



Ottawa, Thursday, June 12, 2003

File No. PR-2002-057

IN THE MATTER OF a complaint filed by WorkLogic Corporation under subsection 30.11(1) of the *Canadian International Trade Tribunal Act*, R.S.C. 1985 (4th Supp.), c. 47;

AND FURTHER TO a decision to conduct an inquiry into the complaint under subsection 30.13(1) of the *Canadian International Trade Tribunal Act*.

DETERMINATION OF THE TRIBUNAL

Pursuant to subsection 30.14(2) of the *Canadian International Trade Tribunal Act*, the Canadian International Trade Tribunal determines that the complaint is not valid.

Ellen Fry
Ellen Fry
Presiding Member

Zdenek Kvarda
Zdenek Kvarda
Member

Meriel V.M. Bradford
Meriel V.M. Bradford
Member

Michel P. Granger
Michel P. Granger
Secretary

Date of Determination and Reasons: June 12, 2003

Tribunal Members: Ellen Fry, Presiding Member
Zdenek Kvarda, Member
Meriel V.M. Bradford, Member

Senior Investigation Officer: Cathy Turner

Counsel for the Tribunal: Reagan Walker

Complainant: WorkLogic Corporation

Government Institution: Department of Public Works and Government Services

Counsel for the Government Institution: Ian McLeod
Christianne M. Laizner
Susan D. Clarke



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STATEMENT OF REASONS

COMPLAINT

On January 28, 2003, WorkLogic Corporation (WorkLogic) filed a complaint with the Canadian International Trade Tribunal (the Tribunal) under subsection 30.11(1) of *Canadian International Trade Tribunal Act*¹ concerning the procurement (Solicitation No. 39903-021054/A) by the Department of Public Works and Government Services (PWGSC) on behalf of the Canadian Food Inspection Agency (CFIA) for the provision of informatics professional services.

WorkLogic alleged that PWGSC and the CFIA applied evaluation criteria that were not stated in the solicitation document, contrary to Articles 504(3)(g) and 506(6) of the *Agreement on Internal Trade*.²

WorkLogic requested, as a remedy, that the Tribunal recommend that the contract awarded to AMITA Corporation (AMITA) be terminated and that an independent third party re-evaluate the bids for Package C of the solicitation, excluding AMITA's bid, or, alternatively, that it be compensated for lost profit. It also requested to be awarded its bid preparation costs and its costs for preparing and proceeding with the complaint.

On February 5, 2003, the Tribunal informed the parties that the complaint had been accepted for inquiry, as it met the requirements of subsection 30.11(2) of the *CITT Act* and the conditions set out in subsection 7(1) of the *Canadian International Trade Tribunal Procurement Inquiry Regulations*.³ On February 10, 2003, PWGSC informed the Tribunal that a contract in the amount of \$1,027,200 had been awarded to AMITA. On February 28, 2003, PWGSC requested an extension of time to file the Government Institution Report (GIR); that same day, the Tribunal granted the extension. On March 4, 2003, PWGSC filed a GIR with the Tribunal in accordance with rule 103 of the *Canadian International Trade Tribunal Rules*.⁴ WorkLogic filed its comments on the GIR with the Tribunal on March 17, 2003. On March 26, 2003, PWGSC requested permission to respond to new arguments and evidence raised in WorkLogic's comments on the GIR and provided the response with its request. On March 27, 2003, the Tribunal granted PWGSC's request and sent the submission to WorkLogic for its comments. WorkLogic

1. R.S.C. 1985 (4th Supp.), c. 47 [*CITT Act*].

2. 18 July 1994, C. Gaz. 1995.I.1323, online: Internal Trade Secretariat <<http://www.intrasec.mb.ca/eng/it.htm>> [*AIT*].

3. S.O.R./93-602 [*Regulations*].

4. S.O.R./91-499.

filed its comments with the Tribunal on March 31, 2003. On April 1, 2003, the Tribunal sent those comments to PWGSC for information.

Given that there was sufficient information on the record to determine the validity of the complaint, the Tribunal decided that a hearing was not required and disposed of the complaint on the basis of the information on the record.

