

CLIENT ALERT

Bad Estimates Support Constructive Change Without Proof of Government Negligence

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In *JAP World Servs., Inc. v. Dep't of Treasury* (June 20, 2013), the Civilian Board of Contract Appeals held the government liable when a maintenance contractor's service calls took longer to perform than calls in historical data furnished to prospective offerors and the government had said the historical data were a "reasonable basis" for firm-fixed-price proposals. Finding that the contractor had relied on the faulty data to price its proposal and that the contractor need not prove government negligence, the CBCA decided that the longer service calls were a constructive change to the contract and awarded the contractor its increased costs of performance.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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