactor, the SSA stated that MEI’s proposal was rated “good,” but that the firm was delinquent on its current contract for these cartridges. In the SSA’s estimation, MEI’s continued delinquency caused a “serious concern” as to whether it would be able to successfully perform. SSD at 4. The SSA stated that, since he was the contracting officer on MEI’s current contract for these cartridges, and was “intimately aware” of all aspects of the delinquent contract and had had many discussions with MEI about the reasons for the delinquency, there was no need to open discussions on the matter. *Id.* Aside from noting PSI’s rating of “good” under the on-time delivery subfactor, the SSD does not mention PSI’s on-time delivery performance. Under the product-to-process enhancement efforts factor, the SSA stated that MEI and PSI presented examples of their accomplishments on this element, but Valentec was unable to demonstrate a product-to-process success because [DELETED]. As a result, the SSA explained, Valentec’s proposal was rated “neutral” under this factor in accordance with the evaluation plan. The SSA finally noted that the prices of all of these offerors were determined to be fair and reasonable.

The SSA decided to make a split award, with the larger portion going to Valentec and the smaller portion going to PSI. The SSA stated that, although MEI and PSI received the same adjectival ratings of “good” for the technical evaluation, MEI’s current delinquency caused a “serious lack of confidence” in the firm’s ability to handle another award. *Id.* at 5. The SSA further stated that, while Valentec had never produced the item and had not presented a process-to-product enhancement, the firm’s site survey and its plans to use experienced personnel gave him confidence

that its proposal presented the best value at a low risk. The SSA explained that two awards would give the government simultaneous deliveries, which would greatly help the item's critical stock position and lessen the risk of giving the entire requirement to one source. As a result, the SSA stated, the government recognized a trade-off cost premium of approximately [DELETED] percent, including the evaluated option, compared to the cost of a 100 percent award to the low offeror, Valentec. Based on the above analysis, the SSA determined that the additional cost for an award to PSI--as opposed to a 100 percent award to Valentec--was an acceptable tradeoff for a potential lower risk.

Awards were made on November 20, and, after its debriefing, MEI filed its protest on December 2 challenging both awards. With regard to the PSI award, MEI argued that selection of PSI's proposal over its own lower-priced proposal solely on the basis of a delinquency under MEI's current contract for these cartridges was neither reasonable nor consistent with the solicitation's evaluation criteria. Specifically, MEI argued that the contracting officer knew or should have known that an August 2002 delinquency on its current contract was caused by the government, and not MEI, citing contemporaneous exchanges between MEI and the contracting officer; that it was improper to consider this August 2002 delinquency because it occurred after the closing date for submission of proposals; and that, even if it was proper to consider this delinquency, the contracting officer improperly failed to bring this adverse past performance information to MEI's attention for clarification. MEI also argued that selection of Valentec's proposal over its own based on Valentec's lower price was unreasonable and inconsistent with the solicitation's evaluation criteria. Specifically, MEI argued that since the technical factors were significantly more important than price, and since its ratings of "good" and "excellent" under the recent, relevant past performance and the product-to-process enhancement efforts factors, respectively, were superior to Valentec's "neutral" ratings on these same factors, it was unreasonable to select Valentec's proposal over its own.

The Army filed its agency report in response to the protest on January 6, 2003. With regard to MEI's challenge to the PSI award, the Army argued that the contract delinquency to which the SSD referred began with a January 2002 delay to first article testing, and continued through to a second delay to first article testing in August 2002. The Army also denied any responsibility for either delinquency, citing contemporaneous exchanges with MEI regarding the causes for the delays. The Army asserted that it was proper to consider the first delinquency because it occurred before the closing date, and it was proper to consider the second delinquency because the information was too close at hand to ignore. The Army argued that clarifications were not necessary because MEI had the opportunity to address the first delinquency in its proposal and because the contracting officer had had exchanges with the firm regarding both delinquencies. The Army concluded that its selection of PSI's proposal over MEI's lower-priced proposal was supported because the SSA considered PSI's performance risk to be lower than that of MEI. With regard to the Valentec award, the Army argued that MEI's ratings of "good" and

“excellent” under the recent, relevant past performance and the product-to-process enhancement efforts factors, respectively, were not superior to Valentec’s “neutral” ratings under these same factors because neutral ratings are to be viewed neither favorably nor unfavorably.