PROCUREMENT PROCESS

On December 20, 2001, PWGSC issued four competitive requests for a supply arrangement (RFSAs) on MERX, Canada's Electronic Tendering Service. The RFSAs were a government-wide procurement process to prequalify suppliers for the subsequent acquisition of Government On-Line (GOL) services and solutions for various departments and agencies of the Canadian federal government.

The RFSAs included three streams of services: "Business Process and Content" stream, "Human Resources Management" stream and "Informatics Professional Services" (IPS) stream. As a result of the RFSAs, supply arrangements for the provision of services and solutions were issued, and WorkLogic was included in those firms to which a supply arrangement was issued under the IPS stream.

On September 6, 2002, a Notice of Proposed Procurement was published on MERX and on the GOL procurement Web site for the provision of IPS for the CFIA on an "as and when" requested basis. All firms that were prequalified under the IPS stream were invited to submit proposals for the requirement. The requirement in the Request for Proposal (RFP) was for IPS under four packages in the following areas of expertise of developed applications: Package A—commercial off-the-shelf products; Package B—Oracle; Package C—Microsoft; and Package D—project management/business analysis. Bidders could submit proposals with respect to any or all of the packages.

The RFP (as amended) reads, in part, as follows:

1.1 Technical Proposal:

The technical proposal shall address all mandatory and point rated evaluation criteria specified herein.

1.1.1 Mandatory Evaluation Criteria:

Proposals will be evaluated in accordance with the mandatory evaluation criteria as detailed herein. Bidders are advised to address each requirement in sufficient depth to permit a complete requisite analysis and assessment by the evaluation team. Proposals failing to adequately respond to the mandatory evaluation criteria will be excluded from further consideration. Only proposals found to meet the mandatory evaluation criteria will be evaluated in accordance with the evaluation criteria subject to point rating.

C4. MANDATORY EVALUATION CRITERIA

The mandatory evaluation criteria of this RFP are:

C.M2 The proposal must also demonstrate that each proposed consulting resource has completed two (2) relevant projects within the last 3 years. The two (2) projects must have involved work on Microsoft Visual Studio 6.x enterprise edition or greater.

For any project experience claimed, the Bidder must provide client contact name and telephone number who can provide a reference. The Bidder must also provide a description of the work completed showing the relevance of the experience, description of the deliverables completed in the context of this work.

Proposals not meeting all of the Mandatory Evaluation Criteria will be considered as non responsive and given no further consideration.

C5.R2 Experience and Expertise of the Proposed Resources (180 points)

In this section, details should be provided regarding the qualifications, relevant experience and expertise of the proposed resources.

Table 1: Quality of experience (90 points)

The quality of experience of the proposed resources must be clearly identified by providing a summary/description of the previous projects worked on as well as the level of involvement. Attention should be given to how the projects correlate to this requirement, when the work was carried out, the dollar value and the client.

Evaluation criteria	Description	Maximum Points
C5.R2.1	Relevance of experience and level of involvement working on Microsoft Suite DEV tools	30 Per Proposed Resource

The original closing date for the submission of proposals was September 26, 2002. Amendment number 007, dated September 20, 2002, extended the bid closing date to October 1, 2002. According to PWGSC, 12 proposals were submitted in response to Package C. WorkLogic submitted a proposal in response to Package C only. According to PWGSC, on October 4, 2002, the bidders' technical proposals were forwarded by PWGSC officials to the CFIA for evaluation. PWGSC stated that, on November 15, 2002, it received the evaluation results for Package C from the CFIA; WorkLogic's proposal was determined to be non-responsive for the mandatory requirement in section C.M2 of the RFP. On December 23, 2002, the contract for Package C was awarded to AMITA, at a total estimated cost of \$1,027,200. On December 27, 2002, PWGSC published the notification of the contract award on the GOL Web site.

On January 7, 2003, a representative of WorkLogic communicated with PWGSC to ask a number of questions and to request a debriefing. On January 13, 2003, PWGSC advised WorkLogic of the results of the evaluation of its proposal. On January 21, 2003, a debriefing meeting by teleconference was held with representatives of WorkLogic, PWGSC and the CFIA. On January 28, 2003, WorkLogic filed its complaint with the Tribunal.

