



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416

April 10, 2014

The Honorable Brad R. Wenstrup
U.S. House of Representatives
Washington, DC 20515

Dear Representative Wenstrup:

Thank you for your recent letter concerning DRS Environmental Systems (DRS).

The U.S. Small Business Administration (SBA) reviewed the requirements for the multi-temperature refrigerated units for the Army in accordance with the current Federal Acquisition Regulations (FAR). The Army has procured this product in the past with DRS under a prior contract which has expired.

The basic requirement for this acquisition is for a refrigerated unit that can hold 3 days of food for 800 soldiers. The unit has to have the capabilities of maintaining temperatures for up to 12 hours without power. The unit also has to be able to be deployable to field units by a palletized system that is currently in use. The major components of this system consist of the container, refrigeration unit and engine. The Army acknowledged within its acquisition plan that any of these components may be procured from a different manufacturer (procurement sensitive information).

The Army initially published an announcement for this procurement on the Federal Business Opportunity (FBO) website as an unrestricted procurement. The SBA routinely reviews the requirements of Federal agencies in order to ensure that small businesses are given every opportunity to compete for Federal contracts. In this case, SBA reviewed the market research conducted by the Army and conducted an independent market research review. The SBA Procurement Center Representative (PCR) found at least two small businesses that could provide an offer and perform this contract as a prime contractor. Having met the criteria of FAR 19.502-2(a) and the "rule of two", the PCR issued an SBA Form 70 small business set-aside recommendation requesting the Army to re-advertise this procurement as a small business set-aside.

The Army did re-advertise the solicitation in FBO as a small business set-aside acquisition. The Army will evaluate those offers from the small businesses to ensure that they meet the specifications and can perform at a fair and reasonable price. While costs are an important consideration, it also should be noted that the procurement process is designed to be a fair process which allows small business the opportunity to

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compete on a level playing field without solicitations being written in such a way that only large incumbent contractors can win the awards. The procurement professionals need to find ways to lift the barriers for the small business community to be able to compete fairly for procurement dollars.

We appreciate your support of SBA and the Ohio small business community. If you and your staff have any questions, please contact the SBA Office of Congressional and Legislative Affairs at (202) 205-6700.

Sincerely,

Ali J. Shoraka
Associate Administrator
Office of Government Contracting
and Business Development