



Republic of the Philippines
Department of Health

CENTRAL OFFICE BIDS AND AWARDS COMMITTEE

COBAC RESOLUTION NO. 2019-296-A

05 November 2019

**RECOMMENDING APPROVAL FOR THE AWARD OF CONTRACT FOR THE
PROCUREMENT OF BLOOD BAG LABEL
AND DONATION ID STICKERS WITH RIBBON AND COMPATIBLE PRINTER (RE-BID)
IB NO. 2019-081-A**

WHEREAS, an Open Competitive Bidding for the Procurement of Blood Bag Label and Donation ID Stickers with Ribbon and Compatible Printer was conducted in accordance with Republic Act (RA) 9184 and its 2016 Revised Implementing Rules and Regulations (IRR) through the General Appropriations Act of 2019 with a Total Approved Budget for the Contract (ABC) of One Million Nine Hundred Twenty Six Thousand Philippine Pesos (PhP1,926,000.00):

Item No.	Description	Qty.	Unit	Total ABC (PhP)	End-user
1	Blood Bag Label with Ribbon and Compatible Printer	480	Roll	576,000.00	Philippine Blood Center (PBC)
2	Blood Donation ID Stickers with Ribbon and Compatible Printer	2,400	Roll	1,350,000.00	National Voluntary Blood Services Program (NVBSP)
Total				1,926,000.00	

WHEREAS, the Purchase Requests (PRs) from the PBC and NVBSP were received;

WHEREAS, on 02 July 2019, a Mandatory Review and Pre-procurement Conference was conducted at 9:30 A.M. at the COBAC Conference Room, Building 6, Department of Health (DOH) to discuss the details of the procurement at hand;

WHEREAS, on 08 and 17 July 2019, the Central Office Bids and Awards Committee (COBAC) – C issued memoranda to the PBC and NVBSP requesting for the submission of the revised PRs;

WHEREAS, on 19 July 2019, a response memorandum from the PBC and NVBSP was received, informing the COBAC-C that they have no revision on the technical specifications for Item No.1, however a revised PR will be submitted for Item No. 2;

WHEREAS, on 23 July 2019, the cited memorandum was presented to the COBAC-C during its 26th Regular Meeting. Upon deliberation, the Committee decided to follow up the submission of the revised PR for Item No. 2;

WHEREAS, on 26 July 2019, the COBAC-C issued a memorandum to the NVBSP following-up the submission of the revised PR for Item No. 2;

WHEREAS, on 29 July 2019, another memorandum was received from the PBC and NVBSP informing the Committee that they will retain the original technical specifications for Item No. 2;

WHEREAS, on 31 July 2019, the cited memorandum was presented to the COBAC-C during its 27th Regular Meeting. Upon deliberation, the Committee decided to commence with the procurement process;

WHEREAS, on 05 August 2019, the Invitation to Bid (IB) was posted in the PhilGEPS website and in conspicuous places within the premises of the DOH for a continuous period of seven (7) calendar days;

WHEREAS, the Technical Working Group (TWG) was created through the issuance of Department Personnel Order (DPO) COBAC No. 2019-321 dated 06 August 2019;

WHEREAS, a Bid Bulletin No. 1, dated 13 August 2019, was issued to announce the new schedule of the Pre-bidding Conference and the Submission and Opening of Bids, to wit:

Activity	From	To
Pre-bidding Conference	13 August 2019; 10:00 AM	20 August 2019; 10:00 AM
Submission and Opening of Bids	27 August 2019; 9:00 AM	03 September 2019; 9:00 AM

WHEREAS, on 20 August 2019, the Pre-bidding Conference took place as re-scheduled at 10:00 A.M. at the COBAC Conference Room, DOH and three (3) prospective bidders attended the cited conference, namely:

1. Newton Integrated Solutions, Inc. (NISI);
2. Topbest Printing Corporation (TPC); and
3. Symbol Sciences, Inc. (SSI)

WHEREAS, on 23 August 2019, the Minutes of Meeting of the Pre-bidding Conference was posted in the DOH website;

WHEREAS, on the same date, the COBAC-C issued a memorandum to the PBC and NVBSP requesting for clarification on the issues and concerns raised during the cited conference;

WHEREAS, on 29 August 2019, a memorandum was received from the End-users informing that they decided to retain the technical specifications for both items;

WHEREAS, on 03 September 2019, the cited response from the End-users was presented to the COBAC-C during its 31st Regular Meeting and upon review, the Committee noted the information;

WHEREAS, on the same date, the Submission and Opening of Bids took place as re-scheduled at 9:00 A.M. at the COBAC Conference Room, DOH. Two (2) prospective bidders purchased the bidding documents and submitted their respective proposals, namely:

1. TPC; and
2. ARXA Technology Solutions Co. (ARXATSC)

WHEREAS, the first envelopes, containing the Eligibility and Technical Documents were individually opened and the presence, completeness and correctness of all the documents were verified by the COBAC-C in the presence of the prospective bidders' representatives. Upon examination, all bidders were declared "ELIGIBLE";

WHEREAS, the second envelopes, containing the Financial Proposal were individually opened and the presence, completeness and correctness of the Financial Documents were verified by the COBAC-C in the presence of the bidders' representatives. Upon examination, all "ELIGIBLE" bidder were rated "PASSED" and subsequently their proposals were read out publicly and posted in the Abstract of Bids, to wit:

Name of Company					ARXATSC	TPC
Bid Security					Bid Securing Declaration (BSD)	BSD
Amount					N/A	N/A
Validity					N/A	N/A
REMARKS					ELIGIBLE AND PASSED	ELIGIBLE AND PASSED
Item No.	Item Description	QTY.	UNIT	TOTAL ABC (PhP)	BID PRICE AS READ (PhP)	
1	Blood Bag Label with Ribbon and Compatible Printer	480	Roll	576,000.00	432,000.00	566,400.00
2	Blood Donation ID Stickers with Ribbon and Compatible Printer	2,400	Roll	1,350,000.00	948,000.00	1,345,200.00
Total				1,926,000.00	1,380,000.00	1,911,600.00

WHEREAS, the COBAC-C declared ARXATSC as the lowest bidder for Item Nos. 1 and 2 subject to further review and correction of the financial bid to determine the bona fide Lowest Calculated Bid (LCB);

WHEREAS, the bids for the items listed below were found to be substantially complying:

Item No. 1 – 480 rolls of Blood Bag Label with Ribbon and Compatible Printer

Bidder No.	Name of Company	ABC (PhP)	Bid as Calculated Amount (PhP)	% Variance from ABC
1	ARXATSC	576,000.00	432,000.00	25.00%
2	TPC		566,400.00	1.66%

Item No. 2 – 2,400 rolls of Blood Donation ID Stickers with Ribbon and Compatible Printer

Bidder No.	Name of Company	ABC (PhP)	Bid as Calculated Amount (PhP)	% Variance from ABC
1	ARXATSC	1,350,000.00	948,000.00	29.77%
2	TPC		1,345,200.00	0.35%

WHEREAS, on 04 September 2019, the evaluation of the financial proposals of ARXATSC and TPC were undertaken by the designated TWG-Financial;

WHEREAS, on the same date, the detailed evaluation of the submitted proposal on the legal and technical aspects of the submitted documents of LCB were undertaken by the designated TWG Technical and Legal evaluators;

WHEREAS, on 09 September 2019, the TWG-Financial evaluator ranked ARXATSC as the LCB, found its bid “complying” and submitted its report;

WHEREAS, on 10 September 2019, the Abstract of Bid as Calculated was presented to the COBAC-C during its 32nd Regular Meeting and decided to proceed with the Post-qualification of ARXATSC;

WHEREAS, on the same date, the COBAC-C issued a letter through electronic mail (e-mail) to ARXATSC requesting for the submission of the Post-qualification requirements within a non-extendible period of five (5) calendar days upon receipt of the notification;

WHEREAS, on 16 September 2019, ARXATSC submitted its Post-Qualification requirements within the prescribed period;

WHEREAS, on the same date, the TWG conducted the Post-qualification evaluation;

WHEREAS, on 24 September 2019, upon evaluation, the TWG found the following findings and submitted its report:

Particular	Requirement	Finding
1. Plain Blood Bag Label Sticker with Ribbon and Compatible Printer	<p>A. Blood Bag Label Sticker Technical specifications</p> <ol style="list-style-type: none"> 700 pieces per roll Size: 97mm (length) x 71mm (width) vertically oriented with 2mm gap on all sides with rounded edge labels Label core size: 1 inch Label must be able to stick on blood donation bags <p>B. Ribbon Technical Specifications</p> <ol style="list-style-type: none"> Material: Resin Thermal Transfer Ribbon (face out) 	<p>Non-submission of documentary proof.</p> <p>As stated in the Bidding Documents, Technical Specifications, Bidder's statement of compliance must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. Evidence shall be in the form of manufacturer's un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A</p>