POSITION OF PARTIES

WorkLogic's Position

WorkLogic submitted that the CFIA determined that two of the projects listed in its bid do not satisfy the mandatory requirement in section C.M2 of the RFP. Specifically, it submitted that the CFIA declared that these two projects were not relevant to the CFIA's projects. However, WorkLogic argued that the two projects in question were, in fact, done using Microsoft Visual Studio 6.x enterprise edition or greater (VS6E).

WorkLogic submitted that the RFP failed to define the term "relevant" and that the CFIA has claimed incorrectly that WorkLogic's projects failed to be relevant in several different ways. It further submitted that the CFIA's evaluation team has significant discretionary powers when evaluating bids because the bids are subject to technical interpretation and that no two people will rate the same bid exactly the same. In addition, it submitted that such interpretations must be based on documented evidence (RFP

requirements and bid statements) and project reference checking. Also, it submitted that the evaluators are not allowed to misread a bid and that they are not allowed to use requirements that are not stated in the RFP, which, it submitted, would contravene Article 506(6) of the *AIT*.

In its comments on the GIR, WorkLogic submitted that the government had changed its focus to challenge WorkLogic's listed projects on the basis that the projects did not involve the use of VS6E. It submitted that the first time that the government made the VS6E challenge was in the GIR itself and that neither the CFIA evaluation sheets nor the debriefing nor the CFIA/PWGSC minutes of the debriefing nor any government communication to it prior to the GIR made the VS6E challenge. It also submitted that the government has effectively withdrawn all the challenges that it put forth in the debriefing except for a minor challenge relating to one of its projects.

WorkLogic submitted that two of its projects were developed using VS6E tools, in particular Visual InterDev 6.0. It submitted that VS6E includes a plethora of tools used for all kinds of development and that there are tools in it that are not relevant to Web development and also tools that are not used by the CFIA and are, therefore, not relevant to the requirement. It, therefore, submitted that the requirement in section C.M2 of the RFP asks for projects that use some, but not necessarily all, tools included in VS6E. It submitted that, if the CFIA required experience with a particular VS6E tool, it should have explicitly stated so in the RFP.

In its response to PWGSC's submission of March 31, 2003, WorkLogic submitted that its use of the word "plausible", in describing PWGSC's VS6E challenge, does not mean "correct". It submitted that it only referred to the VS6E challenge as "plausible" in contrast to all other government claims, which are "implausible" because they are either false or have no grounding in the RFP requirements.

PWGSC's Position

PWGSC submitted that the purpose of the mandatory requirement in section C.M2 of the RFP was to ensure that the proposed personnel resources of a bidder had experience with the software within VS6E. It further submitted that, accordingly, section C.M2 was drafted to require that a bidder demonstrate its proposed resources' experience with two "relevant" projects and that, to be relevant, such projects must have involved work on VS6E. It also submitted that this mandatory requirement was important for purposes of Package C of the RFP because the CFIA was already using VS6E in the context of its ongoing GOL Web development initiatives.

In evaluating WorkLogic's proposal with respect to the mandatory requirement in section C.M2 of the RFP, PWGSC submitted that the CFIA's evaluation team examined the information contained in the proposal. It further submitted that, although WorkLogic's response to section C.M2 in its proposal specifically cross-referenced the information provided for section C5.R2.1 and the proposed personnel's résumés, the evaluators reviewed all the information provided for sections C.M2 and C5.R1 and sections C5.R2.1 and C5.R2.2 in order to find information with respect to the proposed personnel's experience in the projects identified in the proposal.

PWGSC submitted that the CFIA's technical evaluation team thoroughly reviewed and considered WorkLogic's proposal with respect to the mandatory requirement in section C.M2 of the RFP and, further, that it was fairly and properly evaluated as being non-compliant with that mandatory requirement.

Regarding WorkLogic's allegation that the RFP fails to define the term "relevant", PWGSC submitted that the mandatory criteria clearly and expressly stated a requirement for proposed personnel to

have experience involving work with Microsoft Visual Studio Web development tools. Furthermore, PWGSC submitted that, if WorkLogic was unclear about the requirement or intended to challenge the ambiguity or fairness of this mandatory requirement, then the proper time for such a query or challenge was during the bidding period, at a time when government officials could address WorkLogic's concerns. It further submitted that any challenge to the wording of the requirement at this time, after contract award, would be untimely.

