

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES
2. AMENDMENT/MODIFICATION NO. 0003			3. EFFECTIVE DATE 17 July 2008	4. REQUISITION/PURCHASE REQ. NO.
6. ISSUED BY CODE			SPM300	5. PROJECT NO. (If applicable) 1 63
DEFENSE SUPPLY CENTER PHILADELPHIA DIRECTORATE OF SUBSISTENCE, BLDG. #6 700 ROBBINS AVENUE PHILADELPHIA, PA 19111-5092 POC: LINDA L. FORD/DSCP-FTAE/215-737-7804			7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)			(X) 9A. AMENDMENT OF SOLICITATION NO. SPM300-08-R-0061	
			X 9B. DATED (SEE ITEM 11) 02 May 08	
			10A. MODIFICATION OF CONTRACT/ORDER NO.	
			10B. DATED (SEE ITEM 13)	
CODE	FACILITY CODE			

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting and Appropriation Data (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X) A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc). SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The details of this amendment are provided on the following pages.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____	16C. DATE SIGNED
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

This amendment contains two sections, Section I contains actual revisions (adds/changes/deletions) to the solicitation requirements. Section II provides answers to questions which were submitted in reference to the pre-proposal conference. The answers in Section II are provided for clarification purposes only and do not change the requirements in the solicitation.

Section I

1. All references throughout the solicitation to the “Contractor Readiness Capability Plan,” “Contractor Capability Assessment,” and “Readiness Capability Plan” shall be revised to read: “Capability Assessment Plan (CAP).”

2. On page 39, FAR 52.212-5, revise the date from APR 2008 to JUN 2008. The following clauses contained within FAR 52.212-5 shall be revised as follows:

PAGE #	Item #	CLAUSE #	Change Date From	Change Date To
40	(8)(i)	FAR 52.219-9	Nov 2007	Apr 2008
41	(25)(i)	FAR 52.223-9	Aug 2000	May 2008
41	(25)(ii)	FAR 52.223-9 Alternate I	Aug 2000	May 2008
41	31	FAR 52.225-13	Feb 2006	Jun 2008

3. On page 71, delete the Product Price definition in its entirety and replace it as follows:

2. Product Price:

a) The product price will be derived in one of two manners for this solicitation: 1) through the use of DSCP’s Manufacturers Price Agreements (MPAs); or 2) through the use of commercial pricing. When a DSCP MPA is available, the MPA price shall be used for the product price. When a DSCP MPA is not available, the Product Price shall be limited to the original manufacturer’s or grower’s price for product. The Product Price shall be based on FOB Origin/Point of Manufacture. In addition, the Product Price shall exclude all costs that are required to be covered in the normal distribution price, including but not limited to, all transportation, broker and dealer costs and fees; and it shall exclude all costs that are required to be covered in the premium distribution price.

b) Exception 1: Airfreight transportation charges may be included in the product price when the following conditions apply:

(i) The product is listed in category #146 – Prime Vendor Fresh Fruits & Vegetables (FF&V) and

(ii) It is necessary for the product to be flown into the local market of Kuwait, Jordan, or Turkey from a foreign country because the local supply is unavailable or insufficient to meet demand requirements.

c) Exception 2: A CONUS-based manufacturer’s pricing which is a national commercial price inclusive of transportation costs to a Distribution Point shall be supported by documentation and may be considered by the Government to be the product price on a case by case basis, upon concurrence of the contracting officer.

d) Upon request, for existing catalog items, for any new items being added to the catalog and for price redeterminations to existing catalog items, the Product Price shall be supported with invoice or quote documentation directly from the manufacturer or grower on their letterhead. Where the address of the Brand Name Owner differs from the location where the product is actually manufactured, this documentation from the Brand Name Owner must identify both addresses and the product price, as identified above. If exception 1 applies, the Product Price shall be supported with invoice or quote documentation directly from the point of purchase in the foreign country. The documentation must be fully traceable to the country of origin and the airfreight charge must be separately stated on the invoice. When the airfreight charge covers items other than those provided for by this contract, a separate subtotal reflecting the pro rata share of the total airfreight that is attributed to the product price of the items that are covered by this contract shall be stated as well. Early payment discount terms shall be specified on all invoices and/or quotes. Documents not in English will be accompanied by a copy translated into English and documents not denominated in American dollars will include a copy converted to American dollars at the exchange rate specified using the FXConverter on the OANDA Currency Site (<http://www.oanda.com>) as of the close of business on the effective date of the document.

4. On page 72, revise the third sentence of the Normal Distribution Price Definition to read as follows: It also includes the Contracting Officer Representative (COR) & Customer Liaison Officer (LNO) office space and equipment, all transportation costs (unless the item is a Contracting Officer-approved National Commercial Price inclusive of transportation costs to a Distribution Point or it is an FF&V item priced inclusive of airfreight transportation costs from a foreign country into the local market of Kuwait, Jordan, or Turkey) from the original CONUS and OCONUS Points of Manufacturer to the point where the over ocean container is loaded, all transportation costs from the Prime Vendor's OCONUS distribution facility(s) to customer locations in Kuwait and Jordan and to the border of Iraq, overland trucking (diversions between Kuwait and Jordan, APOD/SPOD and port to port) and Iraq backhauling and any other elements of pricing not defined in this solicitation.

5. On page 73, number XIII, Pricing, add paragraph C as follows:

C. Catalog product prices must be reflective of the prime vendor's last receipt price (the price of the stock most recently received into inventory). However, for FF&V items only, when multiple sources are being utilized and more than one manufacturer's product is receipted prior to a catalog update, the contractor shall establish the product price based on the mix of invoices received post the previous redetermination period. The product price would be derived as follows:

Supplier A – 40% X \$5.70 = \$2.28

Supplier B – 30% X \$5.90 = \$1.77

Supplier B – 30% X \$6.30 = \$1.89

Product Price = \$5.94

6. On page 75, (b) Method II pricing, paragraph ii, delete the last sentence and replace it with the following language: Manual invoices will be authorized for payment biweekly or monthly as indicated below. Monthly invoices and supporting documentation shall be cumulative for a one(1) month period and must be submitted to the Contracting Officer no later than the 15th day of the following month; e.g. for the period of January 1 thru January 31, referenced invoices must be received by February 15. Payment will be authorized at the end of each month. Bi-weekly invoices and supporting documentation shall be cumulative for a two-week period (from the 1st to the 15th of each month and from the 16th thru the 31st). Invoices for the 1st thru the 15th must be submitted by the 30th of each month and payment will be authorized by the 15th of the following month. Invoices for the 16th thru the 31st must be submitted by the 15th of the following month and payment will be authorized by the 31st of the month.

7. On page 77, revise number 5 to read as follows:

5. Iraq Premium Transportation (Vehicles) & Iraq Squad Leader Program – Bi-Weekly (Categories 212 thru 214 and Category 216, respectively).

The prime vendor shall submit bi-weekly invoices for all vehicles that entered into the Iraq convoy system and all Squad Leaders that entered into those convoys to accompany the deliveries. Payment will be based on the vehicles & squad leaders entrance into the Iraq convoy system.

The prime vendor must maintain and submit along with the vehicle and squad leader invoices a detailed spreadsheet of all Iraq purchase orders, the associated trucks and squad leaders that entered into the convoy system, and the associated convoy report. Sorted by purchase order number, the spreadsheet must contain the purchase order number, transportation invoice number, squad leader invoice number (if applicable), required delivery date, and an itemized listing of the associated trucks and squad leaders. The spreadsheet must include all pertinent information regarding the transportation vehicle including the vehicle number, vehicle type, vehicle contents, driver name, destination, departure date, invoice number, distribution price (dry or refrigerated), and total vehicle charge per order and per invoice. The spreadsheet must also include all pertinent information regarding the squad leader including the person's name and identification number, transportation vehicles assigned to the squad leader's mission, per person distribution price, and total distribution amount.

No additional fees shall be charged for Iraq premium transportation or Squad Leaders.

8. On page 78, delete number 7. – Iraq Squad Leader (SL) Program in its entirety.

9. On page 84, revise the last sentence to read as follows: “As the program is implemented, it is anticipated that 75 to 80 percent of the contract product price dollar value will be under agreement.”

10. On page 86, XVII, Rebates/Discounts and Price-Related Provisions, revise paragraph (b) (1) to read as follows:

(i) the Early Payment discount is an incentive to encourage payment earlier than the normal payment due date; such as 14, 30, or 60 days;

11. On page 121, add the following paragraph V:
V. Army Veterinary Inspectors and Inspections

As described and detailed in this solicitation, all inspections by Army Veterinary Inspectors (VETCOM) shall be conducted in accordance with 48 CFR Part 246, Army Regulation (AR) 40-657, AR 40-656, and any other rule, regulation, or standard food inspection policy applicable to the Subsistence Prime Vendor operating within this geographic area as may be established from time to time by CENTCOM, Third US Army, or any other Department of Defense entity.

12. On page 126, revise paragraph (N) to read as follows: Kuwait and Jordan customers may cancel orders up to 18 hours prior to delivery. Iraq customers may cancel orders prior to truck sealing. No restocking charges apply.

13. On page 168, revise the second sentence to read as follows: In addition, the contractor must identify those types of discounts, rebates, allowances or other similar economic incentives or benefits given to any other customer that it shall pass on to the Government and those types of discounts, rebates, allowances or other similar economic incentives or benefits given to any other customer that will be retained by the contractor.

14. On page 176, revise the sixth paragraph to read as follows: "Offerors that do not have records of past performance, socioeconomic past performance, and/or JWOD past performance will receive a "Neutral" rating. This evaluation will also be performed for any partner involved in the proposed contract. Government (in house) records will also be used for this evaluation, if applicable, and will be considered more reliable than information derived from other sources."

15. On page 180, FAR 52.212-3, revise the date from NOV 2007 to JUN 2008. Also make the following changes within the clause:

a. On page 180, delete and replace the first paragraph with the following: An offeror shall complete only paragraphs (b) of this provision if the offeror has completed the annual representations and certificates electronically at <http://orca.bpn.gov>. If an offeror has not completed the annual representations and certifications electronically at the ORCA website, the offeror shall complete only paragraphs (c) through (m) of this provision.

- b. On page 180, paragraph (a) Definitions, add the following definition (included alphabetically):

"Restricted business operations" means business operations in Sudan that include power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, as those terms are defined in the Sudan Accountability and Divestment Act of 2007 (Pub. L. 110-174). Restricted business operations do not include business operations that the person conducting the business can demonstrate—

(1) Are conducted under contract directly and exclusively with the regional government of southern Sudan;

(2) Are conducted pursuant to specific authorization from the Office of Foreign Assets Control in the Department of the Treasury, or are expressly exempted under Federal law from the requirement to be conducted under such authorization;

- (3) Consist of providing goods or services to marginalized populations of Sudan;
- (4) Consist of providing goods or services to an internationally recognized peacekeeping force or humanitarian organization;
- (5) Consist of providing goods or services that are used only to promote health or education; or
- (6) Have been voluntarily suspended.

c. On page 181, delete and replace paragraph (b) with the following:

(b) (1) *Annual Representations and Certifications*. Any changes provided by the offeror in paragraph (b)(2) of this provision do not automatically change the representations and certifications posted on the Online Representations and Certifications Application (ORCA) website.

(2) The offeror has completed the annual representations and certifications electronically via the ORCA website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of this offer that the representation and certifications currently posted electronically at FAR 52.212-3, Offeror Representations and Certifications—Commercial Items, have been entered or updated in the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201), except for paragraphs _____. *[Offeror to identify the applicable paragraphs at (c) through (m) of this provision that the offeror has completed for the purposes of this solicitation only, if any. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer. Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.]*

d. On page 188, delete and replace paragraph (h) as follows:

(h) *Certification Regarding Responsibility Matters (Executive Order 12689)*. (Applies only if the contract value is expected to exceed the simplified acquisition threshold.) The offeror certifies, to the best of its knowledge and belief, that the offeror and/or any of its principals--

- (1) * Are, * are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(2) * Have, * have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property; and

(3) * Are, * are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses enumerated in paragraph (h)(2) of this clause; and

(4) * Have, *have not, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied.

(i) Taxes are considered delinquent if both of the following criteria apply:

(A) *The tax liability is finally determined.* The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.

(B) *The taxpayer is delinquent in making payment.* A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(ii) *Examples.*

(A) The taxpayer has received a statutory notice of deficiency, under I.R.C. §6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(B) The IRS has filed a notice of Federal tax lien with respect to an assessed tax liability, and the taxpayer has been issued a notice under I.R.C. §6320 entitling the taxpayer to request a hearing with the IRS Office of Appeals Contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability

because the taxpayer has had no prior opportunity to contest the liability. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek tax court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(C) The taxpayer has entered into an installment agreement pursuant to I.R.C. §6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not delinquent because the taxpayer is not currently required to make full payment.

(D) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collection action is stayed under 11 U.S.C. §362 (the Bankruptcy Code).

e. On page 191, delete and replace paragraph (l) as follows:

(l) *Taxpayer identification number (TIN) (26 U.S.C. 6109, 31 U.S.C. 7701).* (Not applicable if the offeror is required to provide this information to a central contractor registration database to be eligible for award.)

(1) All offerors must submit the information required in paragraphs (l)(3) through (l)(5) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the Internal Revenue Service (IRS).

(2) The TIN may be used by the government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.]

(3) Taxpayer Identification Number (TIN).

* TIN:_____.

* TIN has been applied for.

* TIN is not required because:

* Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;

* Offeror is an agency or instrumentality of a foreign government;

* Offeror is an agency or instrumentality of the Federal Government;

(4) Type of organization.

- * Sole proprietorship;
- * Partnership;
- * Corporate entity (not tax-exempt);
- * Corporate entity (tax-exempt);
- * Government entity (Federal, State, or local);
- * Foreign government;
- * International organization per 26 CFR 1.6049-4;
- * Other _____.

(5) Common parent.

- * Offeror is not owned or controlled by a common parent:
- * Name and TIN of common parent:

Name _____

TIN _____

f. On page 191, add paragraph (m) as follows:

(m) *Restricted business operations in Sudan.* By submission of its offer, the offeror certifies that it does not conduct any restricted business operations in Sudan.

The following amendments apply to solicitation attachments 1 thru 5. Any firm that made a request for or automatically received attachments 1 thru 5 should automatically receive the amended attachments within 48 hours of the effective date of this solicitation amendment. If you do not receive the amended attachments within 48 hours, please submit a request for the amended attachments via e-mail to the following: Ginny.Barnwell@dla.mil, Timothy.Dlugokecki@dla.mil, and Linda.Ford@dla.mil. The amended items are identified as follows:

16. The “Description” for NSN 8905-01-E95-0019, which was item number 50 on attachment 3, item 49 on attachment 4, and 48 on attachment 5 has been revised to read as follows: SAUGAGE, BRKFST LINKS, PRECKD, FZN, PORT, SKINLESS 15-17/LB (10 LB CS)/ROSE

17. The “NSN” and “Description” for item number 8 on attachments 3 and 4, and item number 7 on attachment 5 has been revised from 8905-01-E29-5342, BEEF FAJITA STRIPS, FZN, MARINATED, 2/5 LB PG (10 LB CS) to 8905-01-E95-0223, BEEF FAJITA STRIPS, FZN, MARINATED, 4/5 LB PG NAMP 130/CHISHOLM TRAIL and it is highlighted in “yellow” to identify it as a brand name item.

18. The color code on the following items was revised and/or the NAPA, Mandatory or Brand Name was added to or deleted from the item description:

Attach-ment #	Item #	NSN	Original Color	Revised Color	Add to the Item Description	Delete from the Item Description
3	50	8905-01-E95-0019			Rose Packing	Sara Lee/JDean
3	55	8905-01-E59-5482	White	Pink	Fontanini 641	
3	153	8910-01-E60-8832	Pink	Lavender		
3	163	8920-01-E09-4518	White	Pink	Conagra Foods/La Choy 4430012620	
4	49	8905-01-E95-0019			Rose Packing	Sara Lee/Jim Dean
4	111	8915-01-E09-5718	White	Pink	Simplot 67666	
4	157	8910-01-E60-8832	Pink	Lavender		
4	166	8920-01-E09-4518	White	Pink	Conagra Foods/La Choy 4430012620	
4	522	8960-01-E59-1801	White	Pink	Quaker/Gatorade 03944	
5	48	8905-01-E95-0019			Rose Packing	
5	109	8915-01-E09-5718	White	Pink	Simplot 67666	
5	158	8910-01-E60-8832			Arc Diversified 802966000540	
5	260	8920-01-E95-0132	Yellow	White		Super Bakery
5	356	8940-01-E09-4888	White	Pink	McCain Foods 30007975	
5	415	8950-01-E59-7716	White	Pink	Best Foods 26863	
5	662	8940-01-E60-5434	White	Pink	American Bounty 4283-48-02	

19. On attachment 4, change the column “D” heading from “Annual Quantity Demand” to “Annual Quantity Demand X2”

20. On attachments 3, 4, and 5, items 107, 110, and 108, respectively, the pack size in the item description was revised from 5/5 LB CO to 6/5 LB CO.

Section II

The charts presented at the pre-proposal conference are currently posted to the subsistence website: www.dscp.dla.mil/subs/pv/regions/mideast/pvmideast.asp

Q&A Kuwait/Iraq/Jordan SPV Pre-Proposal Conference 5/14/08

First we would like to thank you for your insightful questions regarding this solicitation. They are very much appreciated.

Please be advised that all of the below questions were received from potential offerors before, during and after the pre-proposal conference (both in writing and orally). They are being published in Amendment 0003 so that all offerors will be provided the same information with regards to this solicitation.

