

U.S.C. 47(a)(2) and 41 CFR 51-2.3. Its purpose is to provide interested persons an opportunity to submit comments on the possible impact of the proposed actions.

If the Committee approves the proposed additions, all entities of the Federal Government (except as otherwise indicated) will be required to procure the services listed below from nonprofit agencies employing persons who are blind or have other severe disabilities.

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the services to the Government.

2. The action does not appear to have a severe economic impact on current contractors for the services.

3. The action will result in authorizing small entities to furnish the services to the Government.

4. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46-48c) in connection with the services proposed for addition to the Procurement List. Comments on this certification are invited. Commenters should identify the statement(s) underlying the certification on which they are providing additional information.

The following services have been proposed for addition to Procurement List for production by the nonprofit agencies listed:

Janitorial/Custodial

Keene USARC, 682 Main Street,
Keene, New Hampshire

NPA: Easter Seal Society of New
Hampshire, Manchester, New
Hampshire

Janitorial/Custodial

Craft Bros. USARC, 11 St. Anselm's
Drive, Manchester, New Hampshire

NPA: Easter Seal Society of New
Hampshire, Manchester, New
Hampshire

Janitorial/Custodial

Grenier Field USARC, Manchester,
New Hampshire

NPA: Easter Seal Society of New
Hampshire, Manchester, New
Hampshire

Janitorial/Custodial

Paul A. Doble USARC, 125 Cottage
Street, Portsmouth, New Hampshire

NPA: Easter Seal Society of New
Hampshire, Manchester, New

**Hampshire
Janitorial/Custodial**

Raymond Bisson USARC, 70
Rochester Hill Road, Rochester,
New Hampshire

NPA: Easter Seal Society of New
Hampshire, Manchester, New
Hampshire

Janitorial/Custodial

Rainbow Bridge U.S. Plaza, Niagara
Falls, New York

NPA: Niagara County Chapter,
NYSARC, Niagara Falls, New York

Switchboard Operation

Veterans Affairs Medical Center, 423
East 23rd Street, New York, New
York

NPA: The Corporate Source, Inc., New
York, New York

Beverly L. Milkman,

Executive Director.

[FR Doc. 97-26996 Filed 10-9-97; 8:45 am]

BILLING CODE 6353-01-P

**COMMITTEE FOR PURCHASE FROM
PEOPLE WHO ARE BLIND OR
SEVERELY DISABLED**

Procurement List; Additions

AGENCY: Committee for Purchase From
People Who Are Blind or Severely
Disabled.

ACTION: Additions to the Procurement
List.

SUMMARY: This action adds to the
Procurement List commodities and a
service to be furnished by nonprofit
agencies employing persons who are
blind or have other severe disabilities.

EFFECTIVE DATE: November 10, 1997.

ADDRESSES: Committee for Purchase
From People Who Are Blind or Severely
Disabled, Crystal Square 3, Suite 403,
1735 Jefferson Davis Highway,
Arlington, Virginia 22202-3461.

FOR FURTHER INFORMATION CONTACT:
Beverly Milkman (703) 603-7740.

SUPPLEMENTARY INFORMATION: On June
20, July 11, 18, August 22, 1997, the
Committee for Purchase From People
Who Are Blind or Severely Disabled
published notices (62 FR 33585, 37191,
38518 and 44637) of proposed additions
to the Procurement List.

*The following comments pertain to
Drain Plug Assembly (2590-00-299-
0739)*

Comments were received from the
current contractor for the drain plug
assembly, both through its counsel and
through the office of a Member of
Congress. The contractor indicated that
addition of this item to the Procurement
List would severely affect the company
in that it would lose sales and have to

close a production line, with the layoff
of several workers. The contractor also
stated that its subcontractors for plating,
heat treating, and painting of
components would be affected.

The contractor claimed that the
addition would eliminate at least one
proven supplier of the drain plug
assemblies, as the company could not
afford to maintain an idle production
line and would not be able to retool fast
enough to meet emergency
requirements. The contractor questioned
the nonprofit agency's capability to
meet emergency requirements and its
ability to produce the assembly at a
price comparable to that currently
offered by the contractor, claiming that
the addition will greatly increase the
Government's cost to obtain the item.
The contractor also indicated that
addition of the item to the Procurement
List was inconsistent with Government
policies to increase contracting with
small businesses.

The contractor indicated that the
drain plug assembly represented a very
small percentage of its Government
sales, and thus an even smaller
percentage of its total sales. These
percentages are well below the level the
Committee normally considers to
constitute severe adverse impact on a
contractor. In addition, we have been
informed that demand for the assembly
has been sharply reduced, so sales of the
item will represent an even smaller
amount in the future.

The nonprofit agency will be
assembling the components of the drain
plug assembly, so the contractor will
have the opportunity to provide these
components as a subcontractor and may
not have to shut its production line, lay
off workers, and remove itself from the
ranks of potential suppliers of the drain
plug assembly. Committee regulations
encourage nonprofit agencies to
subcontract with small businesses such
as the commenting contractor.

Although the contractor indicated that
its subcontractors would be providing
information to the Committee on how
the addition would affect them, we have
received no such information. It would
thus appear that any impact on these
subcontractors is not severe.