In response to WorkLogic's comments on the GIR, PWGSC submitted that WorkLogic alleges that the Crown has effectively withdrawn all other bases for evaluating its proposal as non-compliant with respect to the mandatory requirement in section C.M2 of the RFP. It submitted that it has not withdrawn any of the bases identified in the evaluation sheets or discussed at the debriefing teleconference. It also submitted that, in fact, all the points identified in the evaluation sheets pertain to relevancy in the context of the requirement that the projects must have involved work using VS6E or greater. It further submitted that WorkLogic concedes that the evaluation of its proposal as non-compliant on the basis that it did not describe work on projects involving VS6E or greater is "plausible".

Regarding WorkLogic's allegation that the Crown identified concerns about its proposal, on the basis that it did not describe work involving VS6E or greater, only at the time of the filing of the GIR, PWGSC submitted that the plain, straightforward wording of the mandatory requirement in section C.M2 of the RFP clearly dictates that work on VS6E or greater is the basis of relevancy of any project described in the context of the experience of proposed personnel. It further submitted that it is not logical to say that this requirement was created or applied after the fact.

PWGSC argued that WorkLogic has submitted new evidence in its comments on the GIR in an effort to prove that two of its projects were developed using Microsoft Visual Studio 6.x Web development tools. However, it contended that the Tribunal has no jurisdiction to consider this evidence and that such evidence is presented in an effort to repair the proposal submitted by WorkLogic and address the issues of non-compliance identified by the evaluators, which, it submitted, is not permissible. PWGSC submitted that the complaint ought to be dismissed and the Crown awarded its costs in defending the complaint.

TRIBUNAL'S DECISION

Subsection 30.14(1) of the *CITT Act* requires that, in conducting an inquiry, the Tribunal limit its considerations to the subject matter of the complaint. Furthermore, at the conclusion of the inquiry, the Tribunal must determine whether the complaint is valid on the basis of whether the procedures and other requirements prescribed in respect of the designated contract have been observed. Section 11 of the *Regulations* further provides that the Tribunal is required to determine whether the procurement was conducted in accordance with the applicable trade agreements, which, in this instance, are the *Agreement on Government Procurement*,⁵ the *North American Free Trade Agreement*⁶ and the AIT.

Article 506(6) of the *AIT* provides, in part, that "[t]he tender documents shall clearly identify the requirements of the procurement, the criteria that will be used in the evaluation of bids and the methods of weighting and evaluating the criteria."

5. 15 April 1994, online: World Trade Organization <http://www.wto.org/english/docs_e/legal_e/final_e.htm> [AGP].

6. 32 I.L.M. 289 (entered into force 1 January 1994) [NAFTA].

Article 1015(4)(d) of *NAFTA* provides that “awards shall be made in accordance with the criteria and essential requirements specified in the tender documentation”.

Article XIII(4)(c) of the *AGP* also provides that “[a]wards shall be made in accordance with the criteria and essential requirements specified in the tender documentation.”

WorkLogic alleged that PWGSC and the CFIA applied evaluation criteria that were not stated in the solicitation document. The Tribunal must determine whether, in evaluating the bids, PWGSC and the CFIA appropriately applied the evaluation criteria set out in the RFP.

PWGSC has stated that the information provided in WorkLogic’s bid regarding the proposed personnel’s projects was not responsive to the mandatory requirement in section C.M2 of the RFP. WorkLogic argues that the VS6E requirement was, in fact, not the reason why PWGSC disqualified its bid. It contended that PWGSC disqualified its bid for other (inappropriate) reasons and that the disqualification due to the VS6E requirement was a rationale developed by PWGSC in the GIR.

PWGSC filed an affidavit of one of the evaluators, to which were attached the evaluator’s handwritten notes concerning the evaluation.⁷ The Tribunal accepts this as convincing evidence that inadequate information regarding the use of VS6E was indeed the basis on which PWGSC disqualified WorkLogic’s bid. The Tribunal, therefore, needs to consider what was required to be submitted by bidders to satisfy the mandatory requirement in C.M2, with respect to the VS6E requirement, and whether it was appropriate for PWGSC to disqualify WorkLogic’s bid on that basis.

