

OCTOBER 8, 2020 1:16PM ET

Industry Groups Urge Investigation into Federal PPE Contracts

By [Arthur Friedman](#)



CREDIT: AP Photo/Marcio Jose Sanchez

A coalition of industry groups is calling federal personal protective equipment contracts into question.

The coalition, including the National Council of Textile Organizations, the American Apparel & Footwear Association and The Association & Voice of the U.S. Sewn Products Industry, or SEAMS, issued a joint statement calling for action in response to a New York Times investigative report on the Department of Defense Logistics Agency's (DLA) awarding of over \$1 billion in contracts for 83 million disposable and reusable [medical gowns](#) for the Strategic National Stockpile replenishment.

“We are concerned by the report published [Wednesday] by the New York Times indicating that certain medical gown awardees who received multi-million dollar contracts may not have the capabilities and proficiencies to manufacture U.S.-made, Berry-compliant products to support the Personal Protective Equipment (PPE) needs of the Strategic National Stockpile,” the coalition said. “While we have a strong historic working relationship with DLA...this report raises serious questions about the vetting procedures and purchase criteria utilized by DLA in this process.”

The coalition, which also includes the Warrior Protection & Readiness Coalition, U.S. Industrial Fabrics Institute/Narrow Fabrics Institute of the Industrial Fabrics Association International, and the Association of the Nonwoven Fabrics Industry, said the Trump administration should conduct a full and transparent independent review. Specifically, it requested onsite verification for all awardees and verification of their production chains to help ensure integrity in the process. This verification will help ensure that this essential PPE needed by front-line workers is using 100 percent American materials and workmanship, “one of the critical requirements that was established by DLA as it awarded these for these products.”

The coalition also requested DLA test the gowns independently to ensure compliance with required performance standards and other specifications and to ensure the health and safety of front-line workers. The organizations also called for a review of the utility of the “Lowest Price Technically Acceptable” criteria associated with these awards and urged the government to move forward with a purchase mechanism for “Best Value” that ensures quality products are procured at competitive pricing.

“It is important to state that we are aware that some of the awardees are very legitimate and capable suppliers,” it said. “We want to ensure all verified legitimate producers are allowed to move their production forward for these essential PPE items. These companies and their workforce should not be hindered in this process. For those who are not compliant, we request the government take the necessary appropriate action and give compliant and capable producers an opportunity to supply these critically needed items.”

Since the beginning of the pandemic, the entire U.S. industry, from fiber to apparel producers, has played “an enormous role in helping address America’s PPE crisis, retooling production lines overnight,” the coalition said.

“The work of our industry has been noted at the highest levels of government and our domestic supply chain is extremely proud to provide this critical service to the nation,” it added. “We have jointly been calling on the administration to fully maximize U.S. manufacturing assets to put our industry to work making quality, compliant PPE. We are strong supporters of the Berry Amendment and were very pleased that DLA expressed an intention to maximize the industrial base with this purchase.”

The coalition acknowledged that any competitive bid process has winners and losers. However, when DLA announced the awards in mid-September, the industry associations immediately raised cautionary flags, as to the domestic manufacturing capacity, technical proficiency and capabilities of certain awardees and their overall compliance.

“The Berry Amendment, a cornerstone of our defense industrial base, requires the use of complying fiber, yarn, fabric, and assembly be performed in the United States,” it said. “Further magnifying that concern, DLA stated it had awarded over 83 million gowns to the “domestic industrial base.” However, with the exception of a few awardees, the coalition questioned “the places of performance, whether the materials being utilized are Berry compliant and whether the gowns meet the technical specifications. Certain places of performance appeared to lack the workforce necessary for these larger orders or the equipment or space required. This is why an immediate and independent review is required.”

The groups said many of these concerns were raised directly with DLA in a multi-association letter on Sept. 18. They said the response received from DLA was that the government simply requires awardees to self-certify domestic production and Berry compliance.

“Self-certification of such sizable awards to non-traditional suppliers appears to be a serious flaw in the process that must be re-examined,” the coalition said. “The domestic supply chain, representing nearly 600,000 American workers, wants nothing more than to be a resource for the federal government. We can help the U.S. government better understand production chains and manufacturing capabilities. We stand absolutely ready, willing, and able to manufacture the products the U.S. government needs for the Strategic National Stockpile and at the same time put our idle capacity and workforce to work. We are strong supporters of onshoring the domestic production chain and believe the federal government is a critical partner in that effort.”

The coalition urged the U.S. government to immediately address this matter and take necessary actions regarding any non-compliant awardees. At the same time, they also urged the administration to move forward with “legitimate, compliant, and capable awardees—these companies and their workforce should not be punished, they should be maximized.

“It is critical that the Strategic National Stockpile is replenished immediately and we stand ready to be part of that solution,” it added. “Our American health care workers deserve no less.”

© Copyright Sourcing Journal Media, LLC.

Kristi Ellis
Vice President, Communications
National Council of Textile Organizations
kellis@ncto.org | 202.684.3091



www.ncto.org | www.TextilesintheNews.org

