

**United States Small Business Administration
Office of Hearings and Appeals**

CVE Protest of:

Land Shark Shredding, LLC,

Protester,

Re: Security Operations Group
International, LLC

SBA No. CVE-142-P

Petition for Reconsideration of SBA No.
CVE-138-P

Decided: November 12, 2019

ORDER DENYING PETITION FOR RECONSIDERATION

I. Background

On October 21, 2019, the U.S. Small Business Administration (SBA) Office of Hearings and Appeals (OHA) issued its decision in *CVE Protest of Land Shark Shredding, LLC*, SBA No. CVE-138-P (2019) (“*Land Shark I*”), dismissing a status protest filed by Land Shark Shredding, LLC (Petitioner) against Security Operations Group International, LLC (SOGI). OHA found that Petitioner’s protest, submitted on April 26, 2019, was non-specific because the protest presented no allegations, facts, or evidence to suggest that SOGI is not owned and controlled by service-disabled veterans. *Land Shark I*, SBA No. CVE-138-P, at 2. Further, although Petitioner attempted to cure these defects by introducing an amended version of its protest, the amended protest was prepared several months after Petitioner learned that SOGI was the apparent awardee, and thus was untimely. *Id.* at 1-2.

On October 28, 2019, Petitioner filed a Petition for Reconsideration (PFR) of *Land Shark I*. Petitioner asserts that it “had no intention of questioning the validity of SOGI’s [Service-Disabled Veteran-Owned Small Business (SDVOSB)] status.” (PFR at 1.) Rather, Petitioner intended to allege that SOGI must rely upon a subcontractor to perform the instant contract. (*Id.* at 2.) Petitioner reiterates that is “not protesting the fact that SOGI is a [] verified SDVOSB entity, [but is] protesting that [SOGI is] not exercising control over [its] business in this instance, for this contract.” (*Id.* at 3.)

II. Discussion

SBA regulations specify the valid grounds for an SDVOSB status protest. 13 C.F.R. § 134.1003; *see also* 13 C.F.R. § 125.29. Under these rules, “OHA has jurisdiction only over [status] protests alleging that the owner of the challenged concern cannot meet the definition of service-disabled veteran . . . or presenting credible evidence that the concern is not 51% owned

and controlled by one or more veterans or service-disabled veterans.” *CVE Protest of Progressive X-Ray, Inc.*, SBA No. CVE-101-P, at 1 (2019). Here, Petitioner's protest did not present allegations falling within these categories, and indeed Petitioner acknowledges in its PFR that Petitioner had no intention of “questioning the validity of SOGI's SDVOSB status.” Section I, *supra*. Accordingly, OHA correctly dismissed Petitioner's status protest as non-specific. Under SBA regulations in effect at the time of the protest, Petitioner did not allege any proper basis to question SOGI's status as an SDVOSB.¹

III. Conclusion

To prevail on a PFR, a petitioner must “clearly show[] an error of fact or law material to the decision.” 13 C.F.R. § 134.1013(a). In the instant case, Petitioner has not identified any error in *Land Shark I*. I therefore DENY the PFR and AFFIRM the decision in *CVE Protest of Land Shark Shredding, LLC*, SBA No. CVE-138-P (2019).

KENNETH M. HYDE
Administrative Judge

¹ In December 2018, SBA issued proposed regulations that would permit a protester to challenge the SDVOSB status of a prime contractor on the grounds that the prime contractor is unusually reliant upon a subcontractor that is not an SDVOSB. *See* 83 Fed. Reg. 62,516 (Dec. 4, 2018). These proposed regulations, though, have not been finalized and were not in effect at the time of Petitioner's protest.