

Mr. Weiskopf PLIP  
14489



**DECISION**

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

*[Protest Alleging IFB Gives Manufacturers Unfair  
Competitive Advantage]*

FILE: B-198592

DATE: August 4, 1980

MATTER OF: Alexandria Graphics & Reproduction Service

**DIGEST:**

Protest that IFB unfairly permits manufacturers of material required to perform contract to compete with distributors is summarily denied since procurement statutes generally require maximum practical competition and no authority exists which would permit manufacturers' exclusion merely because they might enjoy competitive advantage.

Alexandria Graphics & Reproduction Service (AGRS) protests that the Veterans Administration's invitation for bids No. 101-3-80 (for printing services) permitted manufacturers of the materials required to perform the contract to compete with distributors of the same materials. AGRS contends that manufacturers have an unfair competitive advantage over distributors because distributors must purchase the same materials, possibly from a competing manufacturer/bidder, at a considerable markup.

Federal procurement statutes require agencies to seek the maximum practical competition. The Federal Property & Administrative Services Act of 1949, as amended, 41 U.S.C. 253(a)(1976), which is applicable to the subject procurement, provides in part:

"The advertisement for bids \* \* \* shall permit such full and free competition as is consistent with the procurement of types of property and services necessary to meet the requirements of the agency concerned \* \* \*."

This statute was enacted for the benefit of the United States to secure the lowest competitive prices. 53 Comp. Gen. 232, 236 (1973).

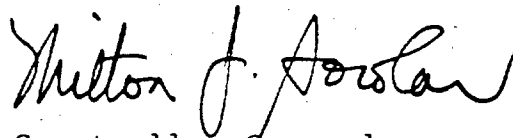
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We are aware of no statute or other authority which would permit the exclusion of manufacturers from a procurement merely because they might enjoy a competitive advantage over distributors of the same products. The Government is not required to equalize competition by taking into consideration those types of competitive advantages which may accrue to firms by reason of their own particular circumstances. B-175496, November 10, 1972; ENSEC Service Corporation, 55 Comp. Gen. 656 (1976), 76-1 CPD 34.

Since it is clear from AGRS's submission that its protest lacks legal merit, we have not requested an agency report. See Mil-Std Corporation, B-197610, March 7, 1980, 80-1 CPD 182.

The protest is summarily denied.



For The Comptroller General  
of the United States