

SUBCHAPTER H—PROCUREMENT SYSTEM FOR THE U.S. POSTAL SERVICE: INTELLECTUAL PROPERTY RIGHTS OTHER THAN PATENTS

PART 601—PURCHASING OF PROPERTY AND SERVICES

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AUTHORITY: 39 U.S.C. 401, 404, 410, 411, 2008, 5001–5605.

SOURCE: 72 FR 58252, Oct. 15, 2007, unless otherwise noted.

§ 601.100 Purchasing policy.

The Postal Service acquires property and services pursuant to the authority of 39 U.S.C. 410.

§ 601.101 Effective date.

These regulations are effective November 14, 2007. Solicitations issued and resulting contracts entered into prior to that date will be governed by the regulations in effect at the time the solicitation was issued.

§ 601.102 Revocation of prior purchasing regulations.

All previous postal purchasing regulations, including the *Postal Contracting Manual*, *Procurement Manual*, the *Purchasing Manual* (Issues 1, 2 and 3), and procurement handbooks, circulars, and instructions, are revoked and are superseded by the regulations contained in this part.

§ 601.103 Applicability and coverage.

The regulations contained in this part apply to all Postal Service acqui-

sition of property (except real property) and services.

§ 601.104 Postal purchasing authority.

Only the Postmaster General/CEO; the Postal Service's vice president, Supply Management; contracting officers with written statements of specific authority; and others designated in writing or listed in this part have the authority to bind the Postal Service with respect to entering into, modifying, or terminating any contract regarding the acquisition of property, services, and related purchasing matters. The Postal Service's vice president, Supply Management, or his or her designee, may also delegate in writing local buying authority throughout the Postal Service.

§ 601.105 Business relationships.

(a) *General.* A person or organization wishing to have a continuing business relationship with the Postal Service in purchasing matters is expected to treat the Postal Service in the same manner as it would other valued customers of similar size and importance. The Postal Service reserves the right to decline to accept or consider proposals from a person or organization when that person or organization fails to meet reasonable business expectations or provide a high level of confidence regarding quality, prompt service, and overall professionalism.

(b) *Declining to accept or consider proposals.* The Postal Service may decline to accept or consider proposals when a person or organization exhibits unacceptable conduct or business practices that do not meet reasonable business expectations or does not provide a high level of confidence about the entity's current or future business relations. Unacceptable conduct or business practices include, but are not limited to:

(1) Marginal or dilatory contract performance;

(2) Failure to deliver on promises made in the course of dealings with the Postal Service;