

**THE CONCESSION OF CANAL DE PANAMÁ STORES AND
A NON-EXCLUSIVE LICENSE TO USE SOME TRADEMARKS IN THE STORES**

NOTE: Answers of this document, does not change the contractual value of terms and conditions included in the invitation for bid document and its amendments

Questions and Answers

1. **Question:** In Part A. General Instructions for Submission of Proposal, Item 3, Minimum Requirements for Qualification, point 1, the tender mentions the requirement of presenting 3 sets of the Price proposal and the technical proposal, which all must be signed by the legal representative. Please clarify which documents in the Technical and Price proposal has to be signed.

Answer: All sets must be signed in manuscript in ink by the legal representative of the Tenderer or by the person formally and legally authorized by the Tenderer to hold such representation.

2. **Question:** We understand that all the documents of the proposal must be submitted in English, please confirm if documents issued in Spanish by Panama's authorities (such as certificates, paid up certificates, notary seals, etc.) also needs to be presented in English, meaning we need to submit English translations of all the documents issued in Spanish, and if such translations must be issued by a Public Translator.

Answer: Documents issued in Spanish by Panama's authorities can be presented in Spanish.

3. **Question:** In the Tender you mention several times the submission of audio-visual items, can you confirm what items must be presented in such format?

Answer: All documentation to validate the minimum requirements should be presented printed and signed in manuscript in ink by the legal representative of the Tenderer or by the person formally and legally authorized by the Tenderer to hold such representation. There is no objection, if tender uses audio-visual items as a complement to illustrate. The requirement is for the Tenderer to submit renders and catalogs required on points 13 to 14, on page 54 of this invitation for bid.

4. **Question:** Should we follow a specific draft or type of Bond when submitting the bond? In favor of whom the bond must be issued? Does the bond need to be issued in the name of one of the companies in the Consortium or in the name of the Consortium created for this bid?

Answer: The standard form for the Bid Bond will be included as an attachment, in the invitation for Bid, also will be included the list of authorized insurer companies authorized by the ACP and the Superintendencia de Seguros y Reaseguros de Panamá (Insurance and Reinsurance Superintendence of the Republic of Panama).

The bid bond presented by the tenderer, has to be in favor of the Autoridad del Canal de Panamá. If tenderer is a consortium, has to be on the name of it.

5. **Question:** Page N°14, should we submit as the Price Proposal, all Part I – Price form or only the part that mentions PRICE BID...A base price of 12%...?

Answer: Tender should submit the complete page PART I – PRICE, Bid N° CCO-18-001.

6. **Question:** PART III – Minimum Requirements for Qualification:

- a. We respectfully ask you to reconsider the requirement of experience based only in tourist or traveler oriented stores or gift shops or souvenir retail stores, since there are companies that have sufficient experience in the management and / or operation of retail stores, and managing, producing and developing brands.

Answer: Requirement (a), page N° 52, of the invitation for bid remains as follows:

“ a. Tenderer shall have at least ten (10) years of experience (in the last ten years) in the management and/or operation of no less than two (2), tourist or traveler oriented stores or gift shops or souvenir retail stores located among others, in, for example: airports, shopping malls, ports, train stations, visitor centers, aquariums, botanical gardens, experience centers, waterparks, museums, theaters, theme restaurants, sports arenas, landmarks, public attractions, cruise ships, zoos, transport terminals, rides, parks or other traveler-tourist oriented intensive sites worldwide.”

7. **Question:** PART III – Minimum Requirements for Qualification, Item d: Please confirm what documents need to be presented to show demonstrable financial solvency.

Answer: Requirement (d), page N° 52, of the invitation for bid reads as follows:

“Tenderer shall have demonstrable financial solvency and capability to develop and operate the business described in the invitation for bid or credit lines of at least mid-six figures.”

Point