1. Is there a page count limitation for proposals?
Ans.: No, but overly elaborate proposals that contain information not pertinent to the solicitation are not desired. See page 148 of the solicitation, item 7 (v).
2. Identify the sections equivalent to L & M that were used in previous solicitations.
Ans.: Section L is now contained in FAR 52.212-1 and section M is contained in FAR 52.212-2.
3. This question involves the specific source selection factors & criteria to be used. While the factors are described, the criteria are not. Moreover, in response to a question submitted subsequent to the February Bidder's Conference (#268), your office said that the criteria would not be released. In my experience, both the Source Selection criteria and the scoring methods (colors, adjectives, numerical) are fully disclosed in the Request For Proposal (RFP) per the appropriate Department of Defense Instruction (DODI). Does Defense Logistics Agency (DLA) intend to release the usual source selection information via an amendment to the RFP?
Ans.: The specific rating method is not fully disclosed in the RFP. In accordance with Federal Acquisition Regulation (FAR) 15.304, "all factors and significant subfactors that will affect contract award and their relative importance shall be stated clearly in the solicitation." "The rating method need not be disclosed in the solicitation. The general approach for evaluating past performance information shall be described." Required information has been included in the solicitation.
4. (Page 175 of 257 factor II-experience/past performance paragraph A, element 1) If a company does not have battlefield experience can they receive a neutral rating?
Ans.: No. Neutral ratings do not apply to experience. Neutral ratings apply to past performance, socioeconomic past performance, and JWOD past performance

5. (Page 177 of 257 price evaluation paragraph 2) If a qualifying country is lower than the domestic offer will the qualifying country price be considered low offer?
Ans.: Evaluation of the items will be on a group basis in accordance with FAR 25.503. See evaluation procedures at Defense Federal Acquisition Regulation Supplement (DFARS) 225.502. If there are domestic offers (supplying greater than 50% domestic products), a 50% factor will be added to any non-qualifying country offer (supplying greater than 50% non-qualifying country products). If there are no domestic offers, or when a qualifying country offer (see 225.872-1 for a list of qualifying countries) is lower than the domestic offer, any non-qualifying country offers will be evaluated without the 50%.
6. In the answers listed in Amendment IV to the previous draft solicitation, DSCP indicated it would revise the applicable language or clarify contractual ambiguities in the following numbered questions: 13, 17, 18, 20, 21, 22, 25, 26, 28, 35, 36, 37, 40, 41, 57, 60, 61, 62, 63, 64, 67, 68, 166, 168, 170, 171, 172, 173, 181, 184, 191, 194, 209, 215, 218, 219, 220, 222, 226, 264, 272, 274, 278, 279, 280, 281. However, the language in the new solicitation remains substantially the same. Does DSCP plan to make further revisions to the language referenced in these questions?
Ans.: Solicitation revisions are identified in Section I of this amendment. The questions that were not completely answered in SPM300-08-R-0009, amendment 0004 are answered as follows. Note: The page numbers referenced in the following questions pertain to the draft solicitation SPM300-08-R-0009, which was cancelled. The page numbers referenced in the following answers pertain to this solicitation SPM300-08-R-0061.

13-Pg 72,2. “For supplies shipped from CONUS, the Product Price is limited to delivery FOB destination to the first CONUS destination point stated on the manufacturer, grower or processor invoice.” Does this mean that labeling costs, palleting costs, etc which occurs at a CONUS consolidation point be included in Product Price? If not, why would the contractor be expected to pay for palleting and re-labeling costs for a manufacturer that does not offer this service?

Ans: Price definitions in this solicitation are not the same as stated in the question, please see pages 71-73 and Section I, paragraphs 3 and 4. The product price is based on FOB Origin/Point of manufacture, which may include the manufacturer’s label and pallet. The unique labeling and palleting costs associated with this solicitation are considered distribution costs and therefore should be included in the Normal Distribution Price.

17. The definition of cost has been totally re-written to exclude all suppliers other than manufacturers. Does ARC and UNSTEL manufacturer all of their products? What about all of the other Small Business, NAPA Holders, etc? Do they manufacturer all products that they sell? What about the mega distributor who pack in their own boxes. Who produced it? What did they pay? When? For which lot that is being shipped? What about the earned income they receive from the manufacturer? There is no way any distributor would offer itself up for government scrutiny of how the prime vendor pays their bills for what monies they receive, etc. The bureaucracy of audits alone would disrupt their normal business practice to a point of negative return. We believe unfortunately that unintentionally the government is re-writing commercial business practice.

Ans.: The EPA clause that was included in the draft solicitation SPM300-08-R-0009 is not a part of this solicitation. The price definitions contained in this solicitation specify that product price is based on FOB Origin/Point of Manufacture. See page 71 for the full definition. If the actual point of manufacture differs from the brand or private label company address, both addresses must be identified on the quote or offer. The product price set by the brand name or private label company must be FOB Origin/Point of manufacture.

18. Pg 84, XV, B. How will the Non Profit Agency Manufacturers obtain grower invoices? Will this provision effectively exclude Non Profit Agency Manufacturers from the program?

Ans.: Non-Profit Agency Manufacturer invoices are acceptable for supporting the product price.

20-FFV prices change like many other commodity items and product is bought daily rather than bi-weekly. Should product prices be fixed for periods of time? If yes, what is that time period?

Ans.: Yes, fixed in accordance with the price redetermination period, which shall be a minimum of 30 days.

21. If a Kuwait or Iraq company subcontract with a US distributor i.e., (US Foods, SYSCO, PFG) how do we get them to share their private label funds with the government? Private label income is money paid to a distributor from a supplier/manufacture using their products.

Ans.: The Rebate/Discounts and price related provisions of this solicitation state: “The contractor shall employ prevailing commercial methods in the pursuit of discounts, rebates, allowances or other similar economic incentives or benefits, for the customers supported under this contract....All NAPA discounts, food show discounts, early payment discounts (except as identified in paragraph (b) herein), and other discounts, rebates, allowances or other similar economic incentives or benefits given to any other customers shall be passed to the Government via a reduced catalog price.” In accordance with the submission requirement on page 168, offerors are required to identify those discounts, rebates, allowances or other similar economic incentives or benefits that it shall pass on to the Government and those types of discounts, rebates, allowances or other similar economic incentives or benefits that will be retained by the contractor.

22. Is all shelter income from supplier/manufacture to be passed onto the government including: marketing allowance, promotion allowance, backside rebate on quantity sales, and damage incentive program? Please define allowable supplier/manufacture incentive programs.

Ans. See paragraph 6, sub-paragraph 21.

25. How do we get the tanners invoice for potatoes? The Dairy Farmers invoice for milk especially in the Middle East which is not the source of many of the FF&V Local market products?

Ans.: Manufacturer invoices or quotes are required. Milk is purchased from a manufacturer, not directly from the dairy farm. The product price for milk is the manufacturer’s price. Invoices or quotes from Simplot and Lamb Wesson, two of the brand name potato sources identified on the schedule of items are acceptable.

26. Page 73-74, DSCP has introduced a new clause. Does DSCP have the statutory authority to insert a clause giving the KO the right: (i) to audit the Contractor's books and records, and (ii) to audit the subcontractors at any tier books and records?

Ans. See paragraph 88.

28. Been with PV program since the beginning. Regarding commercial practice – this solicitation moves completely away from commercial practice. I have worked with the largest PV's in the world, and you cannot do it. This could kill the Prime Vendor program. Currently, CONUS can refuse bad product. Oversea it is 4-12 weeks until product is received. Your product can be damaged, short count, you can get product outside shelf-life. OCONUS products are handled by a carrier we didn't pay for. Anything can happen. This is impractical; it will do away with small business. F&R should maybe be done at purchasing of product, not in pipeline, before being found fair and reasonable. Possible request a timeline to respond 3-5 days, and to find another source due to original product/item not being found F&R. What if the KO is unavailable? It puts you in a bind. If there are 10,000 cases in the pipeline, PV is then really taking a hit.

Ans.: Prime vendors are encouraged to seek pricing approvals for new items and non-MPA items prior to the items sailing from CONUS. Any non-MPA products shipped without prior approval are shipped at the vendor's risk. See page 97. The average timeline for pricing approval is 3 to 5 days. When KO's are unavailable, other KO's within the OCONUS region provide support. There are two KO's assigned to this acquisition.

35. P17 of 246 (V) Price Warranty and Verification (4). What is the caveat in relation to brand specified items where the price and/or terms are negotiated with the concerned agency or for mandatory items and NAPA items?

Ans.: This question can not be answered because this solicitation does not contain the price warranty and verification language that was included in the draft solicitation SPM300-08-R-0009.

36. P17 of 246 (V) Price Warranty and Verification (5(i)). Please define the term "suppliers."

Ans. See paragraph 6, sub-paragraph 35.

37. P72 of 246 Item 2 Product Price. Language and definitions used in this provision are both confusing and will be difficult to interpret/implement without dispute. This is further compounded when read in conjunction with the Normal Distribution Price. As example: if a full van load of 6 X No 10 can white beans was purchased, which price would prevail – manufacturer, packer or grower and would the product cost need to exclude packaging labeling and palletization? For meat, poultry and seafood: what definition applies, manufacturer, packer or grower? If national brand cereals are purchased the brand owner may be neither manufacturer, packer or grower as manufacturing could be outsourced. What applies?

Ans.: If the product originates from a manufacturer, then that manufacturer's invoice is acceptable support documentation for the product price. If the product originates from a grower and that raw product is not used in a manufacturing process, then the grower's invoice is acceptable support documentation for the product price. The scheduled cereal products are products of General Mills, Kelloggs, Quaker Oats, etc. Invoices from these manufacturers qualify to support the product price for cereal. Invoices from packagers, distributors and consolidators do not qualify to support the product price.

40. P89 of 246. Item XVII National Allowance Program Agreement (NAPA). Please confirm that all NAPA suppliers are mandated to supply PV Contractors directly and not impose on them, at cost to the PV Contractor, third party agents and/consolidators? If the answer is negative then please confirm if the product cost will be the invoice price for the third party agent?

Ans.: There are no restrictions on using third party agents and/or consolidators. Third party fees shall be included in the normal distribution price.

41. Reference is made to the definition of Product Price (page 72 of the draft RFP). The product price is defined as (and limited to) the original manufacturer, grower or processor invoice price for product to be delivered FOB Destination to its first destination. However, many manufacturers have their product co-packed by a separate company. One example of this is Kraft's Crystal Light. While Kraft is the manufacturer, their authorized co-packer for this item is Power Packaging (located in St. Charles, IL). Using this example, in order to meet the current RFP requirements, can you please indicate whether an invoice from Kraft will continue to be acceptable to the Government or will an invoice from Power Packaging be required?

Ans.: Yes, the Kraft invoice is required. Note: Product Price definitions in this solicitation do not match the language identified in the question.

57. We note there is already a DFARS interim rule (72 FR 20758) on excessive pass-through charges which is not applicable to commercial contracts. Did DSCP obtain a DFAR deviation to include the clause in this solicitation? When can we get a copy of this document?

Ans. The question can not be answered because there are no references to excessive pass-through charges in this solicitation.

60. Pg 38, (b). How were the Early Payment criteria determined?

Ans.: Early payment criteria are based on the Government's knowledge of best commercial practices.

61. Is it now a requirement that Early Payment criteria be added to all government contracts? Is this a standard industry practice? Why are they being limited?

Ans.: The rebates/discounts and price-related provisions contained in this solicitation serve to clarify up-front price reduction requirements. They may or may not be used in other government contracts.

62. How did DSCP arrive at the determination of 2 percent as the maximum Early Payment Discount and why wasn't this language part of previous solicitations? Is this a new requirement or standard and if so how many vendors have this language in their contracts today?

Ans.: See paragraph 6, sub-paragraph 60. Questions pertaining to other Government solicitations and contracts are beyond the scope of this amendment.

63. Pg 38, (a) & Pg 96, E. How can rebates and discounts be accurately passed on through the customer catalog when updates are only conducted every two weeks?

Ans.: In accordance with the present solicitation language, price redeterminations or catalog updates are limited to every 30 days. The reduced catalog prices shall be applied when the product is received into inventory and the next catalog update is scheduled.

64. 2-10 Net 30 payments may or may not work in CONUS but OCONUS is totally different. CONUS prime vendor can order today and receive the product within a week, perform inspection upon receipt and refuse visible product problems. They can later find hidden damage or have the product returned. In some instance, the product is sold before the 30 day period occurs and the payment is made. OCONUS is totally different: Product is ordered and picked-up or implemented through DDC the next week. The transportation company does not inspect, check the product for count, shelf life, condition, or quality, Berry Amendment or other required variables. The shipper is not hired or responsible to the manufacturer or the prime vendor. The product can be abused in the van, the temperature can be jeopardized the product can be and sometime is stolen – who pays? The product may not arrive at the prime vendor’s location 4 to 12 weeks later. The prime vendor receives the van whereby there can be 1,000 cases ordered 980 delivered, the whole van temperature damaged or in the case of a van load stolen; i.e., \$1,000,000 of lobster was gone. The prime vendor cannot refuse unacceptable or short shelf life product, can’t short pay the carrier for negligence, etc. and is supposed to pay for the product within 10 days of shipment and we don’t receive it for 4 to 12 weeks. It is then warehoused and held in stock, waiting for an order and then upon delivery receipted so we can wait for payment. This means hundreds and millions of dollars expended without a guarantee of sales. How do we negotiate with our manufacturers for samples, damages, shorts, allowances, etc. even if it does not raise the published prices?

Ans.: The prime vendor contractor must enter into an agreement with the USC carriers that handle routes with the prime vendor’s geographical responsibility to develop a claims process involving the prime vendor contractor and the USC contractor(s). Such agreement shall address issues such as claims resolution for losses and damage to prime vendor cargo. The government is not responsible or liable for any loss or damage to the prime vendor’s products shipped through the DTS. Any such losses or problems can be mitigated by establishing a good working relationship with the carriers, being familiar with the terms and conditions of the USTRANSCOM contract, and obtaining maritime insurance for the products shipped. There are no restrictions placed on negotiated payment terms between the prime vendor and the manufacturer. The solicitation language identifies Early Payment discounts that may be retained by the contractor and those that are required to be passed to the Government. Each offeror must negotiate its own agreement.

67. Reference is made to DSCP clause 52.231-9P03 – Rebates/Discounts and Price Related Provisions (page 37 of the draft RFP). Are the provision outlined in this clause that deal with rebates/discounts/service programs with manufacturers applicable to subcontractors/distributors (like Rastelli Global) the same way they are to Prime Vendors? If not, how do they differ?

Ans.: This question can not be definitively answered because the rebate/discount language contained in this solicitation significantly differs from the clause language identified in the draft.

68. P38/P39. DSCP 52.23 1-9P03 Rebates/Discounts and Price Related Provisions Items (a) thru (d). Many practical difficulties will occur from the provisions contained within this clause. For example: (b)(i). What definition of cost of money is to be applied? What if the cost of money exceeds 2% as detailed in (v)? (b)(ii). What if commercial practice is inconsistent with the terms of this provision? (b)(iii). What if the early payment discount offered to other commercial customers (other than the PV) is greater than that offered to the PV? There may be instances with brand specified items where no terms are offered due to lack of competition whereas terms would be offered to other commercial customers. (c). The requirement to provide information requested should be based on the PV Contractors ability to provide the data, i.e., when available. (d). Please define "contractor or sub-contractor" in relation to the supplier base? (d) How will the PV Contractor control potential "pass through charges" when a CONUS brand owner appoints a sole distributor? (d) Will a caveat be inserted that indemnifies the PV Contractor from liability for potential pass thru pricing on mandatory items and/or brand specified items and/or pricing agreements made direct with the agencies?

Ans.: The term "cost of money" has been eliminated from the rebates and discounts provisions. The conditions under which the contractor may retain early payment discounts are set forth in Section I of this amendment, and specifically, in the Rebates/Discounts and Price-Related Provisions paragraph (b) on page 86, as modified in Section I, paragraph 10.

166. Pg 65. 8. Why does the government not have any liability for loss or damages in transit as the government is specifying the transit method?

Ans.: DFARS 252.225.7040 (b) (2) and DFARS Deviation 2007-0-0010 (b) (2) state that the contractor assumes the risk for the mission, including losses in transit.

168. Pg 67.3 Will ocean carriers be required to provide temperature reading reports from TMDs and from the actual reefer units? What will compel them to do so?

Ans.: See paragraph 93.

170. Page 58 Para H. ii - Please clarify if under this solicitation AVI inspections will be recognized by USTRANSCOM/SDDC and their contracted carriers for use in a potential claims process by the prime vendor for damaged PV product transported by the Government-contracted carriers?

Ans.: See paragraph 94.

171. Page 63 VI. Transportation - Please provide the performance history of DTS carriers shipping product into both Kuwait and Jordan. How many containers have arrived in conformance and how many have arrived compromised? What is the claims history regarding the compromised container arrivals? What is the dollar amount of product loss and the dollar amount reclaimed from the DTS carriers?

Ans.: DTS performance is estimated as follows (83% Zone 1/17% Zone 2):
Containers sent uncompromised - Avg 15,300 - 18,000 per year
Containers sent compromised - less than 10 per year
Dollar amount of product loss - less than \$500,000 per year
The amount re-claimed from the DTS carrier is proprietary to the prime vendor.

172. Page 64 Para 7 - Please clarify the detention charges for which the Prime Vendor is responsible? Is this referring to CONUS or OCONUS?

Ans.: See paragraph 95.

173. Page 65 Para 8. and Page 66 Para B. - Please clarify the liability situation when the government carrier does not delivery holiday or special order items in accordance with given transportation planning guidelines. Will the government be liable for airlift costs if air is necessary to meet the RDD?

Ans.: Airlift and liability decisions are made on a case by case basis. The prime vendor is required to order holiday or special order items well in advance to ensure timely delivery. The potential for delays to occur in transport must be reasonably considered.

181. Pg 69.D. The solicitation requires communication devices for all drivers, but these are not allowed within Iraq. Please clarify.

Ans.: Presently in Iraq, driver communication devices are prohibited.

184. What anti-tampering measures are the vendors expected to take? What happens if there is only one or two approved vendors for a particular item – how can competition be assured and what anti-tampering measures should be taken?

Ans. If there are only one or two approved vendors for a particular item, then competition is limited to those vendors. It is incumbent upon each offeror to describe the actions that will be taken to secure product that will be delivered to customers under this contract. General security guidance is provided on page 67 of the solicitation.

