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Email: ibell@thecgp.org
Organization: The Coalition for Government Procurement

General Comment

Please see the attached PDF document.

Attachments

The Coalition for Government Procurement TDR Comments Final 10 21 2022



October 21, 2022

Mr. Jeffrey A. Koses
Senior Procurement Executive
Office of Government-wide Policy
General Services Administration
1800 F. St., N.W.
Washington, D.C. 20405

RE: Information Collection 3090-0306, Transactional Data Reporting

Dear Mr. Koses:

The Coalition for Government Procurement (Coalition) appreciates the opportunity to submit comments regarding the General Services Administration's (GSA) request for extension of the information collection requirements for Transactional Data Reporting (TDR).

The Coalition is a non-profit association of firms selling commercial services, products, and solutions to the Federal Government. Our members collectively account for tens of billions of dollars of the sales generated through the GSA Multiple Award Schedules (MAS) program, VA Federal Supply Schedules (FSS), the Government-wide Acquisition Contracts (GWAC), and agency-specific multiple award contracts (MAC). Coalition members include small, medium, and large businesses that account for more than \$145 billion in Federal Government contracts. The Coalition is proud to have worked with Government officials for more than 40 years towards the mutual goal of common-sense acquisition.

The Coalition supports the introduction of TDR as an optional measure for the Schedules program based on its ability to improve supply chain resilience, provide price transparency, and promote policy objectives, like sustainable acquisition. TDR eliminates the need for compliance-intensive Price Reduction Clause (PRC) and Commercial Sales Practice (CSP) disclosures. The PRC and CSP are not as effective as TDR in securing accurate, actionable pricing data, they drive higher prices in the market, and present a high barrier to entry into the federal marketplace, thereby stifling competition.

Based on an examination of the PRC and CSP's history and their current anti-competitive impact, the Coalition believes that TDR represents a natural evolution of the tools associated with price evaluation (the PRC and the CSP). After reviewing the results of a survey of our members, we generally support GSA's assessment of the burden of TDR, but we believe that it underestimates the average burden of automated reporting in both absolute time required and the complexity of the process. Finally, we make two recommendations which we believe will improve TDR: to expand the use of TDR as an option across the MAS Program, and to provide further guidance and training on the use of TDR data.

Transactional Data Reporting: A Natural, Useful Evolution of the Schedule Pricing Policy

I. The Utility of TDR

The Coalition supports extending TDR as an option for all Special Item Numbers (SINs) under the MAS program. In response to the GSA Office of the Inspector General's September 30, 2022, report on MAS Contract Pricing, Federal Acquisition Service Commissioner Hashmi stated:

We see transactional data as one of the keys to achieving more modern business practices. TDR improves stewardship of taxpayer dollars by empowering customer agencies to engage in smarter buying behaviors and reduces administrative burden for easier access to the Federal Marketplace. This includes assisting the Government with implementing important public policy objectives such as:

- protecting national security through supply chain risk management,
- reducing the impact of climate change through sustainable acquisition,
- reducing regulatory and administrative burden and,
- reducing pricing in the MAS Program.

We agree that transactional data potentially serves many valuable objectives. In particular, TDR reduces the regulatory and administrative burden in the Federal marketplace. Contractors that transition to the use of TDR (or new contractors who are participating in certain FSS, GWAC, or IDIQ contracts for whom TDR is mandatory) are no longer required to disclose their CSP under the MAS Requests for Information Other Than Cost or Pricing Data clause, Alternate IV of FAR 52.215-20 (almost always using the suggested Commercial Sales Practices Format (CSPF-1), even though it is not *de jure* required) when negotiating a new Schedule contract. So too, relying on TDR eliminates the need to comply with the PRC.¹

When initially establishing a MAS contract, the CSP requires the contractor to disclose its standard commercial practices and its best discounts and concessions so that GSA can negotiate a price at the MAS contract level that is as close as possible to the prices and discounts that the contractor grants its most favored customer. GSA then seeks to maintain that contract level pricing and discount position throughout the life of the MAS contract through the PRC. Prior to the award of the contract, the offeror and contracting officer "agree upon (1) the customer (or category of customers) which will be the basis of award, and (2) the Government's price or discount relationship to the identified customer (or category of customers)."² Contractors must report all price reductions offered to the PRC tracking customer for the life of the contract. Unless an exemption applies, the MAS contract price will be lowered to reflect the applicable price reduction, including for any task orders made against the contract during the time between the triggering offer/sale and its report.