	<p>2. Ribbon core size: ½ inch with knots on both sides</p> <p>3. Core width: 110 mm</p>	statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection.
	<p>1. Label must be able to withstand temperature from -20°C to -80°C. Material can be able to withstand extreme cold conventional printing technologies Litho-offset, flexographic letterpress and screen.</p> <p>2. Label must be able to withstand extreme cold temperature without peeling off from the bag after sticking the labels on it for an extended period of 24 months (2 years)</p>	Failed to comply with the requirement. The service temperature indicated in the evidence submitted is -54°C to -93°C as against the Purchaser's specification of -20°C to -80°C.
	Latest Business Tax Return filed thru Electronic Filing and Payment System (EFPS) duly validated with the tax payments made thereon also refers to the Value Added Tax (VAT) or Percentage Tax Returns covering the previous six (6) months (per Revenue Regulations 3-2005);	Non-submission of the requirement.
	Product Demonstration	<ul style="list-style-type: none"> • At -80°C, label easily peeled/removed • At -80°C, label did not stick completely in the blood bag
2. Donation ID Sticker and Compatible Printer	<p>A. Blood Bag Label Sticker Technical specifications</p> <p>1. Quantity per roll: 2,000 pieces per roll</p> <p>2. Size: 2 inches (length) x 1 inch (width) vertically oriented with 2mm gap on all sides with rounded edge labels</p> <p>B. Ribbon Technical Specifications</p> <p>1. Color of Ribbon: Black</p> <p>2. Ink: The ink should be free from lead, cadmium, antimony and arsenic. Certificate of Analysis is required or MSDS from the manufacturer of the thermal ribbon</p>	<p>Non-submission of documentary proof.</p> <p>As stated in the Bidding Documents, Technical Specifications, Bidder's statement of compliance must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. Evidence shall be in the form of manufacturer's un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection.</p>
	<ul style="list-style-type: none"> • Label must be able to withstand temperature from -20°C to -80°C. Material can be able to withstand extreme cold conventional printing technologies Litho-offset, flexographic letterpress and screen. • Label must be able to withstand extreme cold temperature without peeling off from the bag after sticking the labels on it for an extended period of 24 months (2 years) 	Failed to comply with the requirement. The service temperature indicated in the evidence submitted is -54°C to -93°C as against the Purchaser's specification of -20°C to -80°C.
	<ul style="list-style-type: none"> • The ratio of the label against the ribbon is 2:1 (2 rolls of label is to 1 roll of resin ribbon) 	Failed to comply with the requirement.

	Latest Business Tax Return filed thru Electronic Filing and Payment System (EFPS) duly validated with the tax payments made thereon also refers to the Value Added Tax (VAT) or Percentage Tax Returns covering the previous six (6) months (per Revenue Regulations 3-2005);	Non-submission of the requirement.
	Product Demonstration	<ul style="list-style-type: none"> • At -80°C, label easily peeled/removed • At -80°C, label did not stick completely in the blood bag

WHEREAS, on the same date, the cited TWG report was presented to the COBAC-C during its 33rd Regular Meeting. Upon further review, the Committee concurred with the recommendation of the TWG and declared ARXATSC "Non-Responsive". Further, the Committee decided to proceed with the Post-qualification evaluation of the 2nd LCB, TPC;

WHEREAS, on 30 September 2019, the COBAC-C issued a notice of post-disqualification e-mail to ARXATSC based on the above-cited findings;

WHEREAS, on the same date, the COBAC-C issued a letter to TPC through e-mail requesting for the submission of the Post-qualification requirements within a non-extendible period of five (5) calendar days upon receipt of the notification;

WHEREAS, on the same date, ARXATSC filed a Request for Reconsideration (RfR) within the prescribed timeline;

WHEREAS, on 01 October 2019, the cited RfR of ARXATSC was forwarded to the TWG, for further evaluation;

WHEREAS, on the same date, the COBAC-C issued a letter to ARXATSC acknowledging the receipt of the RfR;

WHEREAS, on 03 October 2019, TPC submitted its Post-Qualification requirements within the prescribed period;

WHEREAS, on 07 October 2019, the TWG conducted the Post-qualification evaluation of the 2nd LCB;

WHEREAS, on 14 October 2019, the TWG found the following findings and submitted its report on the RfR of ARXATSC:

Request for Reconsideration	Finding/s
<ul style="list-style-type: none"> • ARXATSC provided Certifications, Specification Sheet indicating all the Purchaser's specifications • ARXATSC -54°C to -93°C, higher than the required specification • ARXATSC submitted 3 copies of the Tax payments requirement • The stickered offered can withstand the required temperature • The ribbon offered can accommodate the 2 inches x 1 inch, 2,000 pieces/roll • ARXATSC complied with the requirement of 2:1, label against the ribbon 	<p>After careful reevaluation of the bid, the technical specifications identified is still insufficient as to the DOH requirements as stated in the Bidding document. Also, based on the Product Demonstration conducted, at -80°, the label does not completely stick, thus it can be easily peeled or removed.</p> <p>The submission of documents such as Certificate, or Distributorship/ Dealership Agreement by the manufacturer with the distributor or dealer, etc. However, there was no submission in relation to Section VII. Technical Specifications of the Philippine Bidding Documents, that statements of "comply" or "not comply" must be supported by evidence such as manufacturer's un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data, etc., as appropriate.</p>

WHEREAS, on the same date, the TWG found the following finding and submitted its report on the bid proposal of the 2nd LCB, TPC;

Requirement	Finding
Statement of ALL its ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid;	Discrepancy between the total amount indicated in the submitted on-going contracts amounting to PhP2,902,500.00 against the calculated total amount of PhP2,903,300.00.