191. The frequency of the manual billing appears to result in the Contractor being unable to invoice when a service has been provided. How quickly will DSCP authorize payment of manual invoices?

Ans. Bi-weekly or monthly. See Section I above, paragraph 6.

194. Pg. 78.7 What constitutes a successful mission for SLs? By when can we have a copy of these criteria?

Ans. See Section I above, paragraphs 7 and 8. “Successful mission” language has been deleted.

209. Pg 89, XVI. Where DSCP issues IDTCs for specific items, will DSCP be responsible for the Performance of these vendors? What contracts does DSCP anticipate placing? Will DSCP be responsible for the performance of any mandatory item vendors?

Ans.: DSCP anticipates that the Manufacturer Pricing Agreement Program will eliminate the need for IDTC’s and NAPA discount usage. The prime vendor must establish its own commercial agreements with MPA, NAPA, and IDTC holders, whichever is applicable. The prime vendor is responsible for the performance of its subcontractors whether they are mandatory sources or not.

215. Will any items be source verified? Will the contractor be subject to the same terms and conditions where the manufacturer has been specified by the government, especially where the manufacturer will not sell directly?

Ans. Yes.

218. P93 of 246. Item XX New Items. Please advise the customer’s obligation with regard to new items in terms of demand and ramp down of existing item?

Ans. The customer is subject to the terms and conditions of the contract. There is a ten case monthly minimum to add a new item. The prime vendor must coordinate with the Contracting Officer, Customer Account Specialist, and the Customer to manage the ramp-up, ramp-down process for new item additions and existing item deletions.

219. Pg 96. XXIV. Joint Total Asset Visibility (JTAV) “Under the proposed contract, the awardee must have the capability to provide DSCP with timely and accurate information on the location, movement, status, and identity of units and supplies.” Does DSCP require Level 6 line item detail?

Ans.: Yes.

220. What services will the Contractor be expected to provide to PM-JAIT? Will these be reimbursable? Is there a requirement for transportation system tracking and integration with US military systems?

Ans.: See paragraph 112.

222. Is DSCP planning to remove life support for Iraq personnel?

Ans.: DSCP is planning to remove "premium" life support but "basic" life support will still be provided. DSCP will cover the cost of premium if it is deemed in the best interest to support the program.

226. Page 109 X Juice Drink Dispensers. Soft Serve/Yogurt Machines, Hot Soup and Cereal Dispensers. Please specify for each equipment type the number required? How are maintenance personnel expected to travel in Iraq to repair and maintain equipment? Are they able to travel in military convoys?

Ans.: Juice Drink Dispensers are no more than 2 per DFAC. All other type dispenser equipment is no more than 1 per DFAC. Mil convoy will be made available for maintenance personnel. It is up to the Prime Vendor to determine processes to repair and maintain.

264. Page 145 states: “Offeror will discuss the extent of its experience performing deliveries as a “contractor on the battlefield.” We were unable to find in the RFP the definition of the term “contractor on the battlefield.”

Ans.: No definition was provided for "contractor on the battlefield". Offeror should state their experience of performing as described in DFARS 252.225-7040 para (a) and (b).

278. As I understand it, a price is to be requested by all prospective bidders. Each price is being asked to be held for an 8 month period. The products we manufacturer are not considered commodity items and having a price guarantee of 30 days or so is commonplace. Given the extremely volatile ingredient, packaging and transportation costs of all manufacturers, I am unsure at this point that pricing guarantees of this length are possible. Are other alternatives being considered?

Ans.: The period of acceptance for offers is 240 days. If negotiations are conducted, offerors will be able to update their pricing during final proposal revisions. Post award price redetermination periods will be set for a minimum of 30 days, see page 85 o the solicitation.

279. In the draft solicitation, DSCP has directed direct buys wherever possible. For OCONUS PV’s purchasing through a distributor or consolidator masks the final destination of the products and provides force protection. Will a contractor’s efforts to choose sources that will mask the ultimate buyer be considered as a positive aspect of their proposal in the evaluation process?

Ans.: Purchasing through a distributor is not prohibited. Costs associated with the work of the distributor must be included in the Normal Distribution price. Force protection is a solicitation requirement. See paragraph 6, sub-paragraphs 40 and 184.

280. Reference page 155 (iii) (A). Since many months usually pass between the submission of proposals and the start of a contract, how can a contractor be expected to guarantee that market prices will not have moved between proposal submission and contract start?

Ans.: See paragraph 6, sub-paragraph 278.

281. As suppliers will increase their prices if they are required to lock their prices for many months, will DSCP pay the extra costs associated with obtaining firm, multi-month quotations from food suppliers?

Ans.: No.

7. Most Contractors are licensed as logistics providers, not FF&V importers. Does DSCP intend to exclude these companies from bidding?
Ans.: This solicitation has been issued on a full and open (competitive), unrestricted basis in accordance with FAR Parts 6 and 19. As there are no restrictions, any company may submit an offer.
8. If the presumed goal of the new solicitation is to increase competition, how does hard-spec'ing more items (through Manufacturer Pricing Agreements (MPAs) help achieve that goal?
Ans.: MPAs are designed to stabilize prices for heavy use items; the solicitation has two zones for more competition.
9. Are all teaming partners, suppliers and/or distributors performing on the current Iraq, Kuwait, Jordan, and Turkey Prime Vendor contract (3128) allowed to participate in the new bid?
Ans.: Yes, see paragraph 7.
10. With this being the second largest OCONUS solicitation of all time, and DSCP having been advised that 90 days is the minimum amount of time required to respond, does DSCP feel that the submission date of 30 June will allow sufficient time for quality responses to be submitted?
Ans.: Contractors may request time extensions.
11. With the fixed Distribution Price now having to cover so many additional costs and risks, won't this contract be more expensive for the United States Government (USG) than the current one?
Ans.: DSCP will not know if this contract will be more expensive than the current contract until proposals are received.
12. The White House administration will change after the November elections, and this solicitation is 'all at risk'. What steps will DSCP take to mitigate PV losses if troops are withdrawn? Will this loss mitigation include repayment for facilities constructed in anticipation of contract award? Will it cover PV products stocked in support of this massive requirement? This will amount to hundreds of millions of dollars.
Ans.: 1) Draw down period; 2) No, this contract has a guaranteed minimum and that is all that the Government is required to order and pay for under the contract; 3) Again, a draw down period will exhaust pipeline product

13. Our investigation of the ‘grower’ language under Section XIII Pricing Section 2 Product Price (page 71) indicates that the FF&V industry does not readily lend itself to meeting this requirement as farmers/growers can sell to cooperatives who may then sell to wholesalers who then sell to FFV suppliers for further sale and distribution to end users. Has DSCP considered this when formulating this requirement?
Ans.: Yes; Invoice traceability to the manufacturer or grower level will be required.
14. **14** How does the requirement for grower invoices relate to the DOD mandate to “Restrict Government-Unique Contract Clauses on Commercial Clauses?” What is the benefit of this requirement when it will be practically impossible to audit with any degree of accuracy?
Ans.: See paragraph 13.
15. Are Fair & Reasonable (F&R) determinations by the Contracting Officer required for all price changes? Has DSCP considered the enormous amount of work and expense for both DSCP and the Contractor, and its impact on the timeliness of the re-ordering process in the supply chain?
Ans.: F&Rs will be required for all new products and price increases. If a product is a MPA item, price changes for that item will be dictated by the agreement between the MPA holder and DSCP. For non-MPA items, it would be in the best interest of the Contractor and DSCP if the Contractor agrees to price an item for the longest amount of time possible. This will mitigate the amount of work on both the Contractor and DSCP sides.
16. Will F&Rs for all price changes mean that each price change in every replenishment order will have to be approved through DSCP? Has DSCP considered that this will slow down the supply chain and cause NIS situations? What does DSCP plan to do to mitigate this effect on the war-fighter?
Ans.: See paragraph 15.
17. Reference page 86, see XVII, b, iii. How can Early Payment Discounts (EPDs) be given at the same rate as other customers when EPDs are based on a specific customer’s payment track record?
Ans.: The early payment discount is an incentive to encourage payment earlier than normal terms of 14, 30 or 60 days. The Rebates/Discounts and Price-Related Provisions paragraph (b) on page 86, as modified by Section I, paragraph 11 of this amendment, specifies the limited circumstances in which a contractor may retain early payment discounts.
18. Is restricting EPDs to no more than 2% in line with commercial practices? Please provide evidence that this is prevailing commercial practice. Is this a requirement specific to this contract, or will it be in all DLA and PV contracts? Also, regarding part (c), how can payment terms be included on invoice submissions for product prices if the Contractor often may not purchase the product directly from the manufacturer or grower?
Ans.: Yes. Trade discounts are normal commercial practice as evidenced at http://www.toolkit.com/small_business_guide/sbg.aspx?nid=P06_4468. It is a requirement for this solicitation to provide transparency to transactions and may or may not be a requirement for future contracts. Invoices at any tier shall reflect discount terms.

19. For PV goods, how is the Contractor to include broker and consolidator fees into the Normal Distribution Fee if this is proprietary data the suppliers will not release?
Ans.: It would behoove the Contractor to obtain a consolidator's fees as they are a component of the normal distribution fee. The Contractor will need these fees in order to develop their normal distribution fees.
20. Please expand on DSCP's F&R process, specifically for OCONUS items. What indices will DSCP use to determine fairness and reasonableness?
Ans.: DSCP's F&R process follows conditions set forth in FAR 15.404 for price analysis. This includes examination of market conditions and prices paid for the same or similar items in the geographic region.
21. Where suppliers of hard spec'd / mandatory / MPA items will not sell directly, will DSCP cover the costs to consolidate? How – via change order?
Ans.: No. The costs of consolidation are part of the normal distribution price.
22. For OCONUS purchases, purchasing through a consolidator or distributor masks the final destination, and provides force protection. Is the use of force protection a characteristic that DSCP seeks in this solicitation?
Ans.: Traceability and transparency of transactions, as well as, force protection are characteristics that DSCP requires.
23. Will using consolidators and distributors be viewed as a positive or negative feature in a proposal?
Ans.: This may depend on the actual product being evaluated. Offerors are reminded to submit the supply chain requirements. The government's intent is to shorten the supply chain as much as possible. Therefore, business decisions made by the offeror will influence their proposal.
24. With 48 FF&V items with a minimum of 2 vendors each, and approx 200 farms supplying the forces from over a dozen countries, the grower requirement within the solicitation is practically impossible. How does DSCP see this system working?
Ans.: See Section I, paragraphs 3 and 4.
25. Is the Normal Distribution Fee supposed to contain costs for picking, packing, labeling, first transportation, airlift, second transportation, sorting, repacking, storage, loading, and third transportation for FF&V?
Ans.: See Section I, paragraphs 3 and 4. If the product originates from a grower and that raw product is not used in a manufacturing process, then the grower's invoice is acceptable support documentation for the product price. All grower costs shall be included in the product price. All distributor costs shall be included in the normal distribution price.
26. What impact does DSCP see resulting from the inclusion of all of the new costs into the Distribution Fee?
Ans.: Stabilized product pricing.

27. How is a Contractor to price a Distribution Fee category when some items may be bought from manufacturers, some from distributors, and some from LMR suppliers, and all three have vastly different costs bases?
Ans.: This is a business decision, we have provided the requirements.
28. Page 61, section 7. Why will the Contractor be required to cover any charges incurred for CONUS transportation if the Contractor has no control, especially when recently container movement has been restricted because commercial routes are more profitable, or prohibitively high fuel prices cause inland line haul trips to be refused?
Ans.: The product remains prime vendor owned thru the transportation process.
29. How is a Contractor to price the distribution fee for an item that may change vendors during the contract? E.g. A product starts off as a CONUS PV item, and then changes to an OCONUS LMR item, or vice versa, resulting in greatly different costs.
Ans.: OCONUS LMR items have their own categories. Catalog changes will be negotiated post award as necessary.
30. How is the Contractor to price the distribution fee for a PV product which starts the contract coming from a manufacturer, and then moves due to a distributor (or vice versa) when these two products have different costs?
Ans.: This is a business decision, we have provided the requirements.
31. FF&V is a commodity product and prices change daily, sometimes twice or more. Which price should the Contractor use when prices can only be updated once per month? Which price should be used when multiple suppliers are used for one item?
Ans.: See section I, paragraphs 3, 4, 5, and 13.
32. Where items have low volume, and van-loads must be full, DSCP recommends consolidation. On these low-volume items, who pays for the consolidation?
Ans.: This is part of the normal distribution price. We have provided the requirements.
33. Will Last Received Price still be in effect?
Ans.: Yes, see Section I, paragraph 5.
34. How can DSCP change the price of a submitted proposal by updating it with MPA products? Isn't there a lack of consideration for the change, and doesn't this fundamentally change the proposal and invalidate the bid?
Ans.: If an MPA is executed for a product, the MPA price will be used for evaluation purposes. This does not constitute a change to an offeror's proposal. Rather, it equalizes the product price evaluation for MPA items, as all offerors will have the benefit of MPA product prices.
35. Does decreasing the frequency of catalog updates from every 2 weeks to every 4 weeks not further fix commodity costs, and therefore increase the cost of the contract? Why has DSCP chosen to reduce the frequency of catalog updates?
Ans.: DSCP has reduced the frequency of catalog updates to stabilize pricing.

36. Does using supplier invoices in an offer commit suppliers to keeping their prices frozen for up to 240 days? Can the supplier request the Contractor to use a quote instead of an invoice? What impact, if any, will this have on proposal evaluation?
Ans.: Prices may be updated during negotiations. Offerors may submit quotes instead of invoices without impacting the evaluation.
37. When will a list of the items which will be under MPAs be available? How will these MPAs increase competition?
Ans.: DSCP anticipates that the list of items will be available during proposal evaluation. MPA are expected to stabilize prices.
38. Will MPAs be placed for FF&V and LMR products? If not, why not?
Ans.: MPA Agreements will be pursued for FF&V and LMR products.
39. If MPAs are placed with companies that will not deal directly with the Contractor, will DSCP cover the costs of consolidators?
Ans.: DSCP does not intend to establish MPA's with contractor's that do not intend to deal directly with the prime vendor contractor.
40. Do MPAs eliminate the need for F&Rs?
Ans.: Yes. The fair and reasonable price determination is made directly with the MPA Holder.
41. Will changes in prices of MPA products from suppliers be directed to DSCP?
Ans.: DSCP will communicate MPA price changes to the prime vendor.
42. Do MPAs change the nature of the goods bought under them from PV to GFM?
Ans.: No.
43. What liability will the USG have on MPA products (for loss and damage) where DSCP has contracted on the PV's behalf?
Ans.: MPA products will be PV owned. The only aspect of the MPA that will be negotiated between the Government and the manufacturer is the price. DSCP is not contracting on behalf of the prime vendor. The prime vendor must establish a commercial agreement directly with the MPA Holder to purchase MPA Holder product at the MPA price, see page 85 of the solicitation.
44. Will DSCP be providing sample MPA Holder Agreements to the Contractor?
Ans.: Yes, when they are available.
45. Does DSCP believe that having MPA agreements for 6 months will decrease the cost of the goods?
Ans.: The MPA's are being established to stabilize pricing.
46. Where the producer of the product is not the manufacturer but the co-packer (e.g. Crystal Lite, Gatorade), and assuming the co-packer will release their pricing information, which invoice should be used for the cost of the product?
Ans.: The manufacturer invoice, FOB origin (place of manufacture).

47. Does “grower” refer only to FF&V items?
Ans.: Yes, unless otherwise identified by the offeror and approved by the Contracting Officer.
48. Is the intent of the manufacturer/grower pricing language to have Contractors buy FF&V direct? If yes, has DSCP considered the force protection issues associated with this including but not limited to different sources that may not be centrally managed?
Ans.: No.
49. **49.** Will DSCP consider buying FF&V as GFM?
Ans.: No.
50. Will the Defense Cooperation Agreement (DCA) agreement between US and Kuwait be amended to incorporate FF&V? Will there be a military exemption on customs for FF&V? Can excess FF&V be sold in the local market? Under whose authority?
Ans.: 1) All requirements in the solicitation are covered by the requirements of the DCA. No amendment is necessary or expected. 2) FF&V is treated the same as any other food product for purposes of exemptions. 3) & 4) Any potential sales must comply with local, Kuwaiti law. This determination is the responsibility of the contractor. The United States will not participate in any of these sales.
51. Why is there no VETCOM requirement to inspect grower facilities? Has DSCP considered adding this requirement given the change in methodology this may force?
Ans.: The soon to be released Military Handbook/Military Standard 3006C include a new appendix (Appendix W) that applies to unprocessed FF&V suppliers in OCONUS areas. The application of Appendix W will be at the discretion of the responsible theater veterinarian based on an assessment of the food safety/food defense risks involved with the individual product, country of origin, current security profiles, etc.
52. What additional force protection measures does DSCP envision are required to ensure FF&V supply chain integrity? Will these be documented?
Ans.: See paragraph 51.
53. How will DSCP control mark-ups in vendor-owned intercompany sales?
Ans.: This is not in DSCP’s realm to control; however, transactions must be transparent.
54. There are problems in the US with truckers refusing loads due to high diesel costs, and the cost of air fuel is climbing. How can these costs be adequately built into the Distribution Fee with the cost of fuel continuing to increase?
Ans.: Fuel is an element of risk that may be calculated as any other element when determining Distribution Fees.
55. Will DSCP be responsible for the performance of vendors of hard spec’d / mandatory / MPA items? Will the Contractor be granted waivers for NIS situations for these vendors?
Ans.: The performance of MPA vendors are like all other vendors. Please see paragraph 43. NIS waivers are granted on a case-by-case basis.