As GSA itself recognizes³, however, problems with the design of the PRC and CSP indicate that it is not well-suited for this goal in the current commercial business environment. Fundamentally, they impose a costly compliance burden for MAS contractors that serves as a barrier to entry into the federal

¹ GSAM 552.238-81.

² *Id.*

³ See "Overview" in 48 CFR Parts 501, 515, 516, 538, and 552, 81 Fed. Reg. 41,104 (Jun. 23, 2016).

marketplace, and thus, they can lead to *an increase in prices paid* by the government for supplies and services under the Schedules program. Additionally, they do not address dynamics in the ecosystem, including changes in the federal and commercial markets, the evolution of Federal customer requirements, new regulations applicable to the MAS program, and the effects that have evolved over time.

On the other hand, TDR takes a more streamlined, market-driven (and thus, relevant) approach to achieving GSA's pricing objectives than the PRC and CSP by using the actual prices paid by federal customers for a given order under the MAS program. TDR requires that contractors submit monthly reports on their actual Schedule sales at the order level. TDR does not require an initial commercial practices disclosure and continual PRC tracking throughout the life of the contract. Under TDR, GSA assesses initial contract-level pricing, in part, through horizontal comparisons between a contractor's proposed pricing, collected transactional data, and other sources. This approach is consistent with Federal Acquisition Regulation (FAR) 15.404-1(b). Ongoing price reasonableness is maintained by comparing existing contract prices to transactional and other pricing data. Through this approach, then, the use of TDR eliminates the barrier to entry the PRC and CSP pose without sacrificing the goals of these provisions.

II. TDR: A Natural Development in the History of the Schedules Program

The PRC and commercial sales disclosures have changed significantly over time in response to the market and to improve their utility and reduce burdens on the supplier base. The continued expansion of TDR is a logical extension of that history.

The PRC dates to at least 1957, when a clause labelled "Price Reductions" appears as Article 13 of the General Provisions for Federal Supply Service (FSS) contracts, although GSA officials testified in the first GSBCA case interpreting Article 13 that it had been in use even earlier.⁴ This version required that if a contractor "reduce[d] the comparable price of any article or service" offered to *any* commercial customer, the contractor had to report the reduction to the government. The government then would be entitled to a "proportional reduction" in the MAS contract price for any orders placed after the triggering offer had taken place. A revised version of this clause that narrowed what constituted a triggering reduction was incorporated into the General Services Administration Procurement Regulations (GSPR), the ancestor of the modern GSAM, in 1967, and it was revised repeatedly over the next two decades.⁵

The current PRC emerged when GSA issued a new version of the clause in its 1982 Multiple Award Schedules Policy statement that incorporated the "Basis of Award" (BOA) concept. The introduction of the BOA narrowed the clause's application, but vendors still were required to report and explain price reductions to any customers, even if they did not trigger the clause. Significantly, the 1982 clause still provided that any discount (except for temporary, time-limited reductions that lasted only thirty days) offered to a federal purchaser would trigger the clause, effectively disincentivizing companies from offering discounts to schedule purchasers.

⁴ John A. Howell, A Clause in Search of Meaning: A Critical Dissection of the Price Reductions Clause (Plus Suggestions for Reform), 37 PUB. CONT. L.J. 337 (2008), 340-41.

⁵ *Id.*, 342-47.

GSA also addressed commercial sales practices in the 1982 policy statement. It required contractors to use the Discount Schedule and Marketing Data (DSMD) form to report their standard commercial practices, discounts, and pricing structure in their initial schedule proposal. In 1992, the First Circuit Court of Appeals found that “read ... literally,” the DSMD would require contractors to disclose every discount that they had ever made to any customer. (*U.S. v. Data Translations*⁶). The court declined to find the form unlawful, but it warned that, even if the record was construed in favor of the government, the DSMD demanded only a “‘practical’ effort to supply *relevant* price discount data.”⁷

To address these issues, GSA rewrote the PRC in 1994 to require that contractors report only price reductions to BOA customer(s) and to no longer count Federal discounts as triggers. In 1997, GSA resolved the issues raised by the First Circuit by replacing the DSMD with the Commercial Sales Practices (CSP) disclosure format used today.

Requiring considerably less information than the DSMD, the CSP specifies that contractors supply information on the dollar value of sales for the offeror’s last fiscal year or previous 12-month period, on projected annual sales under the contract, and on discounts and prices that are better than what the government would receive under the proposed contract (if the government is the most favored customer, the contractor simply provides the prices and discount proposed under the contract, alongside the other customers that receive that price). Aside from a 2004 change⁸ indicating that offers made to state and local governments through the Schedules would not trigger the clause, the PRC’s substance remains unchanged since the 1994 revision.

