

January 13, 1957

SUBJECT: INVITATION No. 04-607-s-57-9

Mr. W. S. Halterman
Supervisory Procurement Officer
Horton Air Force Base
San Bernardino
California

Dear Mr. Halterman:

After considering our conversation of last Thursday, January 10th, very carefully, I have decided I would like to summarize the important points as I see them and put myself on the record regarding the YC 122 sale.

First, I should like to answer your question as to why I called you regarding the matter. It is a fair question and I shall answer it without reservation.

After having talked with you at least twice on the phone just after the opening, I had set the YC 122 matter aside as a closed issue. I was quite surprised when Mr. Chris Stoltzfus called me on Tuesday, January 8th, and was quite upset at the present status of the awards. Mr. Stoltzfus is generally very highly regarded as a man, capable and of unquestioned integrity. My personal dealings with him have been limited, but he has done contract work for the government on adjoining projects to ours, and I have heard nothing but excellent reports of his ability to get things done and complete fairness in his dealings. I personally would not hesitate to accept his word as a bound contract. With this background, I am sure that you can understand my surprise at his calling me and telling me that he felt he had become the victim of confusing circumstances. If this be true, of course I would help in any way I could. So I listened patiently to his statements; and then I told him that first of all I wanted to contact you to determine from you, first hand, exactly the basis on which the awards were being made. In a matter as important as this, all parties must be fairly and completely heard. As soon as I hung up talking with him, I placed the call to your office, but you were out. Previous commitments occupied me until Thursday afternoon when I finally got to talk with you from Salt Lake City. Being a bidder, and especially a party to one of the raised questions of error, I do not apologize for contacting you in my own interest, as well as the interest of any other bidder.

I agree entirely with the statement you quoted Mr. Stoltzfus made at the opening with regard to being entirely satisfied with a fair

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and square opening and let the chips fall where they may. We all have to learn to lose as well as win. But I must also say that I do not feel that Mr. Stoltzfus is breaking faith with any such declaration if he makes inquiry into a possible decision that, no matter how well intentioned, does appear to prejudice him. His argument on the phone was well put, and I decided it merited the call to make my own evaluation of the matter as it now stands. Hence my phone calls Tuesday to your secretary and Thursday to you.

Chris Stoltzfus raised two points that he questions: 1. My modification of December 14th did not arrive prior to the opening and when it did arrive it requested a modification of "Item #1" instead of "Item #2", when I did not originally bid Item # 1. Second (2), there was error in awarding three aircraft to Carolina Aircraft Co., even if my modification was valid. I shall treat them in order.

I am not a lawyer. I do not know what the Law of the Air Force, or California Law, or "Whatever Law" is in effect in this matter. I have found, however, that it isn't hard to get an argument from a lot of curb-stone or airport lawyers as to whether I bid \$30,000 or \$22,000 on Item # 2. Incidentally, there seems a fairly general consensus of "expert" opinion that I bid \$20,500 for Item #5, even if the modification did arrive late. This is a good example of why we have Judge Advocates. I am happy to tell you that I still feel as I did right at the start, that I ~~accept~~ his decision without question.

The second point Mr. Stoltzfus raises, however, seems to me to have a lot more meat than the first one. Before I ever submitted the first bid back in November, I called your extension, but you were not there, so I talked with two other gentlemen. The entire purpose of that call was to obtain a clarification of Item #5. When I got through with that conversation, there was no doubt in my mind as to just exactly what I could, and what I could not, do. I spent good money to phone long distance to be sure I was doing the job right; and I have absolutely no patience with anyone who "took for granted" or tries to "outfigure" the guy who wrote the bid. My primary question was whether I could bid #5 without an additional bid deposit, in other words, whether I could bid so that if I missed #2, there would still be another chance for another plane. The answer I got was "yes". Then the gentlemen went into considerable detail to explain that I could bid "any or all" under Item #5, but that I would be considered only for the number of planes I enclosed a bid deposit for, and further, that I would have absolutely no say as to which plane, or planes, I would be awarded if I were successful. I remember specifically that they told me that I could be awarded less aircraft than I bid under this item unless I specified otherwise. I realize that it is almost impossible to remember other than generalities regarding a past conversation, but I am quite certain that this part was discussed in detail. You can probably verify this by asking the gentlemen with whom I talked. I believe their names were Green and Mc something.

Now it was on this specific point that Mr. Chris Stoltzfus raises a question of fair play; and it was to determine exactly what Carolina

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Aircraft Company had done with reference to Item #5, that I wanted to call you and get the facts absolutely straight. Two or three times you were specific as to their wording that they bid three aircraft, "any 3", but not once, Mr. Halterman, did you say that they had qualified their bid and would accept "not less" than the any three aircraft bid. You will recall that I called your attention to the sentence under Item #5 that states that the Government reserves the right to award any bidder less than the quantity bid for, "unless the bidder specifies otherwise."

In the absence of such qualification, it would seem that the only remaining question would be which combination is of most advantage to the government. Taking Item #1 @ \$25,203.46, Item #2 at \$26,567.50, Item #3 at \$26,567.50 and Item #4 @ \$26,700.00, we get a total of \$105,038.46. Now, if you take Items 1, 2 and 3 @ \$25,203.46 and Item #4 at \$26,700.00, you get a total of \$102,310.38. The advantage to the Government is in the first set of figures and is in the amount of \$2,728.08.

I must confess that at this time it would appear that Mr. Chris Stoltsfus has cause to be upset. In the interest of good business and fair play, I urge you give this matter your very careful consideration.

Respectfully yours,

ROBERTS AIRCRAFT COMPANY

cc: Mr. Chris Stoltsfus
Coatesville
Pennsylvania

W. Lynn Roberts