

Armed Forces. All proposed contractors were informed of this intention and of the fact that it was anticipated to award a cost reimbursement-type contract. The proposals submitted by Custom and several others, including Nortronics, were carefully evaluated by the Government, and Nortronics was selected since it offered the technical approach most likely to result in the best weapon. As noted by the General Accounting Office, 'The Proposal of Custom was rated lowest and the proposal of Nortronics . . . received the highest rating.' The General Accounting Office further noted, 'Although Custom demonstrated its portable flame weapon system for Edgewood Arsenal, the record shows that such demonstration was not successful and that, in the considered judgment of technical personnel, such weapon did not meet the needs of the Government. We find nothing in the record which would lead to the conclusion that Custom had a valid basis for assuming that the Government would award it a contract for such weapon.'

"With regard to the procurement of PRC-25/77 Radios, the two-year contract awarded to RCA in April 1967 which you cited was also the subject of a protest to the General Accounting Office and in his letter of 1 June 1967, copy attached, the Assistant Comptroller General concludes, 'Therefore, no legal basis exists to object to the subject procurements.' I further note that Decitron has protested the 16 August 1967 award of the second increment of the April 1967 contract to RCA to the General Accounting Office. Acting on a request from that office, the Army is currently preparing an administrative report in response to this protest and we will be guided by the Comptroller General findings.

"The successor radio to the PRC-25, the PRC-77, which was developed under a product improvement program by RCA provides substantially better communication capabilities, a means of secure voice transmission, increased range, lighter weight and less battery drain. Because of these advantages the improved radio was urgently needed in Southeast Asia and RCA was awarded a contract in June 1966 to produce initial production quantities while further design changes and improvements were being effected. In order to provide for competition in future procurements, this contract included a requirement for the delivery of a procurement data package. Due to design changes resulting from concurrent field testing, it was determined that competitive procurement of this radio could not be achieved prior to 1 January 1968. Therefore, the follow-on two-year contract was awarded to RCA to meet the priority requirements for Southeast Asia.

"With regard to the unsolicited proposal by Decitron a competitive data package was not available in April 1967. As a matter of fact, due to design changes resulting from concurrent field tests, the final procurement package will not be available until early December 1967. Even if the data package had been delivered by 31 March 1967, it could not have been available for competitive procurement for some months due to the necessity of Government review and verification. RCA was the only producer capable of manufacturing the radio to meet the required delivery schedule. It is presently anticipated that competitive procurement of the PRC-77 Radio will be accomplished in early 1968.

"I trust this information will be of value to you in your further evaluation of these procurement.

"Sincerely,

"ROBERT A. BROOKS,
Assistant Secretary of the Army (Installations and Logistics)."

"U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., September 28, 1967.

"HON. ELMER B. STAATS,
Comptroller General of the United States,
Washington, D.C.

"DEAR MR. COMPTROLLER GENERAL: On September 19, 1967, I delivered a speech in the Senate which concerned two Army procurements, one of which involved the AN/PRC-25 and the AN/PRC-77 Radio Set which I understand is now pending under a protest No. B-161031. For your ready reference, a copy of my remarks is attached. In addition, I have attached a copy of a letter dated 21 September 1967, which I received from the Assistant Secretary of the Army Installations and Logistics, dealing with this very matter.