

In other words, Mr. President, the Comptroller General is saying that no review was made of the charge beyond asking the Army whether it disagreed with the assertion made by my constituent. Of course, the Army responded in the manner it did in order to protect those responsible for this questionable transaction in the first place.

The Small Business Administration also questioned the Comptroller General about the award of the contract to Nortronics at more than twice the amount bid by Custom Packaging Co. In his response to the Small Business Administration, the Comptroller General hedged the question posed by the Small Business Administrator that, under the Small Business Act, provision is made that where a small business concern is certified by SBA to be a competent Government contractor with respect to capacity and credit, the procuring officers of the Government must accept such certification as conclusive. After having admitted in his letter to my constituent that in actual fact no review was made, the Comptroller General goes on to say:

"On the basis of the record before us, we are of the view that Custom's proposal was technically non-responsive to the Army's requirements as detailed in the statement of work accompanying the request for proposals. In reaching this view, we are aware that some of Custom's deficiency disclosed in the technical evaluation related to its capacity and credit."

And then he revealed the following:

"However, Custom received only a rating of 2 on its technical approach to the government's requirements out of a possible weighted factor of 40."

This "weighted average" method of eliminating the lowest bidder struck me as being familiar. Upon checking, I find that this very same gambit was used to eliminate the low bidders on the development of a portable radio communications set which has the official nomenclature AN/PRC-62 (). The Army Electronics Command awarded a contract to the Radio Corp. of America—and here we go again with RCA. This is the third time I have brought them up—for \$1,073,150 in spite of the fact that the Army had received substantially lower bids from such companies as Bendix Radio, General Motors Delco Radio Division, Raytheon, General Dynamics, Magnavox, Sylvania, and others. The lowest bid received for this AN/PRC-62 radio came from the International Telephone & Telegraph Co. We all know these are the giants of the electronics industry.

It is a well-known fact that the United States—and we can say this again after today's debate—is not a profitmaking organization. But, when we have procurement officials who can throw out low bids from firms such as I.T. & T., who are enormously well qualified to develop any kind of radio we could think of, then I think it is high time we took another look at the regulation the Army cited as justification for its actions. The Army justified these actions under section IV, part 2 of the Armed Services Procurement Regulations. Just how does this work?

The Comptroller General's report No. B-160809 explains how the Army did this in the case of my constituent, Custom Packaging Co. First, they completely ignored the price of the item to be procured. Then the Army proceeded to assign an arbitrary set of "values" to the various bids. The Army said that technical approach to the problem was to count 40 percent; technical personnel 20 percent; background experience only 15 percent; facilities 15 percent; and schedule—whatever that is—was to count 10 percent.

Having established this approach, the Army then contrived a new set of numbers having nothing whatever to do with price, and lo and behold, Nortronics got the highest rating, while Custom Packaging Co., which conceived the flame weapon, developed it at its own expense—and demonstrated it to the Army—got a rating of two points out of a possible weighted factor of 40. This, I might say, is despite the fact that SBA had certified the company's capacity and credit ahead of time.

Mr. President, the case of the AN/PRC-62 radio procurement was well documented by GAO report B-152884. There again the weighted average was used. The report shows that in awarding the contract to the Radio Corp. of America for an amount in excess of \$1 million, the Army Electronics Command ignored the following lower bids:

I.T. & T., \$421,140.

Bendix Radio, \$434,627.

Advanced Communications, \$470,445.

Electronics Communications, \$489,155.