On January 16, MEI filed its comments on the agency report. In rebutting the agency’s position on the issues raised in the protest, MEI argued that the January 2002 delinquency was insufficiently serious to warrant the SSA’s conclusions about the firm’s performance risk, and that the August 2002 delinquency was the fault of the government, not MEI. MEI again relied upon the details of contemporaneous exchanges, including correspondence, between the firm and the contracting officer concerning the causes of both delays. Based upon information in the agency report, MEI also argued, for the first time, that the Army’s evaluation of PSI’s proposal under the on-time delivery subfactor improperly failed to take into account numerous recent PSI late deliveries under relevant contracts. MEI stated that, despite the presence of information regarding late deliveries in PSI’s proposal and in the pre-award survey documentation,<sup>2</sup> neither the evaluation worksheet nor the SSD mentioned any PSI late deliveries and, as a result, PSI’s “good” rating was unsupported by the record. With regard to the Valentec award, MEI argued that the agency improperly assigned a “neutral” rating to Valentec’s proposal under the product-to-process enhancement efforts factor because notations on evaluation worksheets indicated that there was information to be evaluated.<sup>3</sup>

On January 21, this Office asked the Army to address MEI’s allegations that the Army failed to take into account various recent PSI late deliveries in evaluating its proposal under the past performance factor; that the August 2002 delinquency was

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<sup>2</sup> MEI also argued that the contracting officer knew or should have known of additional PSI late deliveries by virtue of a then-ongoing GAO protest involving the same parties in another OSC procurement. See Martin Elect., Inc., B-290846.3, Dec. 23, 2002, 2002 CPD ¶ 6. We do not agree with the Army that MEI was required to raise this argument when it filed its protest because, at that time, the firm’s counsel had access to PSI’s past performance history pursuant to a GAO protective order issued in the prior protest. MEI had no way of knowing the basis for the Army’s evaluation of PSI’s proposal in this procurement until it received the agency report.

<sup>3</sup> MEI’s argument that the Army could not use a “neutral” rating for the product-to-process enhancement efforts factor because such a rating is reserved for a past performance factor is untimely. MEI knew when it filed its protest that Valentec had received this “neutral” rating, but did not raise this argument until it filed its comments. Protests not based upon alleged solicitation improprieties must be filed not later than 10 days after the basis of protest is known or should have been known. 4 C.F.R. § 21.2(a)(2) (2003).

not the fault of MEI; and that the Army improperly assigned Valentec's proposal a "neutral" rating under the product-to-process enhancement efforts factor.

In its January 28 response, the Army argued that PSI's rating of "good" under the on-time delivery subfactor was reasonable and consistent with positive performance information the agency had received from the Navy. This "positive performance information" was not contemporaneous evidence but was, instead, several post-protest responses to the Army's post-protest requests for information for the purpose of defending this protest. The Army also reiterated its position that it had properly considered both of MEI's delinquencies and reasonably considered their impact upon MEI's performance risk, citing again to contemporaneous exchanges between MEI and the contracting officer. With regard to the Valentec award, the Army argued that it properly gave Valentec's proposal a neutral rating under the product-to-process enhancement efforts factor because the factor could not be evaluated unless an offeror actually had a "prior experience history 'on same or similar items.'" Army Supplemental Report at 8. According to the Army, since Valentec does not have relevant past performance history "producing the *same or similar items*, requiring the same or similar manufacturing processes, skills and abilities' that can be evaluated, it logically follows that it will also not be able to demonstrate previous efforts to incorporate process improvements and initiatives to enhance product or performance on *same or similar items*." Id.

MEI responded to the agency's supplemental report on February 3, arguing that the contemporaneous record did not support the Army's evaluation of PSI's on-time delivery record, and that the post-protest explanations provided by the Army were both inadequate and inconsistent with information in the record. MEI also challenged the SSA's post-protest explanations concerning the relative fault for the August 2002 delinquency. As for the Valentec evaluation, MEI argued that, to the extent the Army's review was limited to a review of "same or similar items," Valentec's proposal identified several contracts which Valentec claimed were for similar items and, as a result, information existed that should have been considered.

On February 4, GAO notified the parties that a hearing would be necessary because the contemporaneous evaluation record inadequately documented the basis for PSI's on-time delivery subfactor rating, and inadequately documented the basis for the SSA's decision that MEI's delinquency on its current contract caused him a serious lack of confidence in its ability to handle another award and his selection of PSI for award over the MEI proposal for this reason. On February 13, the Army advised this Office that it would be in the best interests of the government to amend the solicitation as necessary and to reevaluate proposals.