56. Will a delay in response on F&Rs (where complete information has been given) entitle the contractor to a waiver in NIS situations?
Ans.: All NIS waivers are granted on a case-by-case basis.
57. If MPA manufacturers will not conform to labeling, code dating, packaging etc., is the Contractor permitted to find alternative sources?
Ans.: No, not for the product. Yes, for labeling, code dating, etc. See paragraph 157.
58. Will the USG cover airlift costs to avoid NIS situations if the USG contracted carriers do not perform?
Ans.: These will be addressed on a case-by-case basis.
59. DSCP will reimburse the Contractor for commercial airlifts, unless to rectify a situation created by a lack of planning on the Contractor. What constitutes a “lack of planning”?
Ans.: This will be addressed on a case-by-case basis.
60. Page 87, parts (c) and (d). Under what authority can DSCP require cost or pricing data on a contract for commercial items?
Ans.: DSCP is not requiring that cost or pricing data be submitted. We are requesting actual invoices from manufacturers that you do business with.
61. How quickly will DSCP authorize payment of manual invoices under Method II pricing, and after how many days will Prompt Payment Interest start to accrue?
Ans.: It is envisioned that invoices may be submitted bi-weekly or monthly, see Section I, paragraph 6. The government may scrutinize the submitted documents and request the contractor to submit additional documentation to support the manual invoices. When the final submission is made and the amount due is agreed to by both parties, the clock begins. The Prompt Payment interest may accrue after 30 days of the agreement date.
62. How did DSCP arrive at the list of categories?
Ans.: Contract experience and history.
63. Why should driver salaries be paid on a per-trip basis? Why does DSCP determine this as it is a commercial contract? What should the Contractor do if this rule is in opposition to local labor laws?
Ans.: This is the method determined by the government to ease evaluation of pricing. Contractors may internally develop any method they wish and extrapolate to the method desired by the government. Contractors must follow all US Government and Host Nation applicable laws and regulations.
64. Why has DSCP decided to not have any Fill Rate bonuses or PDF in the new solicitation?
Ans.: Fill Rates have become a requirement and not a goal

65. Please confirm that USTRANSCOM is responsible for all customs clearance and duties until product reaches the Contractor's OCONUS warehouse in both Jordan and Kuwait. If the Contractor is charged in these situations, please advise how this money would be recovered by the contractor.
Ans.: USTRANSCOM rates include customs clearance and duties. Contractors are reminded to check the USTRANSCOM website or contact USTRANSCOM directly for matters relating to that contract.
66. Please confirm that only designated Contractor personnel (as defined in the proposal) have the authority to make binding decisions on behalf of the Contractor during the life of the contract, especially since the solicitation says the KO is the only authorized official who may increase, decrease, or alter the scope of work to be performed?
Ans.: The authorized negotiators that are specified by the contractor are authorized to make binding decisions on behalf of the contractor. The contracting officer is the only official who may modify terms or conditions of any resultant contract.
67. What happens in the situation where CPARS evaluations are not issued to the Contractor? What recourse does the Contractor have?
Ans.: The first course of action would be to speak to the KO to inquire about the reason for the delay.
68. How can rebates and discounts be accurately passed on through the customer catalog when updates are only conducted once a month? Will there be a reconciliation process? If yes, please define it.
Ans.: Will you be ordering more than once per month? It is envisioned that the catalog updates will coincide with ordering patterns. Please remember that prices do not become effective until the merchandise is received in the PV warehouse.
69. Life support – will the KO issue LOTD/Laos? How will DSCP assist in obtaining life support for Contractor personnel? What should the Contractor do if personnel are denied Life Support at a camp?
Ans.: It is anticipated that there will be a letter of technical direction (LOTD) addressing life support. DSCP will outline the levels of support given at each of the Hubs. If support is denied, the first recourse the contractor has is with the Camp Mayor. DSCP should be copied on any communication.
70. Under what conditions will DSCP exclude a contractor from being eligible for award of both zones? Would not the awarding of both zones to one Contractor reduce the cost to the USG through economies of scale which could be achieved?
Ans.: DSCP desires two (2) different awardees for this solicitation, one each per zone. FAR 6.202 list the conditions that DSCP may use to exclude a contractor from award of both zones.
71. Isn't the authority to exclude a contractor in the cited FAR clause applicable only to exclusion of contractors who have contracts that will continue to be performed to provide the same supplies and services being requested in the current RFP? In other words, since both zones are being solicited, how can DSCP use the 6.202 authority to find an alternative source when there would be no contractor that will continue to perform under an ongoing contract?
Ans.: After one of the zones is awarded, FAR 6.202 may be used to exclude the contractor that is awarded this zone from receiving an award on the other zone.

72. Doesn't DSCP have to inform a Contractor of its exclusion from procurement before bidding? How can DSCP cause a Contractor to spend large amounts of time and money on a bid, only to be excluded after submission of offers? Will DSCP reimburse an excluded offeror for its bid and proposal costs?
Ans.: This RFP is full and open; no exclusions have been made. DSCP is not causing any contractor to do anything. The proposal process is part of the cost of doing business. If an offeror is unsuccessful or excluded for any reason after the submission of proposals, the government shall not reimburse the offeror for any and/or all bid and proposal costs.
73. The possible exclusion of a Contractor from one or more zones makes it impossible to formulate any kind of bidding strategy as offerors have no idea whether to focus on one zone or on both zones. Shouldn't DSCP make a firm decision regarding whether one contractor is eligible for both zones or not? Is DSCP planning to amend this provision to reflect such a decision?
Ans.: Each zone is separate and should be considered and quoted on as such. DSCP reserves the right to award as indicated in the provision.
74. Although there is no solicitation requirement for one contractor's assets to be used to recover another contractor's, if this does occur, will the contractor be able to submit a charge for this?
Ans.: No, not to DSCP.
75. Pg 77, Sec 5. Under Method II pricing, Iraq Premium Transportation billing is to be submitted every 2 weeks. Why has DSCP decided to return to a system of billing which has previously been rejected? How can manual billing be expected when FastPay is in effect? Won't this method of billing require massive manpower resources for both DSCP and Contractor?
Ans.: DSCP has used Method I and Method II pricing schemes in the past. Both are considered viable.
76. Pg 12. Will orders over \$500,000 be subject to the Prompt Payment Act?
Ans.: Yes.
77. Why is DSCP asking for Method I pricing, where everything is included within the Distribution Fee, when it had already rejected this approach under the current contract?
Ans.: See paragraph 75.
78. Where a variance has been included into Method I pricing, and these costs are reconciled on a monthly basis, would a pay-as-you-go system be more accurate, fair, and efficient?
Ans.: Both strategies will be evaluated. The Method I pricing scheme includes an annual review/reconciliation process.
79. Pg 74, sec B.a.v. Why would the need for premium price elements be reduced under Private Security? In fact, wouldn't there be a need for additional risk premiums? At the very least, shouldn't the removal of these cost elements be negotiated between DSCP and the Contractor?
Ans.: The paragraph addresses the removal of a requirement. When a requirement is removed, it is expected that its cost will be removed from the distribution price.

80. Please explain how the maximum contract value is \$23,563,266,406.20. Why is it the same for both contracts?
Ans.: Each zone serves as back-up for the other zone. The dollar threshold was split to accommodate this.
81. Who decided on the Inpatient and Outpatient rates in AI 25.2?
Ans.: In accordance with OUSD(C) Memorandum dated January 4, 2007, the reimbursement rates will be charged for services at all DoD deployed medical facilities. These rates are in effect until changed by DoD direction.
82. Pg 58. Who will the DSCP PV Program Manager be? What will their responsibilities be?
Ans.: Timothy B. Dlugokecki; Contract oversight.
83. Who will the KO be for this contract?
Ans. Linda L. Ford
84. When does DSCP anticipate award date?
Ans. September 30, 2008
85. Please confirm that DBA insurance is not required for this service contract?
Ans.: This is a supply contract not a service contract. You are purchasing food and distributing it.
86. Pg 21. SPOT. Many contractors will have to include their entire staff under the SPOT requirement. How will DSCP compensate contractors for this added administrative burden and significant additional cost?
Ans.: The data required for SPOT entry was previously required under DFARS 252.225-7040. SPOT is merely a database repository. Any administrative costs associated with this requirement should be included in the distribution price.
87. Pg 36. Contractor employees performing in the USCENTCOM AOR. What happens if this statute violates Kuwaiti, Jordanian, or Turkish law? What law will take precedence? Will the Government and/or DSCP indemnify the contractor for prosecution that violates local law?
Ans.: These are questions that the Offeror needs to investigate. To government knowledge, there are no conflicts of US Government law compared to local law.
88. Does DSCP have the statutory right to audit a contractor's books? Please reference under what authority DSCP has determined that it is permissible to audit a fixed price commercial item contract.
Ans.: The Statement of Work provides for the Contracting Officer, or authorized representative, to have the right to examine and audit all the Contractor's records (as defined at FAR 52.215-2(a)) relevant to the existence of discounts, rebates, allowances or other similar economic incentives or benefits, and most favored customer product prices, as set forth in the Rebates, Discounts and Price related provisions. This is also consistent with the prospective price redetermination provisions of the solicitation.
89. What constitutes a "reasonable" amount of time for rejection of each category (chill, frozen, dry, fresh) of food items?
Ans.: This question does not have enough information to provide an answer.

90. Will the Contractor be afforded the opportunity to offer comments on USCOX to help shape the requirements and better serve the troops?
Ans.: This question does not have enough information to provide an answer.
91. Pg 52. Why does the USG or military bear none of the risk of injury, loss, damage, or demurrage when assets are under military escort control? Is DSCP taking the position that the USG is absolved from any responsibility for death, injury, or damage resulting from direct US military action or negligence? If yes, please cite the appropriate FAR/DFARS clause or other relevant reference.
Ans.: DFARS 252.225-7040 (b) (2); DFARS Deviation 2007-0-0010
92. How is the Contractor to develop a claims procedure with the carrier when there is no contract privity between the two parties? Specifically, what compels the carrier to comply?
Ans.: Both USC06 and the Iraq solicitation require the Prime Vendor and the carrier to sign an agreement establishing a claims procedure.
93. Will ocean carriers be required to provide temperature reading reports from Transportation Control Movement Documents (TCMDs) and from the actual reefer units? What will compel them to do so?
Ans.: See the requirements of USC06
94. Please clarify if Army Veterinary (AV) inspections will be recognized by USTRANSCOM–SDDC and their contracted earners for use in a potential claims process by the Contractor for damaged prime vendor product transported by USG contracted carriers.
Ans.: We have requested that USC06 provide that in the event of a dispute between the carrier and the Prime Vendor, that the AV decision be determinative. See USC06 when and if this is inserted.
95. Is the Contractor liable for port detention charges? If yes, is this the case even if detention is due to events beyond the Contractor’s control, including, but not limited to unprepared documents, public holidays, etc...?
Ans.: The Contractor is liable if the charges are caused by the Contractor.
96. Does the USG not have any liability for loss or damages to product in transit from CONUS to OCONUS considering that they are mandating the transit method?
Ans.: No.
97. Please further define the Deployment Centers and how they should be used, and for whom.
Ans.: The deployment centers are for American DoD civilians and other eligible persons who are accepting a position and entering into a deployment zone.
98. Would DSCP consider raising the bobtail requirement from 730 bobtails over 2 years to 5,540 bobtails, which is the actual number required by 14th MCB?
Ans.: The 730 is the estimated requirement.

99. Why is the Contractor required to forecast GFM usage? If ordering patterns do not follow the forecast, will the Contractor penalized? Why is the Contractor required to arrange ocean transport through DDC for Government material?
Ans.: The contractor has responsibility for all inventory management, see page 52 of the solicitation. Initially, the contractor will be provided an estimate forecast for GFM usage. As time progresses, the GFM items will accrue a usage history that the contractor can use to forecast future demands, much the same way that it does for any contractor-owned item. Ordering patterns are subject to change as they are with any item. The contractor must arrange for ocean transport through DDC just as it does for any item.
100. Is it not in the USG's best interest to mandate that a new Contractor must take properly stored and warehoused PV stock from the incumbent?
Ans.: No. The ramp up/ramp down provisions provide for sufficient time to liquidate any existing inventory. With sufficient time and notice from the incumbent contractor, the USG will work with the incumbent contractor to liquidate this inventory.
101. What financial recourse do Contractors have if trucks are being taken over for storage by the military? What procedures should the contractor employ to retrieve trucks being used as storage?
Ans.: This is an element of risk. The contractor must maintain good communications with the customer and DSCP.
102. What defines a "successful" mission by Squad Leaders?
Ans.: See Section I, paragraphs 7 and 8. "Successful" mission language has been removed from the solicitation.
103. Page 97, section XXIII, B. Is the requirement for Contractors to introduce new food items contrary to ARCENT and ACES instructions?
Ans.: No. Coordination with ARCENT and ACES is still required.
104. Please specify numbers required for dispensers. Are repair workers able to travel in military convoys? Is the repair of machines not covered under LOGCAP? Will DSCP be issuing LOTDs to cover this repair work?
Ans.: See paragraph 6, sub-paragraph 226. The prime vendor is responsible for dispenser repair work.
105. What would stop the military from keeping (for example) 500 contractor reefers as long-term storage? How would a contractor get paid for this?
Ans.: Iraq is an established area and it would be highly unlikely that contractor owned reefers would be kept as long-term storage.
106. Please confirm that "minimum" of two emergency orders per month should read "maximum".
Ans.: See page 127 of the solicitation: The prime vendor will provide a minimum of two emergency orders per month, per customer at no additional charge.
107. Does the requirement for backhauling GFM not overlap the Theater Wide Trucking contract? Who pays for damage or loss to assets under backhauling missions?
Ans.: No. The Theater Wide Trucking contract excludes the requirements of this solicitation. The prime vendor is responsible for all damage and loss for all assets.

108. Are backhaul missions restricted to water? If not, what else could the Contractor assets potentially be used to haul?
Ans.: Backhaul missions are restricted to Class 1.
109. Between which destinations in Iraq will backhauling missions be performed?
Ans.: To be determined
110. The PV Contractor is paid for a delivery, rather than on a round-trip basis. Therefore, does not the inclusion of backhauling within the PV contract represent work for which there is no compensation?
Ans.: Backhauling is priced in the normal distribution price. Iraq vehicle transportation is priced in the premium distribution price.
111. Under what circumstances does DSCP foresee PV to PV transfers occurring? Is the Contractor obliged to transfer stocks if requested by the other Contractor or DSCP? Under what circumstances will DSCP pay for the Distribution Fee of the providing Contractor?
Ans.: There's no obligation. See page 59 of the solicitation for instructions.
112. What services will the Contractor be expected to provide Program Manager-Joint Automatic Identification Technology (PM-JAIT)? Will these be reimbursable? Is there a requirement for transportation system tracking to be integrated with the US military systems?
Ans.: Presently, the requirement is for in-transit visibility and micro-transport. This is a data feed that integrates the contractors system with US Military systems. The normal distribution price should include all ITV related costs.
113. Is 30 days of stock mandatory? Why is DSCP specifying the minimum stock levels, when there is a Fill Rate % requirement in the solicitation? Shouldn't the Contractor to determine the stock levels required? Is 30 days a rough guide?
Ans.: No, 30 days is the minimum stock level to maintain. The contractor must determine the appropriate stock level to meet the solicitation requirements.
114. Why is the Contractor responsible for the cost of badging when the military often changes badge requirements without notice?
Ans.: This also involves the Kuwait/Iraq/Jordan/Turkey governments changing requirements. This is the cost of doing business in host countries and should be included in your normal distribution price.
115. Are CAC cards being reintroduced? Will TCNs now be eligible?
Ans.: At this time, CAC cards are not planned to be reintroduced, but circumstances may change.
116. How can a Customer cancel part of an order 8 hours before delivery, when for Kuwait deliveries, the truck will already be loaded and staged? Returning this truck to unload will mean that the entire order will need to be held. How will the contractor be compensated for this situation?
Ans.: See section I, paragraph 12.

117. What is not working with the current contract where the Customer can cancel up to the 3rd day? Is the government liable for FF&V goods, which will have been packed and have two days less shelf-life, and may therefore be unsellable?
Ans.: For items produced with shelf life less than 90 days, no product shall be delivered to customers with less than 5 days manufacturer's original shelf life remaining unless the customer approves. See paragraph 116.
118. Are communication devices required for drivers?
Ans.: See paragraph 6, sub-paragraph 181.
119. Although the Contractor is prohibited from using Private Security, does DSCP anticipate that the military will subcontract to Private Security companies to escort Contractor assets? If yes, will this Private Security be compulsory? Will the Contractor have a say in which company will be used, or if a Private Security firm should be removed/replaced?
Ans.: DSCP does not anticipate the use of private security, but cautions that circumstances may change.
120. Who will bear responsibility for destroyed trucks under a military imposed Private Security firm? What will be done to compensate the Contractor for the extra risk Private Security would impose? Who would be responsible for recovering assets under Private Security?
Ans.: The prime vendor bears all risk and responsibility for personal injury or death of its employees or agents or subcontractor employees or agents or for any damage to, loss of or demurrage of equipment during the transportation of product into Iraq.
121. Is DSCP aware that the military is currently subcontracting escorting PV trucks to Private Security?
Ans.: No.
122. Page 8 Item b: It mentions payment by credit card. There is a substantial charge to a client i.e. Prime Vendor for credit card payment especially with little room for profit for the Prime Vendor. Is this going to happen?
Ans.: The paragraph referenced speaks to assignment of payment; i.e., that a vendor may assign its rights to payments to another entity, unless a payment is made by a third party (for example, credit card). Per page 42, FAR clause 52.232-36, "Payment by Third Party" has not been incorporated into this solicitation and therefore, does not apply.
123. Page 16A: Minimum \$ 250.00 order to low for efficiency.
Ans.: Noted. This is the requirement.
124. Page 34: Notification to extend contract 3 days? What are we supposed to do with our buildings, personnel assets and on the water pipeline of supplies if 3 days prior to the 1st option periods or any period we are terminated?
Ans.: DSCP will provide notice of intent 60 days prior to the expiration of a performance period. This does not guarantee that the government will exercise the option. With regard to buildings, personnel assets and on the water pipeline of supplies, the government provides a contract minimum and the contractor assumes the risk. We anticipate that a ramp down period will mitigate risk.