WHEREAS, on 15 October 2019, the cited TWG reports were presented to the COBAC-C during its 36th Regular Meeting. Upon review and deliberation, the Committee decided to deny the RfR of ARXATSC, and to clarify the abovementioned finding with TPC;

WHEREAS, on the same date, the COBAC-C issued letters through e-mail to ARXATSC denying its RfR, and to TPC requesting to correct the Statement of On-going Contracts;

WHEREAS, on the same date, TPC submitted a corrected Statement of On-going Contracts and Net Financial Contracting Capacity. The cited documents were forwarded to the TWG-Financial and upon evaluation, the latter found the former "Responsive";

WHEREAS, on the same date, based on the TWG report on TPC, the COBAC-C concurred with the recommendation of the TWG and found TPC "Post-qualified";

WHEREAS, on 19 October 2019, a second (2nd) RfR was filed by ARXATSC through e-mail;

WHEREAS, on 22 October 2019, the 2nd RfR of ARXATSC was presented to the COBAC-C during its 37th Regular Meeting. Upon review and deliberation, the Committee found the letter unprocedural and decided to dismiss the cited RfR;

WHEREAS, on 23 October 2019, the COBAC-C issued a letter to ARXATSC through e-mail denying its 2nd RfR;

WHEREAS, no Protest was filed by ARXATSC within the prescribed timeline;

WHEREAS, 04 November 2019, the TWG submitted the Bid Evaluation and Post-Qualification Evaluation Reports citing TPC "Post-qualified" to all the requirements and conditions specified in the bidding documents;

WHEREAS, on 05 November 2019, the COBAC-C reviewed and deliberated the TWG report as well as the documents submitted by the 2nd LCB and the following are the salient points of discussion:

Description	Name of Bidder	Bidder's Rank	Total ABC (PhP)	Bid Price (PhP)	TWG		COBAC	
					Finding	Recommendation	Finding	Recommendation
Blood Bag Label with Ribbon and Compatible Printer	TPC	2 nd LCB	576,000.00	566,400.00	The 2 nd LCB passed the post qualification and found to have complied with the legal, technical and financial requirements.	Responsive	<ul style="list-style-type: none"> COBAC conforms with the recommendation of the TWG. TPC is determined to be responsive and have complied to all the requirements and conditions as specified in the Philippine Bidding Documents and recommended for the award of contract for Item Nos. 1 and 2. 	Lowest Calculated and Responsive Bid (LCRB)
Donation ID Stickers with Ribbon and Compatible Printer			1,350,000.00	1,345,200.00				

WHEREAS, at the time of the signing of this resolution, there is no pending incident, no pending Request for Reconsideration, no pending Protest and the COBAC-C followed the requirements set forth in R.A. 9184;

NOW THEREFORE, in consideration of the above premises, the herein members of the COBAC-C **HEREBY RESOLVES** to recommend the award of contract to **Topbest Printing Corporation** determined as the Lowest Calculated and Responsive Bid with a Total Contract Price of One Million Nine Hundred Eleven Thousand Six Hundred Philippine Pesos (PhP1,911,600.00) inclusive of other taxes for the items listed below:

Item No.	Description	Qty.	Unit	Total Bid Price (PhP)
1	Blood Bag Label with Ribbon and Compatible Printer	480	Roll	566,400.00
2	Blood Donation ID Stickers with Ribbon and Compatible Printer	2,400	Roll	1,345,200.00
Total				1,911,600.00

Signed this NOV 11 2019 day of NOV 11 2019 at the Department of Health, San Lazaro Compound, Sta. Cruz, Manila.

CENTRAL OFFICE BIDS AND AWARDS COMMITTEE – C

JOSELITO R. FELICIANO, MD
Alternate Member

DAVID P. MASIADO JR., ME, MM
Regular Member

GLORIA J. BALBOA, MD, MHA, MPH, CEO VI, CESO III
Regular Member

LAUREANO C. CRUZ, MPA
Regular Member

KENNETH G. RONQUILLO, MD, MPH, CESO III
OIC-Assistant Secretary of Health
Vice-Chairperson

By Authority of the Secretary of Health:

MARIA ROSARIO S. VERGEIRE, MD, MPH, CESO IV
Assistant Secretary of Health
Public Health Services Team

DEC 10 2019