



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
OFFICE OF THE DIRECTOR

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January 30, 2026

Via Electronic Mail Only to frank.cermatori@bluum.com

Frank Cermatori
Bluum USA, Inc.
4675 E Cotton Ctr Blvd, Ste 155
Phoenix, AZ 85040

Re: I/M/O Bid Solicitation #25DPP01122 Bluum USA, Inc.
Protest of Notice of Intent to Award
T1466 – Video Teleconferencing Equipment & Services

Dear Mr. Cermatori:

This final agency decision is in response to the protest application dated January 16, 2026 (“Protest Application”), submitted by Bluum USA, Inc (“Bluum”) and received by the Division of Purchase and Property’s (“Division”) Hearing Unit. In that correspondence, Bluum protests the Notice of Intent to Award dated January 12, 2026, by the Division’s Procurement Bureau (“Bureau”) for Bid Solicitation #25DPP01122 – Video Teleconferencing Equipment & Services. Bid Solicitation. The record of this procurement reveals that the Quote submitted by Bluum was deemed non-responsive as set forth in the Recommendation Report dated January 9, 2026 (“Recommendation Report”) for failure to provide the maintenance discount on the State-Supplied Price Sheet with its Quote in accordance with Section 3.29, *State-Supplied Price Sheet Instructions*. In their application, Bluum states that the maintenance discount “is not normally requested at the time of a purchase for new equipment...[t]herefore, Bluum will use the labor rates” after the expiration of the initial warranty period. Protest Application, Pages 1-2. Bluum has not submitted any additional documents regarding this Protest.

By way of background, on March 7, 2025, the Division’s Procurement Bureau (“Bureau”) issued the Bid Solicitation on behalf of the New Jersey Office of Information Technology (OIT). The purpose of the Bid Solicitation was to solicit “Quotes for the purchase, installation and maintenance of premises-based equipment that can be used to build conference room and desktop Video Conferencing (VC) systems.” Bid Solicitation Sec. 1.1, *Purpose and Intent*. “It is the intent of the State of New Jersey (State) to award Contract(s) to those responsible Bidder(s) whose Quote(s), conforming to this Bid Solicitation are most advantageous to the State, price and other factors considered. The State may award any or all price lines.” Id.

In accordance with Bid Solicitation Section 2.1, *Electronic Question and Answer Period*, an electronic portal enabling the Bureau to receive questions electronically was available to all potential Bidders until 2:00 P.M. Eastern Time on March 25, 2025. A second Electronic Question and Answer period was available to all potential Bidders until 2:00 P.M. Eastern Time on August 29, 2025. A total of 187

questions were received and answered across both periods. Six (6) Bid Amendments were issued for this Bid Solicitation, which provided revisions to the Quote Opening Date, the Bid Solicitation and responses to questions received from potential Bidders.

On June 26, 2025, the PRU opened seventeen (17) Quotes. After conducting an initial review of the Quotes received for compliance with mandatory Quote submission requirements, all Quotes were sent to the Bureau for further evaluation.

On or about January 12, 2026, the Bureau sent a Notice of Intent to Award and Recommendation Report to Bluum. On January 16, 2026, prior to the close of the protest period, Bluum submitted a Protest alleging that the following:

Please provide details on the specific issue(s) and ground(s) for challenging the cited specification(s): We were notified the State is not planning on awarding Bluum as a vendor because, "The Bidder did not provide the maintenance discount on the State-Supplied Price Sheet with its Quote in accordance with Section 3.29". We request the State reconsiders this decision and awards Bluum as an approved vendor for the reason that all of our installations include training of the over all system and at least a one year warranty where maintenance can be provided at no additional cost within that timeframe. Any additional maintenance that would come after that warranty time frame would be based off of the installation rates provided on the State Supplied Price Sheet. This is not a line item that is normally requested at the time of a purchase for new equipment/services. Therefore, Bluum will use our labor rates (after the warranty period end post installation) to send professionals out to maintain the system/equipment after the system is up and running but within that initial warranty period, there will be no additional cost from the initial purchase and installation.

[Protest Letter, pages 1-2].

Bluum submitted Recommendation Report as an attached document; the statement above is Bluum's Protest in full.