125. Page 50: GFM- What do you mean by having the right to convert Type A food items into GFM? Why not make it all GFM and let the Prime Vendor distribute?
Ans.: From time to time the government may request that the prime vendor source commercial product. When it arrives at the PV facility, the PV will bill the government lump sum and convert to GFM. This is usually the result of a customer request. Making all products GFM is not the desire of the government.
126. Page 52: Item e: What is a Prime Vendor to do if you cannot reimburse the Prime Vendor for expired product especially MPA's or spec items, as we have no control over or no reimbursement procedure for items leftover, after the contract has expired or not extended. That could mean bankruptcy. Who Pays?
Ans.: See paragraph 12.
127. Page 56: Backhauls – Who pays?
Ans.: Backhauling is a cost element that should be included in the normal distribution price.
128. Page 56: Airlifts: If government air tenders are not in place through transcom, who pays for airlifts?
Ans.: It depends on the situation. See page 77, number 4 of the solicitation.
129. Page 58: Item L: Is the Iraq Prime Vendor required to divert product to its detriment to another zone? What fees can we charge? What if we can't afford to give up that needed product?
Ans.: The Government estimate provided on page 58 (L) for diversions between Kuwait and Jordan are for Government Furnished Material (GFM). Prime Vendors will not be required to divert prime vendor owned product to their own detriment. This diversion requirement should be priced in the normal distribution price. See page 59 of the solicitation for guidance on Prime Vendor Product Transfers.
130. Page 60: Transportation: the paragraph mentions the carrier picking product up at our CONUS location. This was mentioned earlier that the Prime Vendor will not be able to use a CONUS Distributor but must pick up at the grower/producer – how does that work?
Ans.: CONUS Distributors may be utilized as stated on page 60 of the solicitation - Transportation, paragraph A, number 1.
131. Pg Page 61: Item 7: How can the vendor be responsible for return of empty vans, detention, changes and other requirements for a MPA or other sole source suppliers – we can't control them?
Ans.: DSCP is establishing MPAs for pricing purposes only. All other terms and conditions are subject to agreement between the vendor and the MPA holder.
132. Page 62: Item 8 – Transportation- it reads that the liability lies not with the government but with the carrier for loss, damage claims for delay, hot vans, theft, etc. The carrier you have stated may have limited or no liability – how do we cover the cost of losses? We have no authority; and they have no contractual responsibility to the Prime Vendor.
Ans.: The Prime Vendor is only liable for its actions and for the risk that it assumes under the contract. If the Prime Vendor believes that it is not liable then it can file a claim with the Contracting Officer.

133. Page 62: Item 9 – Pallets: we are responsible to supply pallets with the new 1SPM15 WPM spec. The supplier should load the van with the pallet type used by the Prime Vendor. If they floor stack it or slip sheet it, we will have to handle every case and drive the distribution fees higher, is this your intent?
Ans.: This question does not have enough information to provide an answer.
134. Page 70: If the Democratic candidate wins the election in November 2008 and they pull the troops out of the Middle East – what happens to our assets, warehouse, personnel and products in house and in the pipeline? 1 percent guaranteed?
Ans.: There are too many assumptions here. If a troop pull-out were to occur, DSCP would develop a ramp down/exit strategy. The minimum contract value remains at 1%.
135. Page 85 (b): If we submit a new catalog on the last Tuesday of the month we can't do this effectively unless there is a NLT time line for DSCP to review and approve or disagree F&R in a short period of time, i.e. if before we place the order otherwise, why order a product with a price increase if you're not going to get paid for it? What will the time line be for F&R deadline to order?
Ans.: The contractor is encouraged to request F&R determinations prior to ordering product. Catalog updates (redeterminations) should reflect prices that have already been determined fair and reasonable.
136. Page 85: Lowest price from manufacturer, supplier, grower- we don't own the suppliers, growers and don't control their pricing. How can we certify?
Ans.: On page 85 of the solicitation, there is no reference to certification. This question does not have enough information to provide an answer.
137. Page 97: New Items: 10 case minimum – How can we effectively purchase product and maintain optimum shelf life with a 10 case minimum?
Ans.: This is the requirement.
138. Page 100: FOB Origin: How do we accomplish if we are only ordering from MFG/Growers and not utilizing a consolidator, distributor?
Ans.: Consolidators and/or distributors may be utilized. If a prime vendor uses a consolidator, the associated fees for that consolidator must be placed in the normal distribution price and not in the product price.
139. Page 104: Shelf Life: If it takes an absolute minimum of 46 days from grower/mfg to the facility and then the Prime Vendor waits for an order – How do you use greater than 90 shelf life must exceed 30 days of shelf life upon delivery and less than 90 must exceed 5 days. The grower/manufacture doesn't always sell us the product they manufactured that day?
Ans.: This is the requirement. Most frozen, canned and shelf stable items have a much longer than 90 day shelf life. Many canned items are only packed once per year.

140. Page 105: Open Code Dating: The vast majority of manufacturers do not print a production date and “Best If Used By” date or expiration date; not to mention Lot #, etc; they have a manufacturer code even though you may have selected sole source suppliers- How can we manage if labeling costs are not required by the supplier? This would mean that the Prime Vendor was to pay for labeling we would have to touch each case which would be extremely expensive and not now required.
Ans.: Open Code Dating is currently required. Costs for this process are part of the normal distribution fee.
141. Page 179: Type of Contract: Fixed Price/Fixed Price with prospective price redetermination – this is new! What is it?
Ans.: See page 179. Fixed price/Fixed price with prospective price redetermination. FAR 52.216-1. The fixed price portion relates to the distribution price. It also relates to the product price for MPA items, as both of these portions of the price are fixed. The fixed price with prospective price redetermination, which applies to the non-MPA items, means that prices are fixed for a set period of time. Prior to the expiration of that period of time, revised product prices are submitted by the vendor to the KO, who then reviews, negotiates and re-establishes fixed product prices for the next period of time.
142. Page 125: (L) is LMR – a daily delivery requested?
Ans.: Local Market Ready items are ordered by customers on a 6-day cycle as any other item.
143. Page 127: (D): How can we maintain a 97 percent fill rate when we don’t pick or have any authority over our supply chain?
Ans.: 97% fill rate is a requirement.
144. Page 128: (B): How can we be required to do next day pick-up in a contingency zone?
Ans.: Page 128 clearly states the “next delivery day” ILO next day. Remember that this is a six day ordering cycle.
145. Page 129: (B): SURGE: How can a prime vendor which is managing shelf life be ready for a 300 percent increase in 45 days when the transit time is 49 days and sometimes longer? Again when we don’t control the manufacturer/grower? Do you have clauses in you MPA Agreements that require them to fly product to us in a surge mobilization scenario.
Ans.: Surge capability must be addressed by each offeror. MPA’s are under development. Airlift requirements in a surge situation will be addressed and evaluated on a case by case basis.
146. Page 147: Item 7: Final prices within 5 percent of submitted vs. implementation date. Prices can change 25 percent in a month on a given item through you own purchasing history. How do we do that?
Ans.: Contractors will be given a final opportunity to submit their best and final offer. It is certainly desired that the Government is not buying an item with this much of a price variance in one month. If an item is following such a pattern, the Government may re-evaluate the item.
147. Can we review a sample MPA Agreement?
Ans.: DSCP will furnish a sample upon completion.

148. Many of the distribution fees are based on a per case fee. If the current average cost per case is \$ 20.00 and we develop a fee for an average \$20.00 per case cost of a particular case what's to stop DSCP from requesting larger more expensive cases much to our disadvantage.
Ans.: If the case size were to change dramatically (by industry changes or customer preference), either smaller or larger, the government and the contractor may negotiate a derivative category fee.
149. Page 86 – 87: Rebates: In previous solicitations, a modification regarding Early Payment and Rebates/Discounts was issued. Very few if any of the Prime Vendors signed the Modification. Why was the basic language included in this solicitation and why should the Bidders sign the solicitation?
Ans.: The language was revised in this solicitation. If the offeror refuses to sign, the offeror forfeits the opportunity to compete and possibly receive an award.
150. In reference to page 71, XIII. A. 2. subsection a) "Pricing" it states that "Product Price shall be limited to the original manufacturer or grower's price for product...", and that it "shall exclude all costs...including but not limited to, all... broker and dealer costs and fees...". Please clarify how DSCP would characterize marketing allowances from manufacturers to distributors/suppliers, or prompt payment/pre-payment/cash payment discounts from manufacturers to distributors/suppliers, since such customary food distribution business practices are not traditionally characterized in the industry as "costs and fees". Specifically, would DSCP consider these practices to be evidence of a cost or fee thereby separating them out from sub-paragraph a) "Product Price" and shifting them into XIII? A. 3. "Normal Distribution Price" as defined on page 72 of the solicitation?
Ans.: Product Price is carefully defined, see Section I, paragraph 3. The government wishes to break out all other fees and place them in the distribution price. In regard to discounts, see paragraph 6, sub-paragraph 21.
151. Reference to page 71, XIII. A. 2. subsection b) it is stated that "Product Price shall be supported with invoice or quote documentation directly from the manufacturer...or with Letterhead respective to the Brand Name or Private Label item as long as the document states the location of manufacturer... and represents the FOB Origin/Point of Manufacturer Price."
- In the case of a company owning and having a proprietary interest in a private label name, please clarify whether that company with the proprietary interest must state the actual physical address of the plant where the item was produced, or whether the company with the proprietary interest may simply state its own physical or registered address in the quote or invoice.
 - Please clarify further whether "FOB Origin/Point of Manufacturer Price" represents the price directly from the company with the private label proprietary interest, or whether it refers instead to the price of the item from the actual manufacturing company to the company with the proprietary interest. If the latter is true, would any increase in that price added by the company with the proprietary interest then be characterized as "costs or fees" and by implication shifted from "Product Price" into "Normal Distribution Price" as described on page 72?

Ans.: Both addresses should be identified on the quote or invoice; i.e., the company with the proprietary interest and the plant where the item is produced. The FOB Origin/Point of manufacturer price represents the price directly from the company with the private label proprietary interest, FOB origin from the point of actual manufacture.

152. In reference to page 71, XIII. A. 2. subsection c) an exception is made on a case by case basis to the general rule that “Product Price” shall be limited to FOB Origin/Point of Manufacture, as long as a CONUS-based manufacturer’s pricing is a national commercial price inclusive of transportation costs to a Distribution Point. Please clarify whether the term Distribution Point for purposes of this subsection would refer only to a fully integrated regional distribution center of a manufacturer, or also to the distribution center of a broad line distributor or consolidator to a manufacturer.

Ans.: It would refer only to a fully integrated regional distribution center of a manufacturer.

153. Can In reference to page 86, XVII. Rebates/Discounts and Price Related Provisions, it is stated a contractor may retain an Early Payment discount if it is:
- “consistent with commercial practice”, see subsection (b)(ii);
 - “routinely being given by suppliers to customers other than the Prime Vendor at the same discount rate and under the same conditions”, see subsection (b)(iii);
 - “no more than 2 percent and ... is required within 10 days to obtain the discount” see subsection (b)(v).

Please clarify how DSCP would rule in a situation in which standard commercial practice, the same being “consistent with commercial practice” in general per (b)(ii), between the Prime Vendor and its supplier and the supplier and the supplier’s other customers, per (b)(iii), may be different than the 2%/10 days identified in (b)(v).

Ans.: DSCP has substantial evidence that early payment discount terms generally do not exceed the percentage of two (2) percent maximum, ten (10) day threshold. A higher percentage or longer period (than 2% in 10 days) early payment terms would not be retained by the contractor, but is required to be passed to the Government.

154. Reference page 58 of 257 SOW – Supplies Services and Prices, II Work to be Performed Item I Overland Transport of Products between Kuwait and Jordan. Question: Is this totally relevant given the Governments intention to award each zone to different Prime Vendor’s or does this need to be reworded more in the context of Back Up PV or potentially for GFM only?

Ans.: DSCP’s intent is to promote cooperation between the differently awarded zones. It is anticipated that this may be necessary for GFM.

155. Reference page 59 of 257 SOW – Supplies Services and Prices, II Work to be Performed Item M Prime Vendor Product Transfers. Statement: This assumes Prime Vendors are willing to disclose manufacturers pricing details to another Prime Vendor. Question: What if the other party is not willing and how does this override the terms of back up Prime Vendor?

Ans.: It is not mandatory for prime vendors to transfer product. Both parties must be willing to participate and follow the guidance provided on page 59 of the solicitation. Back-up requirements are identified on page 99 of the solicitation. The designation to act as a backup will be executed by a bilateral modification.

156. Pg P71 of 257 SOW – Supplies Services and Prices XIII Pricing ‘A’ Definitions 2 Product Price. Question:

- Item a) Please confirm that the terminology associated with “broker and dealer costs and fees’ refer to those undertaken on behalf of the PV. The PV cannot be responsible for or control brokers and dealers costs associated with work carried out on behalf of the manufacturer and therefore cannot be responsible for absorbing those costs.
- Item b) Please be more specific as to the assumption of profit from the manufacturer and/or private label item if the product has been manufactured at a third party plant. For avoidance of doubt we need to understand that DSCP accepts that a price offered by a manufacturer and/or private label firm will not be the same cost as the manufacturing cost from a third party and thus a brand owner’s profit margin has been applied. Please define Origin/Point of Manufacturer. For instance with private label brands the product may be manufactured by a third party. Therefore the business address of the private label company will differ from that of the third party manufacturer. The private label owner has completed the product development, provided the product and packaging specifications and may even control the quality assurance of the product manufacturer. The third party is merely completing a service to the private label owner. In this case, who is the manufacturer, the private label owner or third party manufacturer?
- -Item c) Please advise on what basis the Contracting Office would and would not concur that a national commercial price is acceptable? Can national commercial prices inclusive of transportation costs be stipulated for quotations on product pricing included in the bid submittal? This would allow the SPV to exclude overland transportation in its distribution fee computation, where possible.

Ans.: Reference: item a) Yes, “broker and dealer costs and fees’ refer to those undertaken on behalf of the PV; item b), see Section I, paragraph 3 (2)(d) and above question 6, subparagraph 17.; item c), National **commercial prices will be verified with the manufacturer and accepted on a case by case basis depending on those discussions. National commercial prices may be included in bid submittal, but must be clearly identified.**

157. P72 of 257 SOW – Supplies Services and Prices XIII Pricing, ‘A’ Definitions 3 Normal Distribution Price. Question: Please confirm that reference to packaging/marketing/labeling costs are non point of manufacturer fees as currently it could be inferred as either point of or non point of. Broker and Dealer Fees are again detailed and again we ask to confirm that all such fees excluded those associated with services provided to the manufacturer or an agent working on behalf of the manufacturer. It is not uncommon for manufacturers to appoint sole distributors who then add on distribution fees to handle the product. Please define subcontractor. Please elaborate on why FFV consolidation point fees have been added to the contract language. Our understanding is that Product price is the price paid to the OCONUS FFV distributor. Our further understanding is that the FFV consolidation point fees to which you refer are for additional service beyond the FFV distributor’s facility undertaken by third parties?
- Ans.: A manufacturer’s normal pallet, label or marking costs should be included in the product price. The manufacturer’s product price offered for this contract should be the same product price offered to any other commercial customer. Unique packaging, marking, labeling costs associated with this solicitation shall be excluded from the product price and included in the normal distribution price. Also see Section I, paragraph 3.**
158. P76 of 257 SOW – Supplies Services and Prices XIV Categories of Items Item 1 GFM Storage – Monthly. Question: Please expand on why storage payments will not be paid on expired items. Who, how and when will authority be given to remove from storage and/or destruct and if the Government will bear the cost or responsibility of destruction of product?
- Ans.: Expired items should be destroyed in a timely manner if not granted extensions by the Veterinarian Command. The government will bear the cost of the destruction, per the related premium distribution price. The contractor must maintain an inventory of GFM items. A report is required to be submitted monthly with the GFM invoice, see page 76. Expiring GFM items must be identified on the report and managed appropriately. Also see page 52 (E) of the solicitation.**
159. P84 of 257 SOW-DSCP Manufacturer Pricing Agreement Program. Question: Please advise further how DSCP intends to contract MPA’s consistent with the terms and obligations of the solicitation, the PV’s proprietary controls and procedures and obligations of the PV towards DSCP and its customers? More specifically how will MPA’s relieve the PV of it’s obligations in terms of supplier selection, small business subcontracting plans and all other requirements that assume the PV to be in control of their sourcing and purchasing arrangements. In addition how does DSCP reconcile this approach with the definitions of normal distribution fee that assumes all non point of manufacturing costs to be part of the PV cost structure? The agreement on pricing will be with the Government and to the sole advantage of the Government. What incentive will there be once an agreement with the Government is reached for the manufacturer to enter into standard industry terms with a PV? What consideration will the Government give for manufacturers willing and able to source load containers for DDC shipment direct from the plant? What consideration will the Government give for manufacturers that offer best credit terms? What Service Level Agreements will the manufacturers be willing to accept from the PV once agreement has been reached by the Government? Comment: It would seem that this approach is best implemented when the PV standard distribution fees cover costs once product is received at the OCONUS place of performance and not when all non point of manufacturing costs are born by the PV. It simply will not work as the supply chain model and cost structure will be unknown and un-quantifiable.

Ans.: The questions and answers are broken down in the various segments labeled 159. See also P84 of 257 SOW-DSCP Manufacturer Pricing Agreement Program.

159(a) Please advise further how DSCP intends to contract MPA's consistent with the terms and obligations of the solicitation, the PV's proprietary controls and procedures and obligations of the PV towards DSCP and its customers?

Ans: The MPAs will be agreements not contracts that will be established separately and not under the terms and conditions of this solicitation. The agreement will set only the FOB origin/point of manufacture price. Any procedures, controls, or obligations incumbent upon a DSCP PV remain unchanged.

159(b). More specifically how will MPA's relieve the PV of it's obligations in terms of supplier selection, small business subcontracting plans and all other requirements that assume the PV to be in control of their sourcing and purchasing arrangements.

Ans: MPAs will be available to any company requesting one. When choices are made by the Military Food Service Headquarters (or as they have delegated) concerning brand or a specific manufacturer, the DSCP distributor is required to use that specific product. Selection of brand or manufacturer not specified by the Military Services or DSCP will be decided by the DSCP PV contractor. This is no change from the current Prime Vendor program.

