

February 9, 2006

Mr. Brian P. Waagner  
Wickwire Gavin, P.C.  
International Gateway  
8100 Boone Boulevard, Suite 700  
Vienna, Virginia 22182-7732

RE: Supplier Disagreement Resolution Case No. OM06SR-05  
Solicitation No.: 2APCON-05-A-3001

Dear Mr. Waagner:

Your client, Chicago Tag & Label, Inc. (CTL), lodged a disagreement on January 17, 2006, with regard to the Postal Service's award of a contract to acquire mailing labels to Specialty Printing, LLC, (Specialty) on the grounds of an "improper post-auction adjustment of the pricing for Lot E and the unequal treatment of offerors . . ." by the contracting officer. As explained below, the disagreement is denied.

During reverse auction bidding for Lot E, Specialty made a bid of \$2.2 million, but realized the bid was a mistake, and promptly contacted the auctioneer, Global eProcure (Global), to say it had made a mistake. Global then spoke with the contracting officer, who authorized a suspension of bidding until after bidding on Lot I was finished. All bidders, including your client, were informed a mistake had been made, which would suspend bidding for Lot E until corrected, and that bidding would be resumed after Lot I was finished. When bidding resumed for Lot E, Specialty corrected its bid, and all other bidders, including CTL, had an opportunity to make further bids. Thus, there was no "post-auction" adjustment of pricing; rather, the bidding was suspended by order of the contracting officer, and all bidders were so informed. There was no unequal treatment, as all had an opportunity to bid after bidding was resumed.

Your disagreement also states that CTL submitted a request in writing for a debriefing on December 27, 2005. You further state that despite having received the timely request, the Postal Service failed to provide the debriefing. The Postal Service did fail to provide a debriefing in a timely manner that could have assisted CTL in understanding the Postal Service's best value position, however, that was a process decision decided by the contracting officer. According to 39 CFR 601.108(g), "in considering and in resolving a disagreement, the ombudsman will be guided by the regulations contained in this part and all applicable public laws enacted by Congress. Non-Postal Service procurement rules or regulations and revoked Postal Service regulations will not apply or be taken into account in resolving disagreements." As outlined in the regulations, the ombudsman only addresses whether the Postal Service received best value in a disagreement and not process-related issues.

Accordingly, I conclude that the award to Specialty Printing was properly made by the contracting officer and it represented the best value to the Postal Service. Therefore, your disagreement is denied and the award of solicitation no. 2APCON-05-A-3001 stands.

This is the Postal Service's final decision on this disagreement regarding solicitation no. 2APCON-05-A-3001 under 39 CFR 601.108(h).

Sincerely,

A handwritten signature in black ink that reads "Juanda J. Barclay". The signature is written in a cursive style with a large, looping initial "J".

Juanda J. Barclay, C.P.M., A.P.P.  
USPS Supplier Ombudsman

cc: Carlton F. Padmore, Jr.  
Lawrence C. Mitchell  
Patricia Mercincavage