Although Bluum did not request an in-person presentation as permitted by N.J.A.C. 17:12-3.3(e), it should be noted that "[t]he Director has sole discretion to determine if an in-person presentation by the protester is necessary to reach an informed decision on the matter(s) of the protest. In-person presentations are fact-finding for the benefit of the Director." Further, "[i]n cases where no in-person presentation is held, such review of the written record shall, in and of itself, constitute an informal hearing." N.J.A.C. 17:12-3.3(d). I have reviewed the record of this procurement, including the Bid Solicitation, the Quotes received, the Bureau's Recommendation Reports, the relevant statutes, regulations, case law, and the protest submitted by Bluum. The issues raised in the protest were sufficiently clear such that a review of the record of this procurement has provided me with the information necessary to determine the facts of this matter and to render an informed final agency decision on the merits of the protest submitted by Bluum on the written record, as such an in-person hearing is not warranted. I set forth herein the Division's Final Agency Decision.

DISCUSSION

The New Jersey Courts have long recognized that the purpose of the public bidding process is to "secure for the public the benefits of unfettered competition." Meadowbrook Carting Co. v. Borough of Island Heights, 138 N.J. 307, 313 (1994). To that end, the "public bidding statutes exist for the benefit of the taxpayers, not bidders, and should be construed with sole reference to the public good." Borough of Princeton v. Board of Chosen Freeholders, 169 N.J. 135, 159-60 (1997). The objective of New Jersey's statutory procurement scheme is "to guard against favoritism, improvidence, extravagance and corruption; their aim is to secure for the public the benefits of unfettered competition." Barrick v. State of New Jersey,

218 N.J. 247, 258 (2014) (citing Keyes Martin & Co. v. Dir. of Div. of Purchase and Prop., 99 N.J. 244, 256 (1985)).

When evaluating Quotes received, the Division is charged with ensuring that the Contract is awarded to that responsible Bidder whose Quote, conforming to the Bid Solicitation, is most advantageous to the State, price and other factors considered. Bid Solicitation Section 1.1 *Purpose and Intent*. A responsive Quote is a Quote that is deemed by the Division and/or evaluation committee to have adequately addressed all material provisions of a Bid Solicitation's terms and conditions, specifications, and other requirements. N.J.A.C. 17:12-1.3. A Quote that is not compliant or responsive to the material requirements of the Bid Solicitation shall not be eligible for further consideration for award of a Contract and the bidder offering said Quote shall receive notice of the rejection of its Quote. N.J.A.C. 17:12-2.7(c).

It is firmly established in New Jersey that material deviations may not be waived. Twp. of Hillside v. Sternin, 25 N.J. 317, 324 (1957). In Meadowbrook Carting Co., *supra*, 138 N.J. at 315, the New Jersey Supreme Court adopted the test set forth by the court in Twp. of River Vale v. Longo Constr. Co. for determining materiality. 127 N.J. Super. 207 (Law Div. 1974). "In River Vale, the court declared that after identifying the existence of a deviation, the issue is whether a specific non-compliance constitutes a substantial [material] and hence non-waivable irregularity." In re Protest of Award of On-Line Games Prod. and Operation Servs. Contract, 279 N.J. Super. 566, 594 (App. Div. 1995), citing River Vale, *supra*, 127 N.J. Super. at 216. The River Vale court set forth a two-part test for determining whether a deviation is material:

First, whether the effect of a waiver would be to deprive the [government entity] of its assurance that the contract will be entered into, performed and guaranteed according to its specified requirements, and second, whether it is of such a nature that its waiver would adversely affect competitive bidding by placing a bidder in a position of advantage over other bidders or by otherwise undermining the necessary common standard of competition.

[River Vale, *supra*, 127 N.J. Super. at 216.]

"If the non-compliance is substantial and thus non-waivable, the inquiry is over because the bid is non-conforming and a non-conforming bid is no bid at all." On-Line Games, *supra*, 279 N.J. Super. at 595 (citing River Vale, *supra*, 127 N.J. Super. at 222).

Here Buum's Price Sheet submitted in response to the Bid Solicitation did not include a percentage discount for maintenance for Price Lines 1a-2d, shown in part below:

Price Line	Description/Brands Offered	Percent (%) Discount Equipment	Percent (%) Discount Maintenance
1a	Shure	10%	
1b	Sennheiser	10%	
1c	LG	3%	
1d	Viewsonic	5%	
1e	Newline Interactive	15%	
1f	Boxlight	10%	
1g	Promethean	15%	
1h	Biamp	10%	

[Bluum State-Supplied Price Sheet]

The failure to include the percentage discount for maintenance clearly and expressly renders the Quote non-responsive in accordance with the language in the Bid Solicitation. Specifically, Bid Solicitation Section 3.29, *State-Supplied Price Sheet Instructions*, states:

Bidders must bid on at a minimum one (1) brand of Video Conferencing equipment, but may bid up to 30 total brands. Bidders must indicate their brand responses in the yellow designated cell(s) in Price Lines 1a-2d. Additionally, **Bidders must indicate their percent discount in the accompanying yellow cell** for any and all brands offered in lines 1a-2d, **including proposed maintenance.**

NOTE: If the yellow designated cell(s) is/are left blank, the State will interpret any blank cell as a “No Bid.” All Bidders who input a brand in lines 1a-2d of the price sheet must provide an accompanying percent discount for the brand offered. If a percent discount is entered in a yellow designated cell but the corresponding brand offered cell is blank, the State will interpret as a “No Bid,” and the Bidder will not be considered for that particular price line. **Additionally, if a brand is entered in a yellow designated cell but the corresponding percent discount cell is blank, the State will interpret as a “No Bid,” and the Bidder will not be considered for that particular price line.**

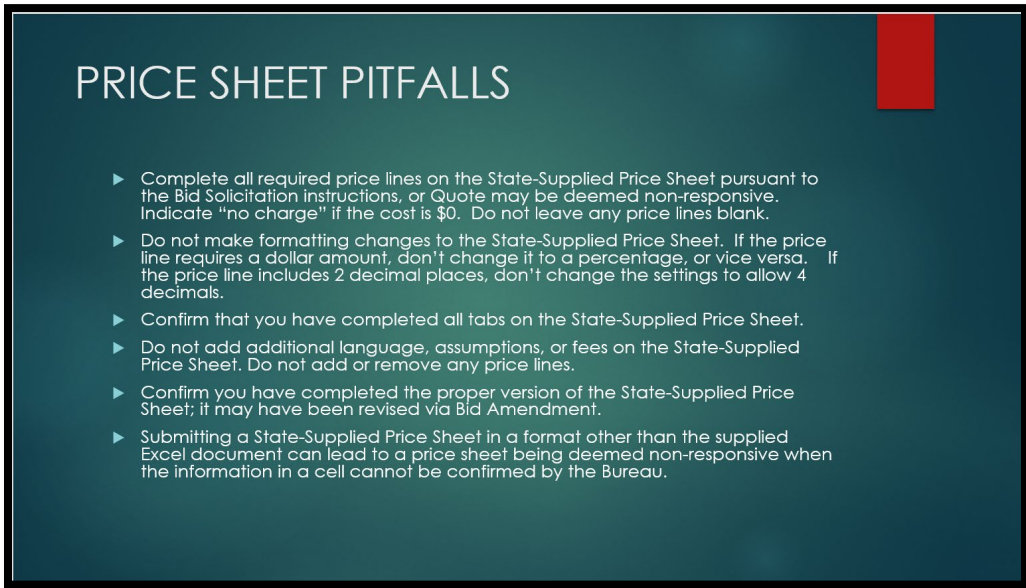
[Emphasis Added]

Furthermore, it is noted that as part of the Bid process the Division conducted an Optional Pre-Quote Conference pursuant to Bid Solicitation Section 2.5. The purpose and intent of the Pre-Quote Conference is set forth in that section:

The purpose of the Optional Pre-Quote Conference is to address procedural questions regarding the Bid Solicitation and Bidder Quote Submission Requirements only. No substantive questions regarding the Bid Solicitation Scope of Work will be accepted or answered during the

pre-Quote conference. All questions are to be submitted during the Electronic Question and Answer Period.

As part of this Pre-Quote Conference, and because the Division has been presented with this issue multiple times in the past, the following information is specifically included in the standard Pre-Quote Conference presentation:



PRICE SHEET PITFALLS

- ▶ Complete all required price lines on the State-Supplied Price Sheet pursuant to the Bid Solicitation instructions, or Quote may be deemed non-responsive. Indicate "no charge" if the cost is \$0. Do not leave any price lines blank.
- ▶ Do not make formatting changes to the State-Supplied Price Sheet. If the price line requires a dollar amount, don't change it to a percentage, or vice versa. If the price line includes 2 decimal places, don't change the settings to allow 4 decimals.
- ▶ Confirm that you have completed all tabs on the State-Supplied Price Sheet.
- ▶ Do not add additional language, assumptions, or fees on the State-Supplied Price Sheet. Do not add or remove any price lines.
- ▶ Confirm you have completed the proper version of the State-Supplied Price Sheet; it may have been revised via Bid Amendment.
- ▶ Submitting a State-Supplied Price Sheet in a format other than the supplied Excel document can lead to a price sheet being deemed non-responsive when the information in a cell cannot be confirmed by the Bureau.

[Pre-Quote Conference – Slide Deck Page #6]

The Division expressly advises and warns Bidders not leave any price lines blank, as in here. The Division includes this language knowing how the courts have addressed this issue in the past and to help Bidders avoid repeating the same mistakes.