The PRC and its accompanying commercial practice disclosures have evolved to become simpler over time and to cover a narrower range of cases than in the past. Contractors today disclose a smaller and more relevant portion of their commercial practices during negotiations than they did via the DSMD, and price reductions are only triggered when price reductions are made to the tracking customer under similar terms and conditions.

Significantly, the 1990’s evolution of the PRC also saw elimination of the requirement that any discount (except for temporary, time-limited reductions that lasted only thirty days) offered to a federal purchaser would trigger the clause. The PRC trigger for federal purchases had effectively disincentivized companies from offering discounts to schedule purchasers, leading to a static Schedules marketplace. Elimination of this requirement was the first opening for real task order competition driven by agency-specific requirements. At the same time, GSA implemented continuous open seasons to reduce barriers to entry for commercial firms, eliminated the mandatory use requirement for customer agencies, and implemented competitive ordering procedures. These steps reflected a policy focus on driving competition and overall value through external pro-competition measures rather than relying on contractual pricing mechanisms.

Thus, even though TDR abrogates the PRC and commercial sales disclosures, it is best understood as a part of the evolution of these measures, not a radical departure. GSA consistently recognized that the PRC and CSP were restrictive and burdensome given the commercial marketplace it faces, and it adjusted them in response. The rationale that drove GSA to create the CSP in 1997 and eliminate the

⁶ *U.S. v. Data Translation, Inc.*, 984 F.2d 1256 (1st Cir. 1992)

⁷ *U.S. v. Data Translation, Inc.*, 984 F.2d 1256, 1263 (1st Cir. 1992)

⁸ 48 CFR Parts 511, 516, 532, 538, 546, and 552 69 Fed. Reg. 28,063 (May 18, 2004).

DSMD, for instance, bears a remarkable resemblance to the case for eliminating the CSP and adopting TDR today:

This final rule represents a continuation of GSA's efforts to reinvent the MAS program in order to move the program to a future environment of greater use of commercial practices, increased competition, and greater responsibility for making smart buying decisions within the framework of the MAS program by contracting personnel at the front-line closest to the need.⁹

III. The Next Evolutionary Stage: TDR Addresses the Remaining Challenges of the PRC and CSP

There is a strong body of evidence that the PRC and CSP cannot address the needs of the current government purchasing environment. The use of TDR, however, can address this deficiency.¹⁰

From an economic perspective, the tracking and reduction concepts built into the PRC work against the goal of achieving fair and reasonable prices. Ensuring compliance with the PRC raises transaction costs for businesses participating in the Schedules, thereby raising the end costs of MAS contracts and the price the schedule purchaser pays.¹¹ These transaction costs, which, because of the uncertainty surrounding post-award audits and potential False Claims Act actions, are potentially very high, discourage participation and competition on the Schedules that would drive down prices. Additionally, the PRC risks increased prices to the government because the uncertainty of future price and market burdens incentivizes contractors to account for that risk in MAS contract price negotiations.¹²

Further, the PRC represents fundamentally flawed economic policy that drives higher prices in the commercial market. Under the PRC, schedule contractors are constrained from offering lower prices in the commercial market for fear of implicating/triggering the PRC under their MAS contracts. The PRC makes clear that, as a condition of obtaining a federal contract designed to support everyday customer agency mission needs, commercial firms can no longer compete freely in the commercial market. This "anti-trust-like" like provision limits opportunities for small, medium and large businesses competing in the private sector. Lost opportunities and higher prices resulting from the PRC negatively impacts employment, business growth, and profitability in the commercial market.

TDR does carry reporting burdens for contractors, but, as we discuss in (II), a survey of our members suggests that those burdens are significantly lower than the burdens imposed by the PRC and CSP. There is no reason to assume that this finding would change with continued expansion of the use of TDR, as the most important burdens and risks, namely the burden of avoiding a triggering reduction and the risk of an adverse legal action, which can be many times more costly than reporting, would be mitigated or eliminated. Indeed, initial contract prices will be kept in check by appropriate horizontal comparisons with prices offered by competing firms. Thus, GSA stands on firm ground when it asserts that the use of TDR will lead to the "lowest overall cost alternative" for the government.

⁹ 62 Fed. Reg. 44,518.

