

**BAC RESOLUTION NO. 2023-70**

08 August 2023

**ACCEPTING THE OFFER OF MESSAGING SOLUTIONS PROVIDER, INC. FOR THE PROCUREMENT OF 2,000 PIECES OF DM300 PITNEY BOWES METERED MACHINE INK PURSUANT TO SECTION 50 OF THE 2016 REVISED IRR OF R.A. NO. 9184 AND RECOMMENDING THE AWARD OF THE CONTRACT FOR THE SAID PROJECT TO MESSAGING SOLUTIONS PROVIDER, INC.**

**WHEREAS**, there was a request for the Procurement of 2,000 Pieces of DM300 Pitney Bowes Metered Machine Ink from the Office of the Manager, Financial Management Department with Purchase Request No. 018-06-23;

**WHEREAS**, the Approved Budget for the Contract (ABC) for the said procurement project was Php 13,263,360.00, which is in accordance with the approved Annual Procurement Plan (APP) for CY 2023 of this Corporation;

**WHEREAS**, the said purchase request and other pertinent documents were forwarded to the Bids and Awards Committee (BAC) by the Manager, Logistics and Property Management Department (LPMD) in order to facilitate the procurement of the abovementioned project in accordance with R.A. No. 9184 and its 2016 Revised Implementing Rules and Regulations (IRR) and other applicable laws, rules and regulations;

**WHEREAS**, under circumstances, Section 50 and Annex "H" of the 2016 Revised IRR of R.A. 9184 allows the alternative method of procurement through Direct Contracting, as follows:

**"A. DIRECT CONTRACTING**

- 1. Definition.** Direct Contracting or single source procurement is a method of procurement of goods that does not require elaborate Bidding Documents. The supplier is simply asked to submit a price quotation or a pro-forma invoice together with the conditions of sale. The offer may be accepted immediately or after some negotiations. Direct Contracting may be resorted to under any of the following conditions:
  - a) Procurement of goods of proprietary nature which can be obtained only from the proprietary source, i.e., when patents, trade secrets, and copyrights prohibit others from manufacturing the same item;
  - b) When the procurement of critical components from a specific supplier is a condition precedent to hold a contractor to guarantee its



project performance, in accordance with the provisions of its contract;  
or

- c) Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the government.

To justify the need to procure through the Direct Contracting method, the End- User should conduct a survey of the industry and determine the supply source. In all cases where Direct Contracting is contemplated, the survey must be conducted prior to the commencement of the procurement process. Moreover, the End-User must justify the necessity for an item that may only be procured through Direct Contracting, and it must be able to prove that there is no suitable substitute in the market that can be obtained at more advantageous terms.

## 2. Procedure

- a) The BAC shall prepare the RFQ or pro-forma invoice together with the terms and conditions of sale, and shall send the same to the identified direct supplier.
- b) Simplified negotiations on the terms and conditions of the contract may be conducted by the BAC to ensure that the supplier is technically, legally and financially capable to deliver the goods at the most advantageous price and contract for the Government.
- c) The BAC shall recommend to the HOPE the award of contract in favor of the supplier. Award of contract shall be made in accordance with Section IV(L) of this Guidelines.”

**WHEREAS**, as per Certification issued by Pitney Bowes on 18 April 2023, Messaging Solutions Provider, Inc. (MSPI) is exclusively providing franking Machines/Postage Meters, Desktop Inserters, Address Printers, and its accompanied parts, consumables and software. MSPI likewise exclusively provides competent technical support, and comprehensive maintenance to the machines;

**WHEREAS**, the End-user certified that there is no suitable substitute in the market that can be obtained at more advantageous terms for the DM300 Ink Cartridge for Pitney Bowes Machine;

**WHEREAS**, Messaging Solutions Provider, Inc. submitted its price quotation for the said project on 27 July 2023 with a bid amount as follows:

Article	Unit Price	Total Amount
2,000 Pieces DM300 Pitney Bowes Metered Machine Ink	Php 6,631.68	Php 13,263,360.00

**WHEREAS**, the BAC, through its Technical Working Group (TWG), conducted a negotiation with Messaging Solutions Provider, Inc. regarding the price of the said ink;

**WHEREAS**, after conducting negotiation, Messaging Solutions Provider Inc. submitted its discounted price quotation on 07 August 2023, as follows:

Article	Unit Price	Total Amount
2,000 Pieces DM300 Pitney Bowes Metered Machine Ink	Php 6,631.68	Php 13,263,360.00
Less: Special Discount		198,960.00
Total Discounted Amount VAT inclusive		Php <b>13,064,400.00</b>

**WHEREAS**, upon review and evaluation of the request for quotation and other documentary requirements, the TWG recommended to BAC to accept the offer of Messaging Solutions Provider, Inc. and to recommend to the Board of Directors to award the contract for the said project to Messaging Solutions Provider, Inc.;

**NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE FOREGOING PREMISES**, the Post Office-BAC hereby resolves to accept the offer of **Messaging Solutions Provider, Inc.** (MSPI) and to recommend to the Board of Directors to award the Contract for the Procurement of 2,000 Pieces of DM300 Pitney Bowes Metered Machine Ink with a total contract price of Php **13,064,400.00** pursuant to Section 50 and Annex H of the 2016 Revised IRR of R.A. 9184.

**APPROVED**, this 8<sup>th</sup> day of August 2023, Pasay City.

**GUZMAN B. MELGAREJO, JR.**  
*Member*

  
**CAROL C. TERRADO**  
*Member*

**ANNIE T. BELMONTE**  
*Provisional Member*

**ALICIA N. SANTOS**  
*Provisional Member*

  
**PETER S. BARTOLOME**  
*Vice-Chairman*

  
**ENGR. ELIEZER V. ROSALES**  
*Member*

  
**ATTY. BENJIE S. YOTOKO, CPA**  
*Chairman*