Assessments of Government
contractor capability normally include
capability to meet emergency
requirements that are in excess of
normal demands. Nonprofit agencies
participating in the Committee's Javits-
Wagner-O'Day (JWOD) Program are held
to the same capability standards as other
Government contractors. In this case,
the Government contracting activity
which buys the drain plug assembly
declined an opportunity to conduct a

capability inspection of the nonprofit agency, stating that it considered the nonprofit agency capable of producing the item. The Committee found the nonprofit agency capable based on the contracting activity's conclusion and an assessment by industrial engineers for the central nonprofit agency representing this nonprofit agency.

The Committee is required to set a fair market price for commodities, such as the drain plug assembly, which it adds to the Procurement List. The price, which is set through application of the Committee's Fair Market Pricing Policy, reflects the market for the item in question. This pricing mechanism ensures that the Government does not pay an unreasonable price for an item added to the Procurement List. In this case, the price was negotiated with the contracting activity, which believes the price is a fair one. Moreover, the negotiated price is only slightly above the contractor's current price, and below the recent contract price the contractor quoted in its comments. It is well below the high bid price the contractor also quoted.

The Committee does not believe that its addition of the drain plug assembly to the Procurement List is inconsistent with Government policy on increasing small business contracting. Like the Government's small business contracting programs, the JWOD Program is intended to increase Government contracting for its constituency. However, the JWOD Program is only a tiny fraction of the size of the Government's small business contracting programs. Consequently, the addition of the drain plug assembly to the Procurement List, though regrettable from the contractor's viewpoint, does not impair the Government's larger policy objectives for small business contracting as a whole.

The following comments pertain to File, Folder (7530-00-990-8884)

Comments were received in response to sales data requests sent to two companies, the current contractor for the file folder at the Ft. Worth depot and a company which supplies the folder to another Government depot. Both contractors claimed that this Procurement List addition would have a severe adverse impact on them. The current contractor for the Ft. Worth depot also indicated that it was continuing to be affected by earlier additions to the Procurement List, which had taken away business faster than the company could adapt to the losses, and submitted financial data to

support contentions about its current profitability.

The Committee decided to reduce the supply requirement being added to the Procurement List to 50 percent of the needs of the Ft. Worth depot to reduce the impact on contractors. At this level, the impact of the addition on the current contractor is below the level which the Committee normally considers to be severe adverse impact, even when any effects of previous additions and the contractor's current profitability are taken into account. The earlier impacts occurred in 1979 and 1995. The Committee notes that the current contractor's sales have risen significantly since those impacts occurred, so the Committee does not agree with the current contractor's contention that it has been unable to adapt to the losses it suffered.

The other contractor is not currently providing the folder to the Ft. Worth depot, so its objection is only to losing the opportunity to supply the folder in the future. The Committee does not consider this loss of a mere expectancy of a Government contract, by itself, to constitute severe adverse impact. In this case, because the Committee is leaving 50 percent of the Ft. Worth depot's supply requirement on the competitive market, the contractor will continue to have a chance to supply the requirement.

The following comments pertain to Bag, T-Shirt & Bag, Produce, Star Bottom (8105)

Comments were received from a current contractor for the bags. The contractor indicated that patents for the bags are controlled by two large oil companies which readily take action against any infringement of the patents. The contractor suggested that the patent requirements for the bags be researched before the nonprofit agency makes the bags.

Patent counsel for the nonprofit agency has researched the patents, and has advised the nonprofit agency and the Committee that the nonprofit agency's method of making the bags will not infringe the patents in question. Consequently, the Committee has concluded that the patents are not an obstacle to addition of the bags to the Procurement List.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the commodities and service and impact of the additions on the current or most recent contractors, the Committee has determined that the commodities and service listed below are suitable for

procurement by the Federal Government under 41 U.S.C. 46-48c and 41 CFR 51-2.4.

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the commodities and service to the Government.

2. The action will not have a severe economic impact on current contractors for the commodities and service.

3. The action will result in authorizing small entities to furnish the commodities and service to the Government.

4. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46-48c) in connection with the commodities and service proposed for addition to the Procurement List.

Accordingly, the following commodities and service are hereby added to the Procurement List:

Commodities

Plug Assembly, Drain
2590-00-299-0739
Folder, File, Pressboard
7530-00-990-8884
(50% of the requirements for the GSA Fort Worth, TX depot)
Bag, T-Shirt Style
8105-00-NIB-1023
(Requirements for DeCA Regions Midwest, Northwest, Southwest, Alaska & Hawaii)
Bag, Produce, Star Bottom
8105-00-NIB-1046
(Requirements for DeCA Regions Midwest, Northwest, Southwest, Alaska & Hawaii)

Service

Janitorial/Custodial
West Los Angeles USARC, Los Angeles, California

This action does not affect current contracts awarded prior to the effective date of this addition or options that may be exercised under those contracts.

Beverly L. Milkman,

Executive Director.

[FR Doc. 97-26997 Filed 10-9-97; 8:45 am]

BILLING CODE 6353-01-P