159(c) In addition how does DSCP reconcile this approach with the definitions of normal distribution fee that assumes all non point of manufacturing costs to be part of the PV cost structure?

Ans: The PV awardees shall allocate all non-FOB origin/point of manufacturer costs into their normal distribution price.

159(d) The agreement on pricing will be with the Government and to the sole advantage of the Government. What incentive will there be once an agreement with the Government is reached for the manufacturer to enter into standard industry terms with a PV?

Ans: Manufacturers don't make money without selling their products.

159(e) What consideration will the Government give for manufacturers willing and able to source load containers for DDC shipment direct from the plant?

Ans: Those manufacturers willing and able to source load containers represent no change to their current position. However, the manufacturers invoice must clearly distinguish product price from distribution related prices.

159(f) What consideration will the Government give for manufacturers that offer best credit terms?

Ans: DSCP purchases products from the DSCP Prime Vendor contractor. The PV may take advantage of manufacturer credit terms. Also, see answer to question 155 above.

159(g) What Service Level Agreements will the manufacturers be willing to accept from the PV once agreement has been reached by the Government?

Ans: Whatever agreement the prime vendor reaches with the manufacturer will be determined by the negotiations that take place between the two parties. MPA pricing only establishes product price FOB origin.

160 Can you confirm that the Product Price from the manufacturers should include the cost of the pallet they are using to ship product (either to a distribution point like us or direct to the Prime Vendor).

Ans.: Yes.

- 161** It is my understanding that DSCP is trying to discourage/eliminate prime vendors from subcontracting with Minority-owned Small Businesses who simply "pass through" another company's product. That is to say, the minority-owned business does not produce the item but acts as a middleman. I was wondering if any guidance on this issue has been published or if you could clarify this issue for me.
Ans: DSCP encourages small business participation.
162. P85 of 257 SOW -DSCP Manufacturer Pricing Agreement Program Question: What if a commercial agreement cannot be agreed between the SPV and the MPA Holder? For instance the SPV may have requirements for performance criteria, service, quality assurance and a set minimum acceptable consolidation charge it is willing to pay to receive the MPA Holder's product. On the other hand the MPA holder may have terms of payment or financial security requirements that the SPV is unwilling to agree too? Should a standard commercial agreement be made available as part of the bid document that would standardize the commercial terms that will hold when contracting with a MPA Holder?
Ans.: If a commercial agreement cannot be made between the prime vendor and the MPA Holder, the contracting officer must be notified. These situations will be managed on a case by case basis. We do not intend to review a standard commercial agreement during the bid evaluation process.
163. P158 of 257 SOW Submission Requirements – Technical Proposal – Volume 1 (v) Factor V Socio economic considerations. Question: Please advise how the PV can submit a technical response for this when they will no longer be in control of the source of purchasing for some % of lines under MPA's in addition to those items already brand specific? The onus of responsibility and accountability would switch to the Government.
Ans.: See Section I, paragraph 10. MPAs will cover only 15-30% of the items, and up to 80% of the contract product price dollar value. Seventy to 85% of the items will have full competition not effecting socio-economic goals.
164. Will DSCP be handling all customer complaints on MPA products?
Ans.: No, customer complaints will be handled by the PV as is done today. Customer preference complaints will still be vetted through ACES.
165. Will forward deployment of warehousing capability in Iraq be considered?
Ans.: Yes.
166. How will PV to PV transfers of pork products be handled?
Ans.: Overland or DTS transport.
167. Are there neutral ratings for past experience?
Ans: A neutral rating does not apply to experience. Neutral ratings apply to past performance, socioeconomic past performance and JWOD past performance. See Section I, paragraph 14.
168. Is DSCP open to have an MPA work group session for this forum?
Ans: MPA discussions occurred at the pre-proposal conference.

169. Referring just to OCONUS Product - - How is the Contractor to build cost into their product? Seasonally, there are poor product costs. There are additional costs incurred for using another supplier (additional airfare, etc.), due to seasonal issues. How can contractor build this massive range of cost into the price? Further compounded, items are originally CONUS, and are now Local Market. PV more likely to affect fill rate, rather than making sure that the troops have apples.

Ans: See Section I, paragraphs 3 and 4. Seasonal issues should be taken into account when determining the PV's distribution fee for these items.

170. Is there a chance that the language in this solicitation will be changed / altered?

Ans: Yes, see Section I.

171. Product price – Who is considered the manufacturer / grower when there is an entity controlling a sub-entity? At which level of product price are you looking at?

Ans: See Section I, paragraph 3. Also see above paragraph 6, sub-paragraphs 13, 17, 21, 25, 37, and 41.

172. What if someone / something adds value?

Ans: See paragraph 171.

173. We manufacture 10-15% of the minority items. Isn't this putting minority businesses / organizations out of business? Items made from NISH are not even touched - - do not truly manufacture these items, just the invoice comes in.

Ans.: See paragraph 6, sub-paragraphs 17 and 18.

174. Possible operation of DFACs. Due to the large number of DFACs, can you provide more specific information? Is there a pricing model, due to the percentage?

Ans: If the requirement for Full Line Food Service develops, additional information will be provided. No pricing is required at this time.

175. Are you looking for Point of Manufacturing or Point of Consolidation - -brands coming from all over the country or the FOB point?

Ans: FOB Origin/Point of Manufacturing. See paragraph 6, sub-paragraphs 17 and 18.

176. Will the government release what is considered to be substantive value so that we know what the added value is or what is considered to be efficient?

Ans: See paragraph 171. There is no reference to "substantive value" in the solicitation.

177. If MPA product has hidden damages, shortages, etc. how does the PV work these?

Ans: The process is the same for MPA products as non-MPA products.

178. Do you think MPA's will contain most favored customer provisions? For your MPA's, do you anticipate that the discounts, and rebates will be considered as part of most favored customer price? How does this affect the FOB discount price? Are there occasions where they will offer a product at a lower price?

Ans: Yes, MPA's are expected to contain most favored customer prices. The remainder of the question does not contain enough information to be answered.

179. Can we have different Distribution fees for MPAs?

Ans: Yes, a sub-category may be added if reasonable. The rational must be reviewed and approved by the Contracting Officer.

180. Can a PV use non-MPA items?

Ans: If an MPA item is available, the prime vendor will be expected to use the MPA item. All exceptions must be approved by the Contracting Officer on a case by case basis.

181. Would you consider a non-MPA at a higher cost?

Ans.: All MPA items are required to be placed on the prime vendor catalog at the MPA established price. However, the Contracting Officer may consider approving it depending on circumstances. See page 85 of the solicitation.

182. Speaking as a manufacturer, how will I determine how my payments will be? How will you distinguish getting a payment from me?

Ans: MPA will not address manufacturer payment terms. A manufacturer needs to make an agreement with the PV and with the government separately.

183. If you are going directly through a manufacturer, why would a company as small as mine go against my manufacturers?

Ans: The Government is not buying the product from a manufacturer via the MPA. We are trying to establish stable product prices.

184. There is too much risk involved to get a set price every month. We get it from so many places. Shelf life- when using distributors, we can get the freshest product. If you are bringing it in just for PV, we do not get the freshest product. There will be a lot of excess that could be sold to supermarkets, so how do we deal with the excess?

Ans: Price redeterminations will occur at a minimum of every 30 days. We are not prohibiting the use of distributors.

185. Has the third party agreement in the USC06 contract been used before?

Ans: Yes, it was used in Afghanistan and it was received well. The carrier now has more incentive to reach out to the vendor, and communicate. It is not a perfect system but it is a more direct, more communicative system.

186. Procurement- You mentioned a 2% discount for a 10 day term. What will trigger this? Is this from our facility? From the container?

Ans: Discount terms are negotiated between the contractor and the manufacturer.

187. Can you provide documentation on loss or damage of goods?

Ans: No, but information may be requested via the Freedom of Information Act.

188. How are we supposed to deal with the incremental cost—non MPA vs. MPA? How is that supposed to work?

Ans: We require FOB origin pricing, regardless of the type of item.

189. What is the probability of a closing date of 30 JUL?

Ans: Good.

190. Are there any implications of a Kuwaiti PV being partners with a US distributor?
Ans: We are not limiting you.
191. We don't have the capability to do the packaging, palletization, etc. We go through Rastellis. We take the NAPA off when invoicing them. Is that still possible?
Ans: Yes.
192. We have some distributors that do not purchase truck load lots, so how do we handle the MPA in that situation? It may be different when speaking of CONUS.
Ans: All costs associated with distributors shall be included in the normal distribution price.
193. If we are to sell product in less than the bracket, would we be able to notate on the invoice taking out the efficiency bracket?
Ans: Invoice pricing must be transparent at all tiers.
194. We don't have the capability to fly pallets that are needed. We have to pay Rastelli for their services. Is that something that has to be disclosed, or are you looking for the end price?
Ans: See paragraph 157.
195. Do we charge for the pallet cost?
Ans.: See paragraph 157.
196. If we have our MPA set off of the distribution center (DC), and we are able to get the DC's to pick up the product, would that be reflected in the MPA?
Ans: There is not enough information in the question to provide an answer.
197. When can we expect the MPAs?
Ans: DSCP is currently working to establish MPAs.
198. We have until 30 Jun to prepare our proposal if we have a general idea. When will the MPAs be coming out?
Ans: See paragraph 197.
199. When can we expect the final USCO6 contract awarded?
Ans: The solicitation should be out on the street in June 2008. The anticipated award date is January 2009, with implementation beginning in March 2009.
200. In terms of GFM, there is a mention in the solicitation where we talk about items that are purchased by PV then turned into GFM upon arrival in OCONUS. Is that the intent of GFM? It is normally a furnished item, but what happens if the product is to never make it there?
Ans: See paragraph 125.
201. If our intent is to buy it, but the carriers damage it, who is responsible?
Ans: The PV owns the product before it is converted to GFM.
202. Storage fees of expired product - If an item expired, there would be no storage fee for it. Is there an assumption to be made that the government will arrange for the movement and destruction of that item?
Ans: See paragraph 158.

203. In Jordan and Kuwait, how does the destruction of a product occur?
Ans: The CORs accompany the PV to the destruction site to witness the destruction. The PV is reimbursed in accordance with the GFM disposal distribution price category.
204. What items will be MPA'd?
Ans: See Section I, paragraph 9.
205. Are we giving money to the PV based on MPA, or do we go to Kellogg's and get the price they are giving DSCP?
Ans: The PV must establish his own commercial agreement with the MPA holder.
206. MPA – Will there be bracket pricing or one price fits all?
Ans: MPA agreements will have pricing that reflects the best price offered to any commercial customer.
207. Discounts: Are we allowed to take discounts of such who have multiple locations? Are we able to take a service fee? Are we allowed to take discounts / service fees from manufacturers?
Ans: Reference page 86 in the solicitation for rebate / discount language.
208. As a manufacturer, does the NAPA program go away?
Ans: NAPA will be absorbed into the MPA program. NAPA will still exist for those items not MPA'd.
209. Regarding labeling, or shelf-life costs as a consolidator, Rastelli consolidates for Kellogg's because of their costs for re-labeling, missing documents, etc. Kellogg's pays Rastelli to do the work. Can Rastelli be used as an FOB destination if a manufacturer deemed them as one?
Ans: No. The PV must pay Rastelli out of their normal distribution price.
210. Past experience – Do you require military experience, etc? Please identify, on all levels, the types of required experience. Is there any requirement for the PV to subcontract with someone else?
Ans: Offerors must identify their past experience; see pages 152-154 of the solicitation. It will be evaluated against the requirements of the solicitation. Subcontracting with other companies is a business decision.
211. MPAs – Are you looking to have these before the award is issued?
Ans: Yes.
212. What is the MPA going to look like?
Ans: MPA agreements are in development.
213. Where do NAPA allowances fall into place? How does this all play a role in this new contract? How will this be policed on a one to one from here in the states? If we are unable to stamp our pallets, what happens?
Ans: See paragraphs 157 and 208.
214. Do I issue my best price through a consolidator?
Ans: Follow pricing definitions, and submit your best price.

215. Are the distribution fees going to be weighted heavier than the unit price?
Ans: Aggregate distribution price will be more important than the aggregate unit price.
216. Can it be assumed that DSCP will be looking for the offer to discount appropriately for the distribution fee when a transportation cost is included in the product price?
Ans: Yes.
217. Reference page 71 - XIII PRICING, A., Definitions, 2. Product Price: What if one commonly controlled entity sometimes sells to outside entities but sometimes to another commonly controlled entity which then sells to outside entities?
Ans: If a manufacturer sells finished goods to a distributor, then the product price will be the price from the manufacturer. Any mark-ups from the distributor will be included in the distribution price, and not the product price.
218. Reference page 71 What shipping costs, if any, may product price include?
Ans: Product prices are FOB origin. See Section I, paragraph 3, (2)(b) and (2)(c) for exceptions.
219. Reference page 71 What labeling or packaging costs, if any, may product price include?
Ans: Other than the actual label on the product, no other government case special labeling costs are to be included in the product price.
220. Reference page 71 How should a Prime Vendor account for an original/manufacturer or grower that includes shipping, packaging, or labeling in the normal course of product sales?
Ans: This may be considered as a National Priced Item and will be reviewed by the Contracting Officer.
221. Reference page 84 - XV., DSCP MANUFACTURER'S PRICING AGREEMENT PROGRAM: What is the statutory source of authority for DSCP to enter into MPA's?
Ans: DSCP has the authority to enter into contractual arrangements such as MPAs.
222. Reference page 84 Is it anticipated that MPA's will have most favored customer provisions? If so, will the most favored customer be a designated base line customer similar to GSA Supply Schedule Contracts?
Ans: Yes, it is anticipated that MPA's will have the most favored customer provisions. Yes, this will help establish a baseline similar to those established by using GSA Supply Schedules.
223. Reference page 84 Are there model MPAs available for review?
Ans: At this time, there are no model MPA's available for review.
224. Reference pages 86-87 - XVII., REBATES/DISCOUNTS AND PRICE-RELATED PROVISIONS: Clause (a): It appears that this clause applies only to the Prime Vendor and not to manufacturers and growers or to "upstream" consolidators and suppliers. Please confirm.
Ans: All requirements apply to the PV, and must be passed on to all sub-contractor relationships.

225. Reference pages 86-87 More specifically regarding clause (a), it appears that the third sentence does not require an upstream consolidator or supplier to pass on to the Government any discounts, rebates, allowances, incentives and benefits referred to in that third sentence, because, unlike the Prime Vendor or an original manufacturer or grower with an MPA, the consolidator or supplier does not have a contractual agreement with DSCP. It also appears that there is no requirement or expectation that the Prime Vendor would be required or expected to flow this clause down to consolidators, suppliers or manufacturers? Please confirm.

Ans: See paragraph 224.

226. Reference pages 86-87 How will DSCP's understanding of how the "product price" of a Prime Vendor's sale to other than DSCP be determined? We understand that Prime Vendor sales to customers other than DSCP seldom have separate product price and distribution fee components.

Ans: There is not enough information in the question to provide an answer.

227. Reference pages 86-87 With respect to clause (d), please explain how invoices and other documentation from suppliers, as opposed to documentation from the Prime Vendor or original growers or manufacturers, would be useful to DSCP to determine (1) whether discounts, rebates, allowances or other similar economic incentives or benefits should be passed on to the Government, and (2) whether the product prices under the contract are equal to or lower than product prices given to the contractor's most favored customer.

Ans: The government reserves the right to audit the entire product price supply chain. This flows from the government's desire to have transaction transparency.

228. Reference pages 86-87 With respect to clause (d), please confirm that "the contractor" refers to the Prime Vendor.

Ans: Confirmed.

229. Page 84, Manufacturer's Pricing Agreement Program: The RFP mentions that ". when available, MPAs will be provided via Amendment/Modification as appropriate prior to the solicitation closing date, during negotiations or during contract implementation". With the established closing date current set for 30 Jun 08, what is the likelihood that DSCP will have any MPAs in place prior to closing? Although we don't want to duplicate effort, is it a reasonable assumption that MPAs will not be available prior to closing and that each offeror should separately obtain pricing from the manufacturers for initial proposal purposes?

Ans: It is a reasonable assumption that MPAs will not be available prior to closing and that each offeror should separately obtain pricing from the manufacturers for initial proposal purposes.

230 Will you please provide the language contained in the standard MPA Agreement, and/or add a sample of such an MPA Agreement to the Solicitation as an appendix or attachment?

Ans: MPA standard language and sample are still under development.

231. What provisions will be put in place to ensure that the PV will not attempt to negotiate shelter money or earned income on the backside of the MPA? According to the current language of the Solicitation, nothing prevents a continuation of 'business-as-usual' whereby the PV (and or his 'Consolidator') simply negotiate shady backside deals with the manufacturers and do not declare or pass that money back to DSCP and the customer. The MPA holder should certify and represent that the MPA price represents the lowest NET price available to the SPV and its customers.

Ans: Illegal undertakings by DSCP PV distributor contractors will be referred for criminal investigation prosecution and other appropriate remedies.

232. Given the significant imbalance of the dollar values between Zones 1 and 2, if the estimated value of Zone 2 should depreciate significantly during the performance of the Contract, does DSCP have any intention to shift customers and locations from Zone 1 to Zone 2 to alleviate that depreciation and provide for greater balance between the two zones?

Ans: Zones identified in the solicitation are geographically based. Shifting customers from one zone to another is not anticipated.

233. Will the answers to the questions from the SPM300-08-R-0009 Solicitation, which were recently made available in Amendment 0005 be incorporated into the language of the Solicitation SPM300-08-R-0061 and subsequently into the language of the resulting Contract?

Ans: SPM300-08-R-0009 Draft has been cancelled. SPM300-08-R-0061 is a new requirement. As a courtesy, we have addressed unanswered questions from the draft. See paragraphs 6 and 279.

234. Will the answers to these questions provided in response to the 14 May, 2008 Pre-Proposal Conference for Solicitation SPM300-08-R-0061 be incorporated into the language of the Solicitation SPM300-08-R-0061 and subsequently into the language of the resulting Contract?

Ans: See paragraphs 6 and 279. These answers are provided for clarification purposes only and do not change the requirements in the solicitation.