¹⁰ Previous advisory groups have come to similar conclusions---both the 2007 Services Acquisition Reform Act and the 2010 Multiple Award Schedule Advisory Panel recommended GSA consider alternatives to the PRC

¹¹ Aaron E. Woodward, *The Perverse Effect of the Multiple Award Schedules' Price Reductions Clause*, 41 PUB. CONT. L.J. 527 (2012), 556.

¹² Cf. Studies conducted on the VA Federal Supply Schedules program and the federal government's Medicaid program, both of which were affected by the same price reduction provision, *id.* at 550.

Notwithstanding the foregoing economic discussion, however, several other factors still weigh in favor of transitioning from the PRC/CSP to TDR. First, since the creation of the 1984 PRC, the commercial environment has changed considerably, making the PRC difficult to administer and less effective. In 1984, firms usually had catalogs with fixed prices and established commercial practices for providing discounts and concessions.

Pricing today has become far more dynamic. With the advent of telecommunications technology and the rapid exchange of information, firms change prices instantaneously. In addition, as bundled, customized solutions supplant traditional business models, many firms no longer have stable price lists. Their standard commercial practice is to offer prices to prospective clients based on a request for proposal, a practice intrinsically ill-suited to monitoring through the PRC because terms and conditions vary among orders. Consider cloud services that are essential to the Federal technology ecosystem. With pricing based on the commercial market via consideration of numerous consumer requirements and market demand, it does not make sense¹³ to force these services to conform to the procedures and restrictions of the PRC and CSP.

The demand for services among Federal purchasers has increased in line with the commercial market to the point that services make up the majority of Schedule sales in dollar terms. Professional Services were the second largest category by gross sales on the Schedules in Fiscal Year 2021, and much of the largest category, Information Technology, is also comprised of services.¹⁴ We do have concerns, as we address in (III), that transactional data may have limited utility when pricing services and solutions. Nevertheless, TDR would help by ending the need for contractors (i) to monitor what offerings it makes to its BOA customers and (ii) to determine whether an offering constitutes a price reduction.

Another important consideration is that changes to the MAS program itself that increase task-order level competition have made the PRC and contract-level pricing less important. As GSA noted in response to the OIG's recent report, *FAS Cannot Provide Assurance That MAS Contract Pricing Results in Orders Achieving the Lowest Overall Cost Alternative*, the PRC and commercial sales disclosures, which fundamentally are contract-level pricing measures and which establish a ceiling price, are no longer the sole means that GSA uses to assure customers that they are receiving the lowest overall cost alternative. Digital tools, like GSA Advantage!, allow purchasers to compare prices easily for the millions of supplies and services on Schedule. The FAR also mandates competitive procedures for most ordering activity through MAS. For purchases of supplies and services that exceed the Micro Purchase Threshold, but not the Simplified Acquisition Threshold (SAT), contracting officers must compare at least three sources. For purchases exceeding the SAT, the contracting officer must run a competition through GSA E-Buy and request a price reduction from the contractor. If sufficiently robust competition is not found, or the contracting officers decide to deviate from competitive procedures at any level, they must provide written justifications for their decisions. These measures work together to create competitive markets among contractors at the task-order level and drive prices downward without the PRC. GSA's own

¹³ FAR & Beyond blog, "'Seeding the Schedules Cloud' – What's the Forecast?" February 19, 2021. <https://thecgp.org/seeding-the-schedules-cloud-whats-the-forecast.html>

¹⁴ General Services Administration. FAS Schedules Sales Query Plus. <https://d2d.gsa.gov/report/fas-schedule-sales-query-plus-ssq>

assessments and independent evaluations, which have found that MAS is less expensive than other government contract vehicles and is competitive with the commercial market, confirm their success.¹⁵

Moreover, 41 USC 152(3), when discussing competitive procedures, recognizes that competitive procedures established by the GSA Administrator are to include those resulting “in the lowest **overall** cost alternative to meet the needs of the Federal Government.” (Emphasis added.) This standard is important because it reflects a recognition that there are multiple program drivers associated with procurement, like time, system compatibility, supply chain continuity, and administrative cost, that impact price and yield a Total Acquisition Cost (TAC). A narrow fixation simply on the lowest price, rather than TAC, could yield a perverse result where the government’s administrative cost of chasing the lowest price exceeds the benefit of isolating that price. Such a result is hinted at in GSA’s [proposed TDR rule](#), where it noted that only 3% of contract price reductions under the PRC came from the tracking customer process, notwithstanding the PRC’s unnecessary compliance cost impact on businesses, especially small businesses. Rather, “[t]he vast majority (approximately 78 percent) came as a result of commercial pricelist adjustments and market rate changes, with the balance for other reasons.”¹⁶

