

# VERTEX ANTENNENTECHNIK GmbH

Ein Unternehmen der General Dynamics Gruppe

Vertex Antennentechnik GmbH, Baumstr. 50, D-47198 Duisburg

European Southern Observatory  
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Ihr Zeichen	Ihre Nachricht vom	Unser Zeichen Düs/me	Telefon Durchwahl (+49) 20 66/ 2096 - 24	Datum 25 Oct. 2005
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## Call for Tenders Ref. CFT/ESO/MAP/03/8958/RFI for the Design, Manufacture, Transport and Integration on-Site in Chile of 32 ALMA Antennas

Dear Mr. Fischer,

We refer to our letter of October 10, 2005 in which we have objected to the procedure of the above referred tender and to the decision of ESO which now appears to have been made. Your extremely short response letter of October 17, 2005 did not address our central concerns. We think it is important that your office understand that fundamental formalities were violated, and that these violations taint the entire award decision.

Of these, the most significant inequities were as follows:

1. ESO did not establish a common deadline for final price submission. This is unacceptable and stands in diametrical opposition to a central principle of the national, European and international awarding law. ESO's failure in this regard left no assurance whatsoever that one offeror could not benefit by learning of its competitor's price. This perception is shared by each and any awarding regulation throughout the world which is in accordance with the rule of law. We note also that ESO had such precautionary measures in place, as it was the basis for the tender procedure had scheduled deadlines for the tenders. But ESO abandoned these measures, and formally extended the respective deadlines in an arbitrary manner. It is all the more disconcerting that ESO has ceased to adhere to this worldwide accepted and practiced standard, just when the final awarding decision was made.
2. ESO did not consider relevant cost information. The bid of VERTEX was and still is the best offer under all aspects, in particular under financial aspects. This applies in particular, where all relevant cost factors are taken into account, meaning, along with

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the recurring cost, the one-off cost and the consequential expenses. For the offer of VERTEX does not contain any one-off cost for development nor does it lead to consequential expenses for adaptation of the system to the system of ESO's transatlantic partner. Under a commercial aspect, we deem it impossible that the significant cost advantage resulting thereof, which comes to some 20 million EUR, could have been compensated by an advantageous recurring cost proposal in our competitor's offer.

Given this background, we deem the upcoming awarding decision of ESO on Nov. 1, 2005, to have been improper. ESO should refrain from awarding the contract in question to Alcatel until such time that these inequities are redressed.

Accordingly, we request ESO either to award the contract to VERTEX or to reinstate negotiations in the status as before the end of the tender procedure and to continue the tender procedure as of that point in time under observance of the applicable legal regulations and international standards.

Thank you for your prompt attention to this matter.

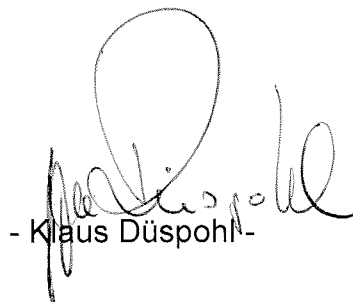
We are looking forward to receiving your response until October 27, 2005.

With best regards

VERTEX ANTENNENTECHNIK GmbH



- Dr. Karl-Heinz Stenvers -



- Klaus Düspohl -