Bluum requests the State reconsiders the decision not to award Bluum because their “installations include training of the over all system and at least a one year warranty where maintenance can be provided at no additional cost within that timeframe. Application, pages 1-2). It is unfortunate that Bluum will not be awarded a contract as the State benefits from the competition provided by a large pool of vendors, and seeks to provide opportunities to vendors with diverse backgrounds. However, as noted above, the State is legally bound to only make awards “to that responsible bidder whose bid, **conforming to the invitation for bids**, will be most advantageous to the State, price and other factors considered.” N.J.S.A. 52:34-12(g) (emphasis added). See also N.J.A.C. 17:12-2.7(c), stating that a Quote must be rejected that is not compliant or responsive to the material requirements of the Bid Solicitation. Thus, to maintain a level and fair playing field with transparency for all Bidders, the State must limit its evaluation and awards to conforming bids, and not make exceptions post-Quote opening for other considerations when a Quote is materially non-conforming.

Although the State has broad discretion to select among qualified and responsive Bidders in public contracting matters, the discretion afforded to the Director, “is not limitless.” See, In re Request for Proposals #17DPP00144, 454 N.J. Super. 527, 559 (App Div. 2018). “In line with the policy goal of thwarting favoritism, improvidence, extravagance, and corruption, the Division may not award a contract to a bidder whose proposal deviates materially from the [RFQ’s] requirements.” Ibid., quoting, Barrick v. State, 218 N.J. 247, 258-59 (2014)). For that reason, the Division’s governing regulations mandate stringent enforcement to maintain the equal footing of all Bidders and to ensure the integrity of the State’s bidding

process. Notably, “a proposal that is not...responsive to the material requirements of the [RFQ] shall not be eligible for further consideration for award of contract, and the bidder offering said proposal shall receive notice of the rejection of its proposal.” N.J.A.C. 17:12-2.7(c).

Additionally, Bluum asserts the percentage discount for maintenance “is not a line item that is normally requested at the time of a purchase for new equipment/services.” Application, Page 2. While this may be the case for most of Bluum’s dealings, this does not excuse a failure to include the percentage discount for maintenance in the Quote. As stated explicitly in both the Price Sheet instructions and the Pre-Quote Conference PowerPoint (both readily available to the Bidders), leaving the price line blank would render the Quote non-responsive and that if the Bidder were to offer no maintenance discount, to leave language indicating such instead of leaving the price line blank.

New Jersey procurement law requires that “specifications and invitations for bids shall permit such full and free competition as is consistent with the procurement of supplies and services necessary to meet the requirements of the using agency. . . .” N.J.S.A. 52:34-12. This principle is based on the long-recognized “policy behind the competitive bidding statutes, i.e., assurance against favoritism, improvidence, extravagance and corruption in the bidding process.” Palamar Constr., Inc. v. Pennsauken, 196 N.J. Super. 241, 251 (App. Div. 1983) (citing Terminal Construction Co. v. Atlantic City Sewerage Auth., 67 N.J. 403, 410 (1975)). “These policies, in turn, are meant to ensure that all bidders are equally situated in their competition for the public contract.” Palamar, *supra*, 196 N.J. Super. at 251 (citing Hillside Twp. v. Sternin, 25 N.J. 317, 322 (1957)). “The conditions and specifications must apply equally to all prospective bidders. Otherwise, there is no common standard of competition.” *Id.* Allowing Bluum’s Quote to proceed to award in light of their failure to adhere to the requirements of the Bid Solicitation would place Bluum in a superior position among bidders under this Bid Solicitation.

CONCLUSION

Based upon the findings set forth above, I find no reason to disturb the determination that the Quote submitted by Bluum was non-responsive to the requirements of the Bid Solicitation. Accordingly, I sustain the January 12, 2026, Notice of Intent to Award. This is my final agency decision.

Thank you for your company’s continuing interest in doing business with the State of New Jersey, I encourage you to log into [NJSTART](#) to select any and all commodity codes for procurements you may be interested in submitting a Quote for so that you may receive notification of future bidding opportunities.

This is the Division’s final agency decision. Pursuant to N.J.A.C. 17:12-3.1, this determination is appealable to the Appellate Division of the Superior Court in accordance with the New Jersey Court Rules (R. 2:4-1) which provide a party 45 days to appeal this final agency decision.

Sincerely,



Cory K. Kestner, Esq.
Acting Chief Hearing Officer

CKK: NAA

c. M. Dunn
J. Pastuzyn
C. Quin