As previously stated, the mandatory requirement in section C.M2 of the RFP reads as follows:

C.M2 The proposal must also demonstrate that each proposed consulting resource has completed two (2) relevant projects within the last 3 years. The two (2) projects must have involved work on Microsoft Visual Studio 6.x enterprise edition or greater.

For any project experience claimed, the Bidder must provide client contact name and telephone number who can provide a reference. The Bidder must also provide a description of the work completed showing the relevance of the experience, description of the deliverables completed in the context of this work.

The Tribunal is of the view that the first paragraph of this mandatory requirement is somewhat ambiguous, in that it does not say explicitly whether the requirement for VS6E is: (a) a stand-alone requirement that applies independently of whether a project is shown to be relevant; or (b) an integral element that must be shown to be present in the project in order for the project to be considered relevant. The interpretation of the first paragraph is important, because if (a) is correct, the only thing a bidder must do is demonstrate that the projects “have involved work” using VS6E. However, if (b) is correct, the bidder must also include appropriate reference to VS6E when it “provide[s] a description of the work completed showing the relevance of the experience.” In other words, interpretation (b) would require an explanation of how VS6E was used in the projects.

The VS6E requirement needs to be considered in the context of section C.M2 of the RFP. In the Tribunal’s view, the first sentence of section C.M2 is intended to state the basic requirement that must be fulfilled in order to comply with section C.M2: “The proposal must also demonstrate that each proposed consulting resource has completed two (2) relevant projects within the last 3 years.” The remainder of

7. Confidential version of the GIR, Exhibit 15.

section C.M2, including the VS6E requirement, is intended to elaborate on this by giving direction on some specific aspects of how the basic requirement of section C.M2 is to be fulfilled.

This interpretation of section C.M2 of the RFP is consistent with the overall intent of the RFP. As mentioned above, WorkLogic bid on Package C, which was one of four associated work packages. Each of the four work packages covered a requirement for a different area of expertise. In the case of Package C, the area of expertise was indicated as “Microsoft Suite”.⁸ The statement of work for Package C indicates that, for the work in question, “Current [tools] being used [by the CFIA] are the Microsoft Suite of tools.” This appears to explain why “Microsoft Suite” has been identified as the required area of expertise. These provisions make it clear that the use of the Microsoft Suite of tools is central to the requirements of the RFP. Section C.M2 provides a more detailed view of this key requirement by specifying that experience must be demonstrated in projects using VS6E, a specific Microsoft product entailing the use of these tools. Thus, the importance of VS6E is evident, and the Tribunal considers that, in the context of the RFP as a whole, experience with VS6E can reasonably be considered to be an integral element of “relevant” project experience.

Accordingly, the Tribunal considers that the VS6E requirement is one of the elements that is required in order for a project to be considered “relevant” for the purposes of section C.M2 of the RFP and that interpretation (b) above applies.

The Tribunal notes that, although only two projects were discussed in the parties’ submissions, section C.M2 of the RFP requires the VS6E requirement to be fulfilled for a total of six projects—two projects for each consulting resource.

WorkLogic’s complaint states: “We have listed the required projects meeting the stated requirements and including the required descriptions in section C.M2 of our bid. . . . The projects are described in section C5.R2. . . , and the projects in question (ParlRef and ECSN) are described in a lot of detail in section C5.R1.a. . . . The projects listed were in fact done with VS6E.”

Section C.M2 of WorkLogic’s bid, however, provides information only at the most basic level (name of the consulting resource, name of the client, name of the project, contact information for the project reference and time frame of the project). The only reference to VS6E is the following statement: “Section C5.R2.1 has a complete list of the projects that proposed personnel have completed using web technologies and Microsoft Visual Studio 6.x enterprise edition. Below we list 2 such projects per staff that were completed in the last 3 years. For further details please refer to section C5.R2.1 or the attached resumes.”

