

Case Brief: Information Ventures, Inc.

This case refers to a protest on behalf of Information Venture, Inc., a small business that submitted information in response to a solicitation for bids on a project under the direction of the Department of the Interior, Minerals Management Service (MMS) to provide services related to the development of a program to draw attention to innovative health education methods including new technological marketing of mission goals in the form of healthy eating programs that are interactive in nature (computer games, text messaging and new media programs). The protest on behalf of Information Ventures, Inc. states that the contracting agency did not adequately consider the ability of small business concerns in the selection of a provider to the contract. Information Solutions claims that in the course of the market research phase including pre-solicitation, the contracting agency, on behalf of DOI/MMS did not fully investigate the ability of small business ventures and their ability to satisfy the needs of the contract. The protest states that the contracting agency used GSA web as the sole information source for determining its perception of the market; and that this narrow approach neglected the more acceptable avenues of market research, including the Central Contractor Registration database, which under FAR 13.102 is recommended.

In addition, the protest alleges that the limited market research also included a very limited amount of interaction with the Small Business Administration and therefore the small business concern was overlooked in favor of large business concerns. The protesting firm also believes they are fully capable of satisfying the

contract needs of DOI/MMS; however, they were not given the opportunity to be considered equitably amongst the field of other bidding firms.

Further proof of this bias or overt neglect of small business concerns is evident by the fact that when one does a basic search on the CCR database using the appropriate NAICS code, there appear many small business contractors capable of satisfying the contract needs. The SBA itself has a database of over 195,000 small businesses that maybe used to do an appropriate search of capable small business concerns. That these resources were over-looked, indicates a failure on the part of the contracting agency to satisfy FAR 19.202-2 to “make every reasonable effort to find small business concerns.” That the protesting firm diligently pursued and submitted the appropriate information at all stages in the pre-solicitation and bidding phases, indicates the firm’s intent to satisfy the needs of the contract as well.

The General Counsel finds in favor of the protest and sustains the protest, suggesting that the contact be re-bid among small business concerns, and a small business should be given advantag for a contract of over \$100,000 so long as a fair market price can be attained for services.

I agree with this finding, because unless we equitably attempt to satisfy the mission of including small businesses in our market research, in an effort to level the playing field for disadvantaged firms, government is prone to abuse and price inflation by larger companies, and the free market is stigmatized. It is always better to include more potential firms n a contracting effort, than to include less, because this more correctly represents the market and offers the government greater leverage. As a lesson for a contracting officer, this case shows that failure to

perform due diligence up front in the marketing phase ultimately leads to a breakdown or corruption of the final contracting effort.