25.503 Group offers.

- (a) If the *solicitation* or an *offer* specifies that award can be made only on a group of *line items* or on all *line items* contained in the *solicitation* or *offer*, reject the *offer*-
- (1) If any part of the award would consist of prohibited end products (see subpart 25.7); or
- (2) If the *acquisition* is covered by the *WTO GPA* and any part of the *offer* consists of items restricted in accordance with 25.403(c).
- (b) If an *offer* restricts award to a group of *line items* or to all *line items* contained in the *offer*, determine for each *line item* whether to apply an evaluation factor (see <u>25.504-4</u>, Example 1).
- (1) First, evaluate *offers* that do not specify an award restriction on a *line item* basis in accordance with <u>25.502</u>, determining a tentative award pattern by selecting for each *line item* the *offer* with the lowest evaluated price.
- (2) Evaluate an *offer* that specifies an award restriction against the offered prices of the tentative award pattern, applying the appropriate evaluation factor on a *line item* basis.
- (3) Compute the total evaluated price for the tentative award pattern and the *offer* that specified an award restriction.
- (4) Unless the total evaluated price of the *offer* that specified an award restriction is less than the total evaluated price of the tentative award pattern, award based on the tentative award pattern.
- (c) If the *solicitation* specifies that award will be made only on a group of *line items* or all *line items* contained in the *solicitation*, determine the category of *end products* on the basis of each *line item*, but determine whether to apply an evaluation factor on the basis of the group of items (see <u>25.504-4</u>, Example 2).
- (1) If the proposed price of *domestic end products* exceeds 50 percent of the total proposed price of the group, evaluate the entire group as a *domestic offer*. Evaluate all other groups as *foreign offers*.
- (2) For *foreign offers*, if the proposed price of *domestic end products* and *eligible products* exceeds 50 percent of the total proposed price of the group, evaluate the entire group as an *eligible offer*.
- (3) Apply the evaluation factor to the entire group in accordance with 25.502.
- (d) If no trade agreement applies to a *solicitation* and the *solicitation* specifies that award will be made only on a group of *line items* or all *line items* contained in the *solicitation*, determine the category of *end products* (*i.e.*, domestic or foreign) on the basis of each *line item*, but determine whether to apply an evaluation factor on the basis of the group of items (*see* 25.504-4(c), Example 3).
- (1) If the proposed price of domestic end *products* exceeds 50 percent of the total proposed price of the group, evaluate the entire group as a *domestic offer*. Evaluate all other groups as *foreign offers*.
- (2) Apply the evaluation factor to the entire group in accordance with 25.502, except where 25.502(c)(4) applies and the evaluated price of the low *offer* remains less than the lowest *domestic offer*. Where the evaluated price of the low *offer* remains less than the lowest *domestic* offer, treat as

a *domestic offer* any group where the proposed price of *end products* with a domestic content of at least 55 percent exceeds 50 percent of the total proposed price of the group.

(3) Apply the evaluation factor to the entire group in accordance with 25.502(c)(4).

Parent topic: Subpart 25.5 - Evaluating Foreign Offers-Supply Contracts