Based on the agency's proposed corrective action, we dismissed the protest as academic on February 14. Thereafter, in accordance with our Bid Protest Regulations, 4 C.F.R. § 21.8(e), MEI requested that we recommend reimbursement of its protest costs because the agency had unduly delayed taking corrective action in

the face of its meritorious protest. With regard to the PSI award, MEI states that it challenged both the agency's decision to treat its good rating as inferior to PSI's good rating solely on the basis of the delay under MEI's current contract and the agency's simultaneous failure to take into account numerous recent late PSI deliveries, and asserts that a reasonable inquiry into these allegations would have revealed facts disclosing the absence of a defensible legal position. With regard to the Valentec award, MEI states that it challenged the propriety of Valentec's neutral rating under the product-to-process enhancement factor.

The Army disputes MEI's position that its protest was clearly meritorious. With regard to the PSI award, the agency maintains that the record contained significant adverse contract administration information regarding MEI's performance under its current contract--the contemporaneous exchanges between MEI and the contracting officer regarding the delinquencies--that supported the SSA's conclusions regarding the risk involved in awarding the contract to MEI. The Army concedes that the record "could have been better documented" to preclude the need for a hearing on the issue of PSI's past performance, Army Response to Request for Reimbursement at 3, but states that this allegation was not clearly meritorious because the Army could have prevailed after a hearing on the subject. With regard to the Valentec award, the Army argues that it properly rated Valentec's proposal "neutral" under the product-to-process enhancement efforts factor because [DELETED].

Where a procuring agency takes corrective action in response to a protest, our Office may recommend that the agency reimburse the protester its protest costs where, based on the circumstances of the case, we determine that the agency unduly delayed taking corrective action in the face of a clearly meritorious protest, thereby causing a protester to expend unnecessary time and resources to make further use of the protest process in order to obtain relief. Georgia Power Co.; Savannah Elec. and Power Co.--Costs, B-289211.5, B-289211.6, May 2, 2002, 2002 CPD ¶ 81 at 5. A protest is clearly meritorious when a reasonable agency inquiry into the protest allegations would show facts disclosing the absence of a defensible legal position. AVIATE L.L.C., B-275058.6, B-275058.7, Apr. 14, 1997, 97-1 CPD ¶ 162 at 16. For a protest to be clearly meritorious, the issue involved must not be a close question. J.F. Taylor, Inc.--Entitlement to Costs, B-266039.3, July 5, 1996, 96-2 CPD ¶ 5 at 3. Rather, the record must establish that the agency prejudicially violated a procurement statute or regulation. Tri-Ark Indus., Inc.--Declaration of Entitlement, B-274450.2, Oct. 14, 1997, 97-2 CPD ¶ 101 at 3. In our view, MEI's protest of both awards was clearly meritorious.

Turning to the PSI award, MEI challenged both the Army's decision to treat its "good" rating as inferior to PSI's "good" rating solely on the basis of the delay under its current contract, and the Army's failure to take into account numerous recently late PSI deliveries.

At the heart of MEI's first challenge was its allegation that the August 2002 delinquency was the fault of the government, and not MEI. In support of its position, MEI cited contemporaneous written exchanges between the firm and the contracting officer that explained, in detail, the causes for the delay.

Despite the fact that the sole reason for the SSA's selection of PSI's proposal for award over MEI's lower-priced proposal was MEI's delinquency under its current contract, nothing in the contemporaneous record explains the basis for the SSA's conclusion that MEI's "current delinquency causes a serious lack of confidence in [its] ability to handle another award." SSD at 5. There is no evidence that the SSA considered the contemporaneous explanations provided by MEI regarding the cause for this delay or the January 2002 delay, no evidence that the SSA considered the question of relative fault despite details surrounding the explanations for both delays that raises the question, and no evidence that the SSA considered the impact of either delay to MEI's first article testing on the procurement as a whole. Despite this inadequate documentation, the Army proceeded to file a report and a supplemental report defending its position on this issue. Neither report provided additional contemporaneous evidence of the SSA's consideration of MEI's delinquency, and the post-protest explanations provided by the SSA and others did not resolve the matter.