In section C5.R2.1 of the bid, the following statement is made: “Below we list all projects that proposed personnel have completed using web technologies and Microsoft Visual Studio 6.x enterprise edition.” The same basic information as in section C.M2 of the bid is given, supplemented by a reference to cost, a very brief “Description of Work” and a listing of technologies in each instance. Similar information is given in the individual résumés of the proposed personnel resources. Nowhere in the listed technologies in section C5.R2.1 or the résumés is VS6E mentioned. The descriptions of the work in these parts of the bid do not mention VS6E or describe how it was used in the selected projects.

Consequently, the Tribunal considers that PWGSC was not unreasonable in considering that WorkLogic’s proposal failed to show the relevance of the experience in its projects as required by the

8. GIR, Exhibit 1 at 22.

mandatory requirement in section C.M2 of the RFP, because it did not show how VS6E was used in the projects. The Tribunal is of the opinion that merely to state that VS6E was used is not sufficient to satisfy the requirement of demonstrating how the project involved work using VS6E.

WorkLogic argues that, if there was uncertainty regarding its experience in the use of VS6E, PWGSC should have resolved the matter by verifying the information with the project references. The Tribunal does not agree with this statement. The Tribunal is of the opinion that the bidder has the responsibility to meet each of the requirements in section C.M2 of the RFP. The fact that the bidder gave references as required by section C.M2 does not eliminate the additional requirement that the bidder must describe how the projects involved work with VS6E, as also required by section C.M2. The Tribunal also notes paragraph 1.1.1 of the RFP regarding mandatory evaluation criteria, which reads, in part, that “[b]idders are advised to address each requirement in sufficient depth to permit a complete requisite analysis and assessment by the evaluation team.” This paragraph confirms that PWGSC is not required to use the references to fill in any missing information that the bidder was required to provide.

It is true that the Tribunal has held that, in a case where seeking clarification was specifically contemplated in the RFP, a procuring department may seek clarification of a proposal and check references when assessing against the requirements of an RFP.⁹ However, the Tribunal has also held that the procuring department is not under any duty to do so,¹⁰ even where there is doubt about whether a mandatory requirement in an RFP is met.¹¹

The Tribunal notes that the parties did not agree on whether the technologies identified in WorkLogic’s bid were sufficient to constitute use of VS6E, given that VS6E is a software development product that operates seamlessly with a number of individual software tools, including some technologies listed by WorkLogic. Given the analysis above, the Tribunal did not need to consider this issue. Regardless of whether the technologies identified by the bidder were considered sufficient to constitute use of VS6E, the Tribunal would have come to the same conclusion.

For the above reasons, the Tribunal finds that PWGSC did not violate the trade agreements as alleged by WorkLogic.

In light of the foregoing, the Tribunal finds that the complaint is not valid.

In the GIR, PWGSC submitted that “the Crown ought to be awarded its costs in defending this [c]omplaint”. Given the circumstances of this case, the Tribunal denies this request. Although the Tribunal ultimately determined that PWGSC did not violate the trade agreements, the choice of wording that was used in section C.M2 of the RFP to set out the experience requirement played a significant part in creating the situation that led to the filing of this complaint and the Tribunal’s decision to conduct an inquiry into the complaint.¹² Accordingly, the Crown, as the author of section C.M2, should bear its own costs in defending the procurement.

9. *Re Complaint Filed by MaxSys Professionals & Solutions Inc.* (6 May 2002), PR-2001-059 (CITT) at 12.

10. *Re Complaint Filed by Safety Projects International Inc.* (24 August 1998), PR-98-007 (CITT).

11. *Re Complaint Filed by Deloitte & Touche Consulting Group* (4 May 1999), PR-98-046 (CITT).

12. The Tribunal does not conduct an inquiry into every complaint that it receives. In accordance with paragraph 7(1)(c) of the Regulations, the Tribunal does not conduct an inquiry unless, among other things, it considers that, based on its initial information, there is a reasonable indication that the procurement has not been carried out in accordance with the trade agreements.

DETERMINATION OF THE TRIBUNAL

Pursuant to subsection 30.14(2) of the *CITT Act*, the Tribunal determines that the complaint is not valid.

Ellen Fry
Ellen Fry
Presiding Member

Zdenek Kvarda
Zdenek Kvarda
Member

Meriel V.M. Bradford
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