Finally, despite the attempts at reform discussed in (I)(ii), improvements to the CSP and PRC have not reduced compliance burdens as much as hoped. The replacement of the DSMD with the CSP represented, on its face, an improvement in contractor’s initial information collection burden. As we noted in our 2013 White Paper on MAS Pricing, however, most solicitations additionally require line-item pricing disclosures through a “discount proposal spreadsheet” or “MFC pricing matrix.” These disclosures do not entail as much historical data as the DSMD theoretically did. Yet, they are nearly as broad in the type of information required, and they can be misleading. A single good or service might be “discounted” when bundled as part of a transaction, but that does not mean it makes sense for the government to pursue the same discount in negotiations for that item purchased alone.

Additionally, compliance with both the CSP and PRC remains excessively challenging, and reforms have not solved the problem. The introduction of the CSP, although well-intentioned, perpetuated the legal risk created by past commercial sales practice disclosure measures because it lacked a definition of the ambiguous term “standard commercial sales practice.” Even when contractors make good-faith efforts to disclose their commercial practices, they still may be vulnerable to actions under the False Claims Act because others could take a different view of what constitutes a standard commercial practice.

PRC compliance is also a challenge from a logistical perspective. In its report, *Major Issues from Multiple Award Schedules Audits, Audit Memorandum Numbers A120050–3 and A120050–4*, the GSA OIG found that nearly half of all vendors had inadequate sales monitoring systems and billing systems to ensure proper administration of the price reduction and billing provisions. The problem, however, is not that half of all vendors are ill-intentioned; it is that the PRC’s demands are too great. Our member survey results show that the TDR has a significantly lower reporting burden for most contractors, which

¹⁵ Sonny Hashmi, “Response to Draft Report FAS Cannot Provide Assurance that MAS Contract Pricing Results in Orders Achieving the Lowest Overall Cost Alternative (A200975),” Appendix B at 5 in “FAS Cannot Provide Assurance that MAS Contract Pricing Results in Orders Achieving the Lowest Overall Cost Alternative,” (A200975), <https://www.gsaig.gov/sites/default/files/audit-reports/A200975%20-%20Final%20Report%20-%20Redacted%20-%2009.30.22.pdf>

¹⁶ <https://www.federalregister.gov/documents/2015/03/04/2015-04349/general-services-administration-acquisition-regulation-gsar-transactional-data-reporting>.

mitigates the aforementioned challenges while maintaining the government's ability, through existing legal and regulatory mechanisms, to punish bad actors who misreport transactional data.

By allowing contractors to choose whether to take on the compliance burden and legal exposure associated with the PRC and CSP, an optional TDR model will reduce one of the most serious burdens in the MAS program and create a more competitive and vibrant MAS marketplace. Rather than raising concerns that the MAS program will not comply with CICA, as the GSA OIG has asserted, TDR fits within the history of the development of the MAS program and solves both the PRC's fundamental and accumulating practical problems. Its adoption will lower prices for customers, allow MAS to meet the demands of CICA mandate better, and improve conditions for contractors.

GSA's Estimate of the Public Burden of this Information Collection, Assumptions and Methodology

To answer GSA's question about the accuracy of the TDR estimates in the information collection notice, the Coalition surveyed its members on the regulatory burden of the program. Overall, 75% of survey respondents reported that the regulatory burden has decreased because of transitioning to TDR. When comparing TDR to the PRC, the data shows dramatic support for TDR, with only 2% of survey respondents supporting the PRC over TDR, 10% neutral, and 88% preferring TDR. Finally, 88% of respondents asserted that TDR has reduced the risk associated with their MAS contract.

The Coalition agrees with much of GSA's estimate on the public burden of this collection, including the varying rates of labor and the time burden of manual collection. Regarding the estimated monthly hours spent on TDR with an automatic system in the information collection notice, GSA estimates a reporting burden of 2 hours a month, regardless of the size of the company. Member estimates, however, are higher at nearly 10 hours a month. Members noted that the burden of the automated system is not limited to pulling the information from the system, but also includes the several layers of review necessary to ensure that accurate information is provided to GSA. This review often includes cross connecting the data with invoicing, billing, shipping, orders, and quotes to ensure that the TDR information reported is accurate and reliable.