In MEI's second challenge, raised in its comments, the firm argued that the Army improperly failed to consider numerous recent PSI late deliveries in evaluating the firm's proposal under the on-time delivery subfactor. MEI correctly pointed out that there was no contemporaneous evidence that information in the record about PSI's late deliveries was considered. Despite this lack of documentation associated with the evaluation of PSI's proposal on a subfactor critical to the source selection decision, and despite contemporaneous information putting PSI's "good" rating into question, the Army proceed to file a supplemental report defending its position on this issue. This defense relied upon post-protest information gathered specifically for the purpose of defending this protest or for the purpose of implementing our recommendation in a prior protest filed by MEI, and the information itself was inconsistent with the record and did not resolve the matter.

In reviewing an agency's evaluation of proposals and source selection decision, we examine the record to determine whether the agency acted reasonably and consistent with the stated evaluation factors as well as applicable statutes and regulations. PRC, Inc., B-274698.2, B-274698.3, Jan. 23, 1997, 97-1 CPD ¶ 115 at 4. Implicit in the foregoing is that the evaluation must be documented in sufficient detail to show that it was reasonable and bears a rational relationship to the announced evaluation factors. FAR §§ 15.305(a); 15.308; Satellite Servs., Inc., B-286508, B-286508.2, Jan. 18, 2001, 2001 CPD ¶ 30 at 7; ACS Gov't Solutions Group, Inc., B-282098 et al., June 2, 1999, 99-1 CPD ¶ 106 at 13. Here, it is evident from the record that the sole basis for the selection of PSI's proposal over MEI's lower-priced proposal--the SSA's conclusion that MEI's delinquency on its current contract caused a serious lack of confidence in the firm's ability to handle another



contract--was inadequately documented, and that the resulting source selection decision was not supported by the record. It is also evident from the record that the “good” rating for PSI’s proposal under the on-time delivery subfactor was inadequately documented, and that the SSA’s perception of PSI’s low performance risk was not supported by the record.

In our view, a reasonable agency inquiry into these allegations would have disclosed the absence of a defensible legal position and, by unduly delaying corrective action, the agency caused the protester to expend unnecessary time and resources to make further use of the protest process to obtain relief. Georgia Power Co.; Savannah Elec. and Power Co.–Costs, *supra*, at 6. The Army correctly notes that this Office will consider post-protest explanations that are credible and consistent with the contemporaneous documentation in rendering a decision, and that the Army might have prevailed in the protest as a result of the hearing. *See, e.g., Jason Assocs. Corp.*, B-278689 *et al.*, Mar. 2, 1998, 98-1 CPD ¶ 67 at 6-7. Here, however, the Army provided written post-protest information that was inconsistent with and had little or no nexus to the contemporaneous record, yet opted to forgo the hearing which might have permitted it to prevail in the protest. That being the case, the record before us stands as inadequately documented and insufficiently supportive of the source selection decision.

Turning to the Valentec award, MEI argued that the Army improperly assigned Valentec’s proposal a “neutral” rating under the product-to-process enhancement efforts factor because there was, in fact, information about Valentec that the agency should have considered. The Army’s response to this allegation was to argue that it could not have assigned any rating but “neutral” unless an offeror actually had a prior experience history “on same or similar items.” Army’s Supplemental Report at 8. The Army stated that, since Valentec did not have relevant past performance history “producing the *same or similar items*, requiring the same or similar manufacturing processes, skills and abilities’ that can be evaluated, it logically follows that it will also not be able to demonstrate previous efforts to incorporate process improvements and initiatives to enhance product or performance on *same or similar items*.” *Id.*

This argument relies upon the quoted RFP definition of the term relevant, which concerns the recent, relevant past performance factor. However, MEI’s allegation concerns the product-to-process enhancement efforts factor. It is the solicitation’s definition of the latter factor that is controlling, and a plain reading of that definition shows that the Army’s view that a proposal could not be evaluated unless the offeror had a prior history producing the “same or similar items” as those required here was unreasonable.

As noted earlier, section M-1 of the RFP defined the product-to-process enhancement efforts factor as follows:

Information provided by the offeror that demonstrates contractor's efforts to incorporate process improvements and initiatives to enhance product or performance on same or similar items. Information provided by the offeror on internal programs or innovations initiated by the offeror, based on production experience or knowledge or product-to-process inter-relationships, that resulted in recommended design or production process changes to improve the item or its performance.

