

CLIENT ALERT

COFC Denies Protest But Notes Possible Procurement Integrity And Antitrust Violations

June 9, 2004

In *Naplesyacht.com, Inc. v. United States*, the Court of Federal Claims denied a protest despite finding that the Navy had abused its discretion in finding the two awardees' proposals technically acceptable, concluding that the protestor had not shown irreparable injury because its damage was limited to lost profit on one boat and because the Navy had assured the court that the awardees would have no advantage in follow-on competitions. However, the court took the unusual measure of providing its opinion to the Antitrust Division of the Justice Department, under seal, based on the proximity of the two awardees' prices, suggesting that one awardee had pre-bid knowledge of the other's proposal, in possible violation of Section 1 of the Sherman Act and Section 423 of the Procurement Integrity Act.

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

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