

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

SIZE APPEAL OF:

Wilson Walton International, Inc.,

Appellant,

RE: Allied Marine Services, LLC

Appealed From  
Size Determination No. 2-2019-091

SBA No. SIZ-6031

Decided: October 8, 2019

ORDER DENYING APPEAL<sup>1</sup>

I. Background

On July 17, 2019, the U.S. Coast Guard issued Request for Quotations (RFQ) No. 70Z08019QZC101 for copper anodes. The Contracting Officer (CO) set aside the procurement entirely for small businesses, and assigned North American Industry Classification System (NAICS) code 331529, Other Nonferrous Metal Foundries (except Die-Casting), with a corresponding size standard of 500 employees. Quotations were due July 23, 2019.

On August 19, 2019, the CO informed Wilson Walton International, Inc. (Appellant) that Allied Marine Services, LLC (AMS) had been awarded the contract. On August 20, 2019, Appellant filed a protest challenging AMS's size. The protest alleged that AMS is owned by AMS Group, Inc., which also owns and controls at least seven other companies including: Allied Marine Services; Northern Defense Industries, Inc.; Hi Scientific, Inc.; New Base Power, Inc.; Aero International; Allied Defense Industries; and Environmental Systems, Inc. (Protest at 1.) AMS is affiliated with these concerns through common ownership and control. (*Id.*) Further, according to the protest, “[p]ublished information indicates that the average number of employees for all companies within the AMS Group, Inc. exceeds 500 persons.” (*Id.*) No evidence or supporting documentation was provided with the protest.

The CO forwarded the protest to the U.S. Small Business Administration (SBA) Office of Government Contracting — Area II (Area Office) for review. On September 4, 2019, the Area Office issued Size Determination No. 2-2019-091, dismissing Appellant's protest as non-

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<sup>1</sup> This appeal is decided under the Small Business Act of 1958, 15 U.S.C. § 631 *et seq.*, and 13 C.F.R. parts 121 and 134.

specific. The Area Office explained that SBA regulations provide the following example of a non-specific size protest:

*Example 1:* An allegation that concern X is large because it employs more than 500 employees (where 500 employees is the applicable size standard) without setting forth a basis for the allegation is non-specific.

(Size Determination at 2, quoting 13 C.F.R. § 121.1007(c).) In the instant case, although Appellant alleged that AMS is affiliated with other concerns, Appellant “did not submit any information or supporting evidence to show that [AMS], through its affiliation with [the alleged affiliates], actually exceeds the 500-employee size standard for this procurement.” (*Id.*) Absent such supporting information, Appellant failed to establish any proper basis for its allegations, and the protest is non-specific. (*Id.*)

On September 11, 2019, Appellant appealed the dismissal to SBA's Office of Hearings and Appeals (OHA). Appellant argues that its protest was sufficiently specific because Appellant identified “all of the companies owned and controlled by the Parent Company.” (Appeal at 1.) AMS and these companies are owned and controlled by the same entity, so “they are affiliated and their employees must be aggregated.” (*Id.* at 2.) Appellant further contends that, for the instant procurement, AMS will furnish products “manufactured by a large business in a foreign country.” (*Id.*)

## II. Discussion

SBA regulations make clear that, in order to constitute a proper size protest, “[s]ome basis for the belief or allegation stated in the protest must be given.” 13 C.F.R. § 121.1007(b). As a result, “[a] protest merely alleging that the protested concern is not small” is not sufficiently specific. *Id.*

Here, Appellant's protest alleged that AMS is affiliated with its parent company and other concerns owned by the parent company. The protest, though, provided no evidence or reason to believe that the combined size of AMS and these alleged affiliates exceeds the applicable size standard. Section I, *supra*. While the protest vaguely referred to “[p]ublished information” about employee counts, the protest did not identify the source(s) of such information or provide any evidence to support Appellant's claim. *Id.* Thus, Appellant's protest amounted to mere allegation that AMS is not a small business, without any supporting basis, and the Area Office properly dismissed the protest as non-specific. *E.g.*, *Size Appeal of JEQ & Co., LLC*, SBA No. SIZ-5932, at 2 (2018) (“Because [the] protest merely alleged that [the challenged firm] is not a small business without any supporting evidence or explanation, the Area Office correctly dismissed the protest as non-specific.”); *Size Appeal of Arrow Moving & Storage — Mayflower Transit*, SBA No. SIZ-5902, at 2 (2018) (area office did not err in dismissing a size protest which “provided no reason to believe that [the challenged firm's] receipts, even when combined with those of the alleged affiliates, exceed the [ ] size standard.”).

On appeal, Appellant also maintains that AMS should be ineligible for award because AMS will not provide the product of a small business manufactured in the United States. This

argument fails because Appellant did not raise it in the underlying protest. Section I, *supra*. It is well-settled law that “[a]n area office has no obligation to investigate issues beyond those raised in the protest.” *Size Appeal of Bukkehave, Inc.*, SBA No. SIZ-5981, at 7 (2019) (quoting *Size Appeal of Fuel Cell Energy, Inc.*, SBA No. SIZ-5330, at 5 (2012)).

### III. Conclusion

Appellant has not established that the Area Office erred in dismissing Appellant's protest for lack of specificity. Accordingly, the appeal is DENIED and the size determination is AFFIRMED. This is the final decision of the U.S. Small Business Administration. 13 C.F.R. § 134.316(d).

KENNETH M. HYDE  
Administrative Judge