SUBCHAPTER H—PROCUREMENT SYSTEM FOR THE U.S. POSTAL SERVICE: INTELLECTUAL PROPERTY RIGHTS OTHER THAN PATENTS

PART 601—PURCHASING OF PROPERTY AND SERVICES

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Authority: 39 U.S.C. 401, 404, 410, 411, 2008, 5001-5605.

SOURCE: 70 FR 20293, Apr. 19, 2005, unless otherwise noted.

§ 601.100 Purchasing policy.

It is the policy of the Postal Service to acquire property and services in accordance with 39 U.S.C. 410 and all other applicable public laws enacted by Congress.

§601.101 Effective date.

These regulations are effective May 19, 2005.

§ 601.102 Revocation of prior purchasing regulations.

All previous Postal Service purchasing regulations, including the *Postal Contracting Manual*, *Procurement Manual*, the *Purchasing Manual* (Issues 1, 2 and 3), and procurement handbooks, circulars, and instructions, are revoked and are superseded by the regulations contained in this part, except as provided in §601.103.

§ 601.103 Applicability and coverage.

The regulations contained in this part apply to all Postal Service acquisition of property (except real prop-

erty) and services. Solicitations issued and contracts entered into prior to the effective date of the regulations in this part will be governed by the regulations in effect at the time the contract was signed.

§601.104 Postal purchasing authority.

Only the Postmaster General/CEO; the Postal Service's vice president of Supply Management; contracting officers with written statements of specific authority; and others designated in writing or listed in this part have the authority to bind the Postal Service with respect to entering into, modifying, or terminating any contract regarding the acquisition of property, services, and related purchasing matters. The Postal Service's vice president of Supply Management, or his or her designee, may also delegate in local buying writing authority throughout the Postal Service.

$\S 601.105$ Business relationships.

A person or organization wishing to enjoy a continuing business relationship with the Postal Service in purchasing matters is expected to treat the Postal Service in the same manner as it would other valued customers of similar size and importance. The Postal Service reserves the right to cease accepting or considering proposals from a person or organization when that person or organization fails to meet reasonable business expectations of high quality, prompt service, and overall professionalism.

§601.106 Declining to accept or consider proposals.

(a) General. The Postal Service may decline to accept or consider proposals from a person or organization that does not meet reasonable business expectations or does not provide a high level of confidence about current or future business relations. Typically, these sorts of unacceptable conduct and business practices will not rise to the level of unethical or criminal activities that