The solicitation breaks this factor into two components. The first component requires the Army to consider information provided by the offeror that demonstrates its efforts to incorporate process improvements or initiatives to enhance product or performance "on same or similar items." However, the second component of the definition requires the Army to consider information provided by the offeror on "internal programs or innovations initiated by the offeror, based on production experience or knowledge of product-to-process inter-relationships, that resulted in recommended design or production process changes to improve the item or its performance." The second part of the definition is not limited to performance on the "same or similar items" as those required here, but extends to the production of any and all items.

Our view is confirmed by the SSA's source selection decision document, wherein the SSA states that the product-to-process enhancement efforts factor is "an element derived from the Journey to Excellence initiative, where the contractor could demonstrate his efforts **with any item that he had worked to improve, i.e.,** the fruits of his efforts to improve his process." SSDD at 4 (emphasis added). In addition, the evaluation plan's guidance to the adjectival ratings to be assigned under this factor is also couched as an either/or proposition. The "excellent" rating, for example, was reserved for offerors that had demonstrated "a thorough understanding of the product-to-process interrelationship for same or similar items **and/or** has initiated product enhancement programs into his production processes." Evaluation Plan at 7. "Neutral" ratings were to be assigned in cases where the "offeror's lack of performance indicates an unknown performance risk." *Id.*

In the case at hand, as MEI pointed out in its comments, Valentec does have a record of past performance with production contracts. The firm's proposal lists five contracts that it refers to as "relevant" to the solicitation, and states that at least two of these contracts are relevant because they concern production contracts "for essentially the same efforts as that required here." Valentec Proposal, Past Performance Information, at 1. Whether or not these contracts are for "similar items," the fact that the firm has past performance on these production contracts at all obligated the Army to review its proposal under this factor for a rating other than "neutral."

It is fundamental that offerors be advised of the basis upon which their proposals will be evaluated and that agencies evaluate in accordance with the stated evaluation criteria. Competition in Contracting Act of 1984, 10 U.S.C. § 2305(a)(2)(A), (b)(1) (2000); FAR §§ 15.304(d), 15.305(a). Here, the record establishes that the agency's evaluation of Valentec's proposal under the products-to-process enhancement efforts factor did not comport with this standard. In our view, a reasonable agency inquiry into the allegation would have disclosed the absence of a defensible legal position, and we conclude that MEI's protest in this regard was clearly meritorious.<sup>4</sup>

We recommend that the protester be reimbursed the reasonable costs of filing and pursuing its protest,<sup>5</sup> including those incurred here, *i.e.*, requesting a recommendation for costs. Georgia Power Co.; Savannah Elec. and Power Co.--Costs, *supra*, at 12. The protester should submit its claim for costs, detailing and certifying the time expended and costs incurred, directly to the Army within 60 days of receipt of this decision. 4 C.F.R. § 21.8(f)(1).

Anthony H. Gamboa  
General Counsel

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<sup>4</sup> An RFP amendment issued in conjunction with the agency's corrective action indicates that the product-to-process enhancement efforts factor has been converted to a past performance factor subfactor, and has been redefined to limit consideration to "similar items." RFP amend. 3 at 2-4.

<sup>5</sup> The agency requests that our recommendation for reimbursement of MEI's protest costs be limited to those specific issues found clearly meritorious because, in the agency's view, the protest issues pertaining to each separate contract award in this case are "so clearly severable as to constitute separate protests." Army Response to Request for Recommendation for Reimbursement at 5. In general, we consider a prevailing protester entitled to costs incurred with respect to all issues pursued, not merely those upon which it prevails. The Real Estate Ctr.--Costs, B-274081.7, Mar. 30, 1998, 98-1 CPD ¶ 105 at 3. Where a protester prevails on one of a number of related grounds of protest, the allocation of costs between winning and losing issues is generally unwarranted, and costs are not limited to the effort spent on the issue upon which the protester prevails. *Id.* We will limit a successful protester's recovery of protest costs when a part of the costs is allocable to a losing protest issue that is so clearly severable as to constitute a separate protest. Price Waterhouse--Costs, B-254492.3, July 20, 1995, 95-2 CPD ¶ 38 at 3. Here, we have concluded that MEI raised a clearly meritorious protest allegation with regard to each award, and these allegations are so intertwined with the other issues in MEI's pleadings that there is no basis to limit MEI's recovery of costs. Minolta Corp.--Costs, B-285010.2, Sept. 26, 2000, 2000 CPD ¶ 156 at 4 n.2.