235. In Section XIII on Page 86, the Solicitation states that the PV shall employ "prevailing commercial methods" in the pursuit of discounts, rebates, allowances, or other similar economic benefits or incentives for the customers under this contract. Will you please define and expand "prevailing commercial methods"? Currently, these methods vary from one distributor to another, and from one manufacturer to another. DSCP should firmly state *exactly* which rebates, discounts, incentives, earned income, shelter money, and allowances are permissible to be kept by the PV, and which are required to be passed along to the customer.

Ans: The government desires transparency. Exactly as described, each business relationship differs; for this reason, the offeror is required to identify the discounts, rebates, allowances or other similar economic incentives or benefits that are retained and those that are passed on.

236. Most favored operator or distributor customers normally make firm fixed volume commitments. Will the government provide the same to earn the best available pricing?

Ans: No. The government has already provided its usage estimates.

237. The current food market is tight in a number of commodities. In order to secure an adequate supply will the government guarantee the purchase of the commodities? It may be that the availability of products will surpass the issue of pricing in the near future. The overseas PV's are viewed more as logistics experts and not necessarily commodity risk assessment experts.

Ans: No.

238. Has your legal department considered that a manufacturer could be forced to violate fair practice trading laws, such as, but not limited to, the Robinson Packman Act? It may not be legal for a manufacturer to offer a PV a price equal to or better than their best customers when the PV volume is not equal and their volume is not guaranteed like the best customer.

Ans: MPAs will be consistent with law and regulation.

239. Will all OCONUS PV's be eligible to purchase against the MPA's established even before their particular contracts are re-solicited? Will the PV's, other than those covered under this solicitation, be encouraged, or required, to purchase under the MPA's?

Ans: It is planned that the MPAs will eventually be used in all the OCONUS & CONUS contracts. DSCP's Prime Vendor contractors are always encouraged to provide the best possible pricing to DoD and may use the MPAs to obtain such.

240. Will manufacturers be able to limit the MPA's currently being solicited to only this Iraq contract or will the agreement require them to make any offer available to all OCONUS PV's?

Ans: At this time, the MPAs that are established will apply to this solicitation only.

However, it is anticipated that the MPA program will be extended to have the MPAs available to all OCONUS and CONUS PV contracts.

241. How will you handle MPA's negotiated with firms that are PV's or closely aligned with PV's? Will there be a mechanism in place to insure fairness?

Ans: MPAs will be available to any company who qualifies regardless of their ownership or business partnerships. MPAs will be subject to price auditing to verify that DoD is receiving the origin/point of manufacturer negotiated price.

242. How will inter-company freight from plant to Food Distribution Centers (FDC) be addressed under the current "Product Price" for manufacturers that will not distribute from production facilities?

Ans: Inter-freight is part of the normal distribution price, regardless of whether items are MPA or non-MPA.

243. For manufacturers that pay domestic brokers as the primary order processors how does DSCP plan to ensure broker fees are removed from the product price, especially when confidentiality agreements exist that prevent the manufacturers from disclosing their brokerage rates with a third party.

Ans: All requirements apply to the PV, and must be passed on to all sub-contractor relationships. The prime vendor is required to submit correct information.

MPAs will be negotiated for origin/point of manufacturer "product" price. When DSCP enters into an agreement with the actual manufacturer that agreement is with that specific company and they would not be required to disclose their broker agreements or their terms.

244. What is DSCP's procedure for preventing anti competitive measures, such as price collusion, during the MPA process?

Ans: MPAs will be subject to price auditing to verify that DoD is receiving the origin/point of manufacture negotiated price. Suspect practices will be referred for criminal investigation prosecution and any other appropriate remedies.

245. Will the cost of pallets and labels be allowed in the product price if the manufacturer agrees to cover these items and not increase their price beyond their established price list (assuming the list price represents the true trading price that other distributors are purchasing)?

Ans: No. See paragraph 6, sub-paragraph 13.

246. How will the MPA system adjust for the higher cost charged by SBA entities while allowing the contractor to capture the required socioeconomic credit.

Ans: MPAs will be available to any company requesting one. MPAs will be negotiated for origin/point of manufacturer "product" price from a small or large business.

247. When negotiating MPA agreements will DSCP be making volume commitments to garner the best pricing.

Ans: No.

248. Will pricing from Re-distribution entities, such as Dot Foods, be considered valid product pricing?

Ans: No. Manufacture invoices or quotes are required to support product prices.

249. Will DSCP use market plus commodity contracts with manufacturers, such as Urner Barry, Block and Barrel, etc.?

Ans: MPAs are agreements only that establish pricing to be used by the prime vendor contractor. They are not contracts under which DSCP buys goods.

250. If incentives intended for distributors are offered by manufacturers under the MPA program price can contractors retain these incentives or must they be passed through to the customer.

Ans: Discounts, rebates, allowance or other similar economic incentives or benefits from manufacturers to distributors may still be retained by the distributor if this is the common commercial practice, however, the discounts, rebates, allowances or other similar economic incentives or benefits must be identified in the offer as to which ones are to be passed on to the customer and which are retained by the vendor.

251. How will MPA vendors be selected? Will product comparisons/cuttings on back of the house products take place through an independent third party evaluator?

Ans: MPA vendors will be selected based on volume forecasts. Product comparisons/cuttings will take place at the request of ACES. MPAs will be available to any company requesting one. When choices are made by the Military Food Service Headquarters (or as they have delegated) concerning brand or a specific manufacturer, the DSCP prime vendor is required to use that specific product. The current processes used by the Military Services for selection of product are not being changed because of the application of MPA agreements. Selection of brand or manufacturer not specified by the Military Services or DSCP will be incumbent upon the DSCP PV contractor as it is currently.

252. Given the requirement for manufacturer invoice pricing will DSCP ensure that only true manufacturers are allowed to hold NAPA agreements as a means of clarifying for PV's whom DSCP considers a valid manufacturer for establishing a valid product price?

Ans: MPA's will be available to any company requesting one. Product prices may be established by private label and brand name owners.

253. If the plant name registered with USDA, USDC, FDA, VetCom, etc. does not match the manufacturers stated name, what will be DSCP's procedure for certifying status as a true manufacturer?

Ans: The contractor is required to submit correct information. If the manufacturer is a brand name or private label owner, they must identify the address where the product is manufactured as well as the owner address.

254. Will all set aside items under JWOD/Ability One be under MPA, as we anticipate they should be?

Ans: JWOD/Ability One products are anticipated to be under MPA.

255. Page 118, Paragraph E. Please include private label and co-packed products in this requirement.

a. Please consider stating clearly in the solicitation that the government does not see any clear advantage of re-boxing and re-labeling of products and therefore wants the practice to be stopped.

Ans: The government has addressed the marking requirements in the solicitation.

256. Please consider defining a manufacturer for the purpose of the solicitation.

a. A company that does not have a single employee engaged in the actual manufacture of any product should not be able to claim they are a manufacturer simply because they have a private label that is being packed by other actual manufacturers. By requiring that any company claiming to be a manufacturer to actually produce a food product. In order to prevent this please consider requiring that companies who have no "employees" engaged in the processing, manufacturing or packing of products to be identified as a trader, distributor, agent, broker, etc. A co-packing arrangement and/or simply re-labeling a box are not manufacturing.

b. Please define a manufacturer as an entity owning, or leasing equipment and/or facilities, and employing persons engaged in processing, packing and/or packaging of products where a product identity is significantly altered as a result of the process.

Ans: See Section I, paragraph 3, (2)(d). Also see paragraph 252.

257. Will you please provide the names, emails and phones for the contract officers, who will negotiate pricing for the food and beverage purchases for the primary vendor?

Ans.: Please see page 6 of the solicitation for POC info.

258. Will corrugated boxes and pallets, be purchased by the Federal government, or purchased by the primary winning bidder?

Ans.: No; this is part of the normal distribution fee the contractor will charge.

259. How can a distributor and mfg. request to provide pricing on any and all items that will be purchased under this contract?

Ans.: This is a requirement of the solicitation.

260. Are all of the goods listed final? If not when will the final list for goods needed be published?

Ans.: DSCP does not anticipate significant changes to attachments 1 thru 5. Occasionally, menu changes as dictated by the Army Center for Excellence, Subsistence (ACES) do occur and the contract awardees will be notified by DSCP of those changes as they occur.

261. Can you provide projected purchasing volume and schedule of purchasing for goods for 24 months?

Ans.: These were released via the spreadsheet attachments 1 through 5. Also see Section I, paragraph 19.

262. Where will distributors and mfg., who are selling goods, ship/deliver the products?

Ans.: CONUS product is picked-up by the Defense Transportation System (DTS) for overseas shipment.

263. Will foreign companies be allowed to bid? If a foreign company wins the bid, will they be required to buy from USA small companies or from foreign small companies?

Ans.: Yes. The schedule of items includes both USA domestic and foreign items. Please read the solicitation starting on page 49 as it outlines US domestic source items and local market ready items.

264. Will a foreign company be considered a minority?

Ans.: No

265. In my review of the bid, the Federal Government is systematically eliminating disable service connected veterans, minorities, Hub Zoned and small businesses from being able to participate in this bid. If the Government is directly going to negotiate all pricing with mfg., and will not allow for any third party markups, how can a small business participate? I would appreciate a prompt reply on this matter, and if this is not an area for your supervision, please forward the correct person contact information. The bid language for primary vendor is in direct conflict with the Federal Government small business goals and the Executive Order of President Bush in 2004, making veterans first tier vendors.

Ans.: The contract unit price is the total price that is charged to DSCP per unit for a product delivered to the Government. There are two elements of the contract unit price: product price and distribution price (normal and premium). Third party mark-ups are not included in the product price; they are included in the normal distribution price. Manufacturing Pricing Agreements are being established to maximize the leverage of DSCP's buying power and to stabilize product prices. No matter how many tiers are

included in the purchasing process, the Prime Vendor must identify the manufacturer's FOB Origin/point of manufacturer price as the product price. Also, each offeror is required to indicate the portion of their proposal that will be subcontracted to the various types of small businesses. Socioeconomic goals will be evaluated on a comparative basis among all offerors. The offeror that proposes a higher percentage, complexity level, and variety of participation by the various types of small businesses will generally receive the highest rating; see pages 158-162 and 177.

266. In reference to page 71, XIII. A. 2. subsection a) "Pricing" it states that "Product Price shall be limited to the original manufacturer or grower's price for product...", and that it "shall exclude all costs...including but not limited to, all... broker and dealer costs and fees...". Please clarify how DSCP would characterize marketing allowances from manufacturers to distributors/suppliers, or prompt payment/pre-payment/cash payment discounts from manufacturers to distributors/suppliers, since such customary food distribution business practices are not traditionally characterized in the industry as "costs and fees". Specifically, would DSCP consider these practices to be evidence of a cost or fee thereby separating them out from subparagraph a) "Product Price" and shifting them into XIII. A. 3. "Normal Distribution Price" as defined on page 72 of the solicitation?

Ans.: The product price is defined in the solicitation. You must also link the rebates/discount clause with this. DSCP can not more strongly emphasize that transactions must be transparent. That is, the manufacturer/marketer must show the early payment discount terms on the invoice or quote. The prime vendor must identify discounts, rebates, allowances or other similar economic incentives or benefits that it intends to pass on to the Government or retain.

267. In reference to page 71, XIII. A. 2. subsection b) it is stated that "Product Price shall be supported with invoice or quote documentation directly from the manufacturer...or with Letterhead respective to the Brand Name or Private Label item as long as the document states the location of manufacturer... and represents the FOB Origin / Point of Manufacturer Price." In the case of a company owning and having a proprietary interest in a private label name, please clarify whether that company with the proprietary interest must state the actual physical address of the plant where the item was produced, or whether the company with the proprietary interest may simply state its own physical or registered address in the quote or invoice.

Ans.: Both addresses should be apparent on the quote or invoice: the address of the company with the private label proprietary interest and the physical address where the item is produced.

268. Please clarify further whether "FOB Origin / Point of Manufacturer Price" represents the price directly from the company with the private label proprietary interest, or whether it refers instead to the price of the item from the actual manufacturing company to the company with the proprietary interest. If the latter is true, would any increase in that price added by the company with the proprietary interest then be characterized as "costs or fees" and by implication shifted from "Product Price" into "Normal Distribution Price" as described on page 72?

Ans.: The company with the private label proprietary interest would be considered the manufacturer who sets the product price from the point at which the product is manufactured. Again, both addresses should be apparent on the quote or invoice.

269. In reference to page 71, XIII. A. 2. subsection c) an exception is made on a case by case basis to the general rule that "Product Price" shall be limited to FOB Origin / Point of Manufacture, as long as a CONUS-based manufacturer's pricing is a national commercial price inclusive of transportation costs to a Distribution Point. Please clarify whether the term Distribution Point for purposes of this subsection would refer only to a fully integrated regional distribution center of a manufacturer, or also to the distribution center of a broad line distributor or consolidator to a manufacturer.

Ans.: The distribution center of the manufacturer.

270. In reference to page 86, XVII. Rebates/Discounts and Price Related Provisions, it is stated a contractor may retain an Early Payment discount if it is: "consistent with commercial practice", see subsection (b)(ii); "routinely being given by suppliers to customers other than the Prime Vendor at the same discount rate and under the same conditions", see subsection (b)(iii); "no more than 2 percent and ... is required within 10 days to obtain the discount" see subsection (b)(v). Please clarify how DSCP would rule in a situation in which standard commercial practice, the same being "consistent with commercial practice" in general per (b)(ii), between the Prime Vendor and its supplier and the supplier and the supplier's other customers, per (b)(iii), may be different than the 2%/10 days identified in (b)(v).

Ans.: DSCP has substantial evidence that early payment discount terms generally do not exceed the percentage of two (2) percent maximum, ten (10) day threshold. A higher percentage or longer period (than 2% in 10 days) early payment terms would not be retained by the contractor, but is required to be passed to the Government.

271. We are a Kuwait Based Organization. With reference to the Prime Vendor Contract # SPM30008R0061, can you please help us with the list of Sanitarily Approved Food Establishments for CENTCOM and Europe Area? I have tried my best to search for this list on the internet, but haven't been able to get it. The link <http://www.dscp.dla.mil/subs/fso/alfood/alfood.asp> does have a sub-link for the list, but it does not open. Your urgent help is solicited please.

Ans: Special registration is required to view the CENTCOM listing. All other listings-- CONUS, Europe, Far East, are "open". Using the link you provided above, you can access the open lists by clicking on "Sanitarily Approved Food Establishments."

272. I also noticed that two product seems to have an incorrect distribution category.
8920014199297 BREAD,SHELF STABLE,WHEAT,MIN 1.8 OZ EA,FLEX AND VAC PG, 12 PGS/BAG, 8 BAGS/BOX

8920015066298 BREAD, SHELF STABLE, WHITE, RECTANGULAR SHAPE, SPLIT TOP, 1.8OZ LOAF, 48 PG/BX

This can be found in Attachment 4, Row 833/4, Column I; and Attachment 5, Row 817, Column I. Both show distribution category as 189, while I think it should be 160. Appreciate if you could check this.

Ans.: The correct category is 189.

273. Will items on the current catalog remain on the catalog once the new contract is in place, and do you anticipate any significant changes with regard to the normal procedure for adding or removing items from the catalog?

Ans: Any new contract, particularly if it involves a new contractor, may bring about changes to the items on the catalog, but in general the items on the current catalog should remain on the next catalog, particularly in the context of the Army 28-Day menu.

274. Do you envision the role of ACES remaining the same in approving items for the next catalog, specifically with regard to the procedure of demonstrating items at Fort Lee? Further, would you consider the current practice of demonstrating items at DSCP annual food shows, vendor customer appreciation events, prime vendor food shows, support group menu boards, and the like still relevant to the process of introduction of products to the catalog under the system envisioned under the terms of the new solicitation?

Ans: In the context of the Army 28-Day menu, DSCP does not anticipate at this time any change with regard to the role of ACES in approving items for the next catalog. In addition, the current practice of demonstrating items at DSCP, prime vendor and support group sponsored events will continue to play an important role in assisting DSCP's customers to make informed decisions regarding the products that are available.

275. In the context of the DSCP Manufacturer's Pricing Agreement (MPA) Program presently under development, what is the role of a manufacturer's *exclusive distributor* in the MPA negotiation process? Specifically, does DSCP envision the government going directly to the manufacturer, to the exclusion and without the participation of the exclusive distributor, or does DSCP envision the participation of the exclusive distributor in the MPA negotiation process. Please note the term *exclusive* for purposes of this question denotes an enforceable contractual relationship existing between the manufacturer and the distributor.

Ans: In the case where an enforceable contractual relationship granting exclusivity can be shown, the MPA would be negotiated between the government and the manufacturer. The manufacturer may choose to include the distributor in the process.

276. In the context of the previous question, some distributors maintain exclusive distribution agreements with more than one manufacturer. Please explain DSCP's position with regard to this situation in the context of MPA's.

Ans: See answer to question 275.

277. I was reviewing the Market basket and wanted to confirm the quantities provided for the Kuwait to Iraq and Turkey to Iraq are in fact annual and not two times the annual as are the Kuwait to Kuwait and the Jordan to Iraq quantities.

Ans: See Section I, number 19. All item quantity estimates are provided for the base year period, which is two years.

278. We are not able to quote the following items because they have been discontinued (1) 890501E608032 SNACK, CHICKEN, CHUNKS, SHELF STABLE, BUFFALO WING STYLE 48/1 OZ EA, TYSON 06504 (2) 890501E608033 SNACK, CHICKEN, CHUNKS, SHELF STABLE, TERIYAKI STYLE 48/1 OZ EA, TYSON 06518 and (3) 891501E601057 JUICE, CRANBERRY COCKTAIL, SINGLE STRENGTH, 24/8 OZ CO, OCEAN SPRAY 00965. Please advise.

Ans.: The items referenced in the question are identified on the schedule of items, attachments (3 thru 5), as NAPA items. They are color-coded in "pink." NAPA items have a specific brand identified and should be priced according to that specific brand. However, if the product can not be priced because it is discontinued, or some other reason exist, the offeror should price a similar compatible product in terms of quality, pack size, etc. The same applies to items that are identified as "Brand Name." Brand name items are color-coded in "yellow." Our customers are more flexible to brand specific changes associated with NAPAs. They are not flexible with "Brand Name" items unless the item is discontinued.

279. Additional questions that were not completely answered in amendment 0004 to the draft solicitation, SPM300-08-R-0009 are identified and answered as follows. Note: The page numbers referenced in the following questions pertain to the draft solicitation SPM300-08-R-0009. The page numbers referenced in the following answers pertain to this solicitation SPM300-08-R-0061.

5. Will pricing on the catalog be updated at time of F&R approval? Please confirm that the Last Received Price system will be in effect.

Ans: No, catalogs will only be updated in accordance with the price redetermination period. The last received price system is confirmed; see Section I, number 3. Also, see paragraph 135.

7. Reference page 15 (F). If no response is received on an F&R request by 3:00 EST, then is this price automatically approved?

Ans: No.

11. Will fuel used in support of the PV performance be subject to the EPA clause?

Ans: The EPA Cause is not applicable to this solicitation.

16. Reference page 72, 3, "*The normal distribution price is limited to the Prime Vendor's projected general and administrative expenses, overhead, profit, packaging/marketing/labeling costs, CONUS and OCONUS subcontractor fees for storage/consolidation/palletization/distribution work that adds substantive value beyond FOB first destination.*" Please define the criteria for determining "substantive value." When will a copy of these criteria be available? Will these criteria appear in the final contract vehicle?

Ans: "Substantive Value" language is not included in this solicitation. See Pg. 72, XIII, for the definition of normal distribution price.

59. Reference page 38 (c). Please clarify the statement "*The contractor must include detailed payment terms on each invoice, quote, or agreement that it provides to the government.*" Which invoices does this refer to?

Ans: The current solicitation states on page 87, "The contractor must include detailed payment terms on each invoice or quote used to substantiate product price" The "invoice refers to the manufacturer or grower invoice.

103. Cost of FF&V product – Who pays for air freight from Holland to OCONUS? (DSCP)

Ans: See Section I, paragraph 3.

130. If turn times degrade because of the backhaul requirement, will failure to return trucks be treated as an excusable delay? What about fleet displacements caused by failure to return trucks? Do you expect the contractor to acquire more assets? Will DSCP reimburse the contractor for this? Perhaps a pay as you go or separate backhaul contract would be more cost effective?

Ans: No, see page 52, "The prime vendor bears all risk and responsibility for personal injury or death of its employees or agents or subcontractor employees or agents or for any damage to, loss of or demurrage of equipment during the transportation of product into Iraq." The Contractor must maintain a fleet size that will meet mission requirements to include the possibility of retrograde delays. Risk and demurrage cost factors must be included in the premium distribution price for Iraq Vehicle Transportation.

164. FAR 52.212-4 identified and incorporated into the solicitation states that contractors will not be held accountable for delays caused by the government. On page 66, in the second paragraph, DSCP attempts to narrow the scope of government conduct that can amount to an excusable delay by exempting DTS and DDC from the definition of “government” action as defined in the FAR clause. What authority does DSCP reference in support of its action?

Ans: FAR 52.212-4 (f) addresses excusable delays. The provision in the solicitation concerns loss or damage to prime vendor owned cargo. It merely reiterates what DFARS 252.225-7040 (b) (2) and deviation 2007-O0010 (b) (2) state; i.e., that the contractor assumes the risk of loss.

165. Reference page 64, 7. Why is the Contractor expected to pay Detention Charges for containers when they are shipped under the government’s system? How can this be enforced if Pg 66, C. states that USTRANSCOM will be responsible for all customs clearance? Why is the Prime Vendor held responsible for items clearly out of its control? Will DSCP consider either to increase the 10 day time period or to have the clock to start once the container has been cleared?

Ans: If the contractor causes detention charges to accrue it should be liable to pay for these charges, not USTRANSCOM or other DoD customers. The prime vendor will be required to pay the USC06 carriers for any detention caused by the prime vendor. Please consult the USC06 contracts for the amounts.

167. Reference page 66, 1st paragraph. How is the Contractor to develop a claims procedure with the carrier when there is no contract privity between the two parties? Specifically what compels the carrier to comply?

Ans: Under both USC06 and the solicitation, the prime vendor and the carrier(s) are to enter into an agreement to develop a claims procedure.

169. Who is responsible for custom duties, and the administration involved with customs in Jordan?

Ans: The SDDC 831st Kuwait Detachment and the respective Ocean Carrier play a part in customs clearance. The SPV is responsible to provide all required shipping instruction and documentation prior to container lift.

175. Who is responsible for materials management at the ports of Kuwait?

Ans: In addressing this question, we are assuming a call forward process will be instituted. Therefore, the SPV is responsible to coordinate drayage schedules with the respective Ocean Carrier.

190. Reference page 74, XIV, B. (a). Does Method I pricing include the cost of the airlift? Will commercial airlifts be reimbursed under this method? Under both methods, which distribution fee (Normal or Premium) will be charged for airlifts to Iraq?

Ans: Yes, in Method I pricing, there is a premium distribution price for “commercial airlifts, pallets and ice” associated with each category 1 thru 189. This premium distribution price, along with all other premium distribution prices in these categories, must be based on the estimates provided in the solicitation. There will be no separate invoicing or reimbursement for premium distribution prices under the Method I pricing scheme. However, an annual review/reconciliation will be conducted by the Contracting Officer, see page 74 (vi).

Using the Method II pricing scheme, normal distribution prices only will be captured via categories 1 thru 189. The premium distribution prices will be captured via categories 190 thru 216. In regard to airlifts, the cost of the plane must be invoiced by the prime vendor to the government at actual costs. Therefore, there's no fixed premium distribution price for the commercial plane. There is a fixed premium distribution price for the pallets and ice that are used during the flight, see categories 206 thru 211.

192. Will the submission of a manual invoice constitute the submitting of a "proper" invoice, and will Prompt Payment Interest be calculated from that date?

Ans: No. Submission of the proper 810 - electronic invoice constitutes a proper invoice for payment and interest calculation. Manual invoices and support documents must be reviewed and approved by the Contracting Officer. Upon approval, a STORES order will be placed and receipted and the purchase order number will be provided to the prime vendor for submission of the 810. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) prompt payment regulations at 5 CFR part 1315.

232. Page 120 Fill rate Substitutions – Please define the RDD? (a) Delivery to the military convoy in Jordan, Kuwait, or Turkey? and (b) Delivery to the DODAAC in Iraq?

Ans: RDD: Required Delivery Date. DoDAAC: Department of Defense Activity Address Code. Delivery point estimates for each zone are identified on pages 125-126. Truck deliveries that originate from Jordan, Kuwait, and Turkey to and from Iraq must be supervised under the U.S. Army convoy system.

270. Page 146 of 246, Note: An offeror with no record of relevant past performance or for whom past performance is not available may not be evaluated favorable or unfavorably. This agency's personal experience with the offeror (if any) in terms of past performance will be considered more significant than information provided by any other reference. (Question): Can the above Note-paragraph be interpreted that there is no difference in evaluation between, for example, (a) Offeror with 5-HDVC (Highest Dollar Value Contracts), (b) Offeror with 3-HDVC or (c) Offeror with only 1-HDVC.

(Question) Also, can the above paragraph be interpreted that Offeror that has DSCP contract(s) will be evaluated farther significantly than the other HDVCs?

Ans: The DRAFT solicitation is no longer applicable. Please see Page 152 for Experience / Past Performance requirements.

284. Why has DSCP chosen not to include Performance Based Distribution Fees (PBDF) within this draft solicitation?

Ans.: In consideration of the contingency environment, PBDF was not included to reduce risk for both the government and the contractor.

294. The minimum stockholding is 30 days; can the Government give an indication of what the mean and maximum stockholding per product item is?

Ans: The Prime Vendor will be required to maintain a minimum of 30 days of supply at all times at their OCONUS warehouse location(s). However, the vendor will be responsible for developing his own average monthly demands (AMD) and determining stocking needs accordingly.

280. Looking at attachment one for pricing , you have designated columns(D) for Kuwait to Kuwait distribution prices and Kuwait to Iraq premium distribution prices(column H) meanwhile there are no columns assigned for TURKEY to IRAQ distribution prices, (this would include storing , transportation, operation etc). I have also noticed that you are showing Turkey to IRAQ premium distribution prices label on top of the sheet under the same columns that are designated for Kuwait to IRAQ premium distribution prices which is confusing given the different cost structure for storage, gas prices, transportation and the geographic distance between Turkey and Kuwait. Please advise of how we are supposed to price Turkey to Iraq in such a situation?

Ans.: For Zone I, all Iraq distribution prices must be the same whether the product is delivered from Turkey or Kuwait. The Iraq distribution price must be reflective of the entire Iraq operation; i.e., support from warehouse locations in Turkey and Kuwait.

281. A question has arisen concerning the issue of control and direction over selection and re-ordering of food stocks in light of *anticipated* Client needs during the performance of the contract. The RFP states on page 50, in the second paragraph of item II.D.: “As directed by the contracting officer, various specialty items; i.e., meal kits, hot cans, hot meals, products ordered for special forces, decorations, etc, shall be ordered by the prime vendor and converted to GFM at the time of warehouse receipt.” [Bidder's emphasis added] However, on page 88 of the RFP, under item XVII.D., we read: “The contractor must ensure that sufficient stocks of mandatory products are on hand to satisfy anticipated customer demand taking into account lead times for delivery from the designated mandatory source to the Prime Vendor.” [Bidder's emphasis added] Viewed together, we understand this to mean that the Contracting Officer (KO) has sole and final control over determining the Client’s anticipated need, and that the PV contractor is then solely responsible to “ensure” the timely and accurate provision of the Client-requested amounts while not being responsible for setting quantities. The contractor may collaborate with the KO on this issue, contributing as a subject matter expert (SME), but, not being privy to or having control over anticipated troop levels, the contractor cannot be expected to advise the Client on future stock plans. However, on page 52 of the solicitation, under item II.E., we further read that: “The Prime Vendor has responsibility for all inventory management. In regard to GFM, the prime vendor shall recommend the time to reorder and the respective replenishing amounts to the Theater Food Advisor and the Contracting Officer for Government ordering or approval for prime vendor ordering if the product is designated by the Contracting Officer to be converted to GFM upon receipt.” [Bidder's emphasis added] The reference on page 50 and the reference on page 52 would appear to create a lack of clarity about the advisory relationship between the contractor and the KO. Please clarify the extent to which the contractor will: be required to give restocking guidance to the KO incur inventory risk in any such capacity, and finally be in possession of and /or responsible for sensitive information such as planned troop levels, which information would be required in order “ensure” that stocks are sufficient to meet “anticipated” needs. This last bullet item is of particular interest to us since knowledge of anticipated troop levels would be essential to rendering fully informed advice to the KO.

Ans.: Estimated quantities have been provided via attachments 3, 4 and 5. An initial catalog session with DSCP, the customer and the prime vendor will be held post award. It is also anticipated that the prime vendor will participate in weekly meetings with the Theater Food Advisor and the Contracting Officer Representatives to discuss changing requirements, etc. Usage demand for all items (generic prime vendor items, government furnished material, mandatory prime vendor items, etc.) must be carefully tracked by the prime vendor. The prime vendor has responsibility for all inventory management. The prime vendor bears the risk of managing appropriate inventory levels.

282. We have noticed there may be a discrepancy in the RFP. In the proposal instructions, there are only two sub-factors (A and B) to Factor II Experience and Past Performance (Pg 152 – 154). In the evaluation criteria (Pg 175 – 176), Factor II is broken down into four sub-factors (A, B, C and D). Evaluation sub-factors C and D both refer to sections actually covered under Factors V and VI in the instructions. Please can you clarify how these factors are broken down and will be evaluated?

Ans.: Factor II (four sub-factors A, B, C, and D) relate to past performance and will be evaluated as described on pages 175 and 176. On pages 152 – 154, the data required for submission under Factor II – Experience/Past Performance, paragraph A will be used to evaluate Factor II, sub-factors A & B and the data required for submission under Factor II – Experience/Past Performance, paragraph B will be used to evaluate Factor II, sub-factors C & D.

Factors V and VI do not relate to past performance. Factors V and VI relate to future prime vendor performance; i.e., the amount of business that will be subcontracted to small businesses, JWOD, etc., during the life of the prime vendor contract.

283. During our attempts to obtain pricing for subject solicitations, our suppliers have asked us some questions concerning the following items:

- * 8915-01-E12-2479 - Juice, Apple, 12/1 LT CO
- * 8915-01-E12-2480 – Juice, Pineapple, 12/1 LT CO
- * 8915-01-E12-2759 – Juice, Mango, 12/1 LT CO
- * 8915-01-E12-2763 – Juice, Orange, 12/1 LT CO
- * 8915-01-E12-2765 – Juice, Cocktail, 12/1 LT CO
- * 8915-01-E29-3698 – Juice, Apple, 12/1 Liter CO
- * 8915-01-E29-3708 – Juice Blend, Mixed Fruit, 12/1 Liter CO
- * 8915-01-E29-4538 – Juice, Grape, Red, CHL, 12/1 Liter CO

Specifically, they would like to know if there is a certain percentage (%) of fruit juice required for each of these items. Unlike other items, the descriptions for these items do not mention a percentage.

Ans.: There is no specified percentage of fruit juice required for the juices identified above. There are other juice items on the schedule of items that require a specified percentage of fruit juice, see the item description for each juice item.

284. Could you please lend any truth to the rumor I've heard concerning this solicitation? I'm currently in Kuwait and the Newspapers and T.V. stations here are saying that PWC has been given a one year option extension on their contract for \$2.3 Billion. Is this solicitation still active? I haven't seen a change on FBO stating it's been cancelled or postponed. If still active, what is the NLT date now for submitting a proposal?

Ans.: Solicitation SPM300-08-R-0061 is most certainly active. The proposal due date is July 31, 2008, unless otherwise revised in a future amendment.

285. Here is another possible discrepancy in the RFP – which cites the following item description: 8915-01-E09-3305 – Veg, Potatoes, FR Fries, Thin, Fzn, Seasoned, 5/5 LB CO. Please note that the DSCP web site shows this item as a “6/5 LB” – which is the industry standard pack size. Please let me know if the RFP will be amended accordingly.

Ans.: The correct pack size is 6/5 LB CO. See Section I, paragraph 20.

286. Upon review of subject RFP, I noticed a possible discrepancy for the Non Fat Dry Milk and wanted to bring it to your attention: Page 89 indicates that 8910-01-E60-8832 (6/#10 CN) is mandatory with ARC Diversified. Attachment 3 and 4 highlights this item as Pink (NAPA) while Attachment 5 shows it in Lavender (Mandatory). Further, the RFP includes this same item but packaged in a 4 LB CO (Bag) - 8910-01-E19-0374 – and has no color background representing that it is Generic. Can you please clarify if both of these items should be Mandatory? In the past, Arc has supplied the #10 cn while TVS (another NISH affiliate) supplies the CO (Bag).

Ans.: In accordance with page 89 of the solicitation, 8910-01-E60-8832 is a mandatory ARC – Diversified item. Attachments 3, 4, and 5 have been amended to properly identify this item, see Section I, paragraph 18. The other item, 8910-01-E19-0374 is properly identified on attachments 3, 4, and 5 as a generic item, which should be priced as described (pack size - 6/4 LB CO). Post award cataloging may or may not retain both stock numbers.

287. Page 160, para 8.(v)a.iii requests a breakdown of \$ and % for subcontracting goals. Please can you confirm whether both \$ and % figures are required? We can predict the % of socioeconomic purchases, but have no way of knowing what the \$ amount will be when troop levels change. Is it allowable to put only the % figure? Alternatively, we could put a waiver underneath the \$ figure that states “Based on current troop strengths”. Please advise.

Ans.: Yes, both \$ and % figures are required and must be based on the estimated contract dollar value, see page 70 of the solicitation:

Zone 1 base period - \$2,616,474,045.14

Zone 2 base period - \$528,082,874.80

On page 160, the base period estimates shall be used to complete item 1 – total contract price. The total to be subcontracted to large and small businesses must equal an exact dollar value and percentage of the total estimated contract dollar value.

288. On the Excel spreadsheet attachments there are several hidden columns. Please can you confirm that we are not to fill these in?

Ans.: The Excel spreadsheet cells, columns, fields, etc. that do not require input from the offeror have been protected. Hidden columns have been intentionally hidden. The original protected version of the spreadsheets must be used for offer submission. Do not submit spreadsheets that have been copied and tampered with.

289. Can you please provide confirmation of the following: A Jordanian (foreign) small business would NOT be required to submit a Small Business Subcontracting Plan with its offer pursuant to clause 52.219-9.

Ans.: Foreign contractors do not submit the Small Business Subcontracting Plan pursuant to FAR 52.219-9 (attachment 8). Foreign contractors along with all other offerors must address all technical factors within their technical proposal, to include socioeconomic factors V and VI, see pages 158-162 of the solicitation.

290. Currently to date, there have been 4 companies that are listed as NAPA vendors who require us to go and receive non manufacturer direct pricing from. They are telling us to go to Rastelli's and or Texas Best and they will not quote directly. Those companies are listed below;

- (1) Kellogg Sales (forwarded our request to Rastelli)
- (2) McCain Foods forwarded our request to Rastelli)
- (3) Super Bakery, Inc. (forwarded our request to Rastelli)
- (4) JTM Provision Co. (forwarded our request to Texas Best)

Can you provide any direction in reference to the 4 companies who will not provide factory direct pricing for a total of 41 items in the market basket?

Ans.: Invoices or quotes must be obtained directly from the manufacturer, but they may be obtained via a consolidator or subcontractor. Rastelli, Texas Best or other subcontractor, must provide the invoice or quote documentation directly from the manufacturer to support the product price. Any fee charged to the offeror by the subcontractor must be included in the distribution price. It is the responsibility of each offeror to accurately provide the product price with supporting invoice documentation. See Section I, paragraph 3, for the product price definition.