In addition to the extra hours spent on verifying that the information from automated systems is accurate, there are manpower requirements made necessary by challenges within the TDR reporting template. For example, for items under the Federal Strategic Sourcing Initiative for Office Supplies Fourth Generation (FSSI OS4) Federal Set, additional columns are needed, the completion of which requires manual entry. In addition, fields, such as state and local government, require that contractors manually enter N/A for every item that is not applicable. Finally, dashes and other special characters can confuse the system, which requires additional manual entry which adds to the reporting burden. Other than the assumptions regarding the automated system, the Coalition has no further comments regarding the public burden of collecting this data.

Ways to enhance the quality, utility, and clarity of the information to be collected.

The Coalition supports the continued rollout of the TDR as an option to all Schedule holders. There are, however, several enhancements that the Coalition suggests to improve the quality of the information provided through the program.

Support for the Expansion of TDR as an Option Across the MAS Program

TDR as an Option

Because TDR represents a natural progression in the modernization and streamlining of the MAS program, reduces regulatory burdens, and provides valuable pricing data upon which (in addition to other sources) GSA can make fair and reasonable pricing determinations, the Coalition supports the continued expansion of TDR as an option to all MAS contract holders. It is important to note, however, that TDR is not an optimal solution for all industries, products, and solutions. For example, TDR is not tenable for furniture contractors due to the highly customizable products (*e.g.*, material, size, fabric options, *etc.*) that they offer under the Schedules program. Requiring TDR reporting for these contractors would result in millions of lines of transactional data being reported to GSA on a monthly basis, which would be highly burdensome for the contractor and, more importantly, unusable by the government for price negotiations due to its sheer volume. Therefore, we believe that compliance with the PRC should remain an option for those contractors for which TDR is impractical due to unique circumstances.

Criticisms of the expansion of TDR have included concerns over the completeness of data, with the GSA OIG expressing concerns over a lack of comparability in fields leading to an inaccurate dataset. In GSA's response to the OIG's June 30, 2021, report, it was noted that, from FY 2018 to FY 2020, data completeness improved from 73.6% to 98.7%. GSA noted that this improvement reflects the growing maturity of the data, as well as input validations added to ensure data completeness. Although the expansion of TDR likely will come with further opportunities for improvement, the system has shown to increase its ability to provide reliable data over time.

TDR Provides Actual Prices Paid at the Order Level by Federal Customers vs the PRC

GSA should rely, as experience indicates it can, as much as possible on task order level competition to drive prices downward in this area. GSA's response to the OIG's June 30, 2021, report on the Transactional Data Reporting Pilot noted improvements in pricing under TDR when compared to the pricing obtained under Most Favored Customer pricing. This improvement comes from establishing prices at the order level in a competitive environment in response to known requirements compared to the prices available at the MAS contract level for an order of one. Evidence of this improvement can be seen in a comparison done by FAS that was noted in GSA's response. In an analysis of over 500,000 items reported by TDR vendors, MAS order level pricing was 6.5% lower than the median price on FedMall, 13.9% lower than the median on NASA SEWP, and 27.0% lower than the median price in the commercial marketplace. In addition to these benefits for customer agencies, GSA noted a decrease in contractor burden, which reduces industry cost, allowing those cost reductions, in a competitive environment, to be passed on to customer agencies in the form of reduced prices.

Further Training and Policy on the Use of TDR Data is Critical

As it continues to collect transactional data from contractors, it is critical that GSA develop additional guidance and training on the appropriate use of the data in price negotiations. For example, as the government fulfills its fiduciary duty to determine a fair and reasonable price, additional factors must be considered other than directly comparing prices. Comparisons in volume, demand, service, quality of product, and delivery time are key factors to note when viewing different prices under TDR. Guidance and training should be released ensuring that, for horizontal price analysis, price comparisons under TDR

are limited to identical items and that agencies should account for the quality and service provided with the item. As reflected in FAR 15.404-1(b)(ii), price analysis using historical pricing data is a multifaceted task where variations in facts and circumstances underlying the data directly impact its relevancy and utility in making price comparisons. In addition, as supply chain issues and other external factors fuel inflation, it is imperative that historical prices (however recent) are measured with proper contextualization. The importance of training cannot be overstated.

Again, the Coalition appreciates the opportunity to provide industry input in response to the request for extension of the information collection requirements for TDR. If there are any questions, I may be reached at rwaldron@thecgp.org.

Regards,

A handwritten signature in black ink, appearing to read 'RWaldron', with a long horizontal flourish extending to the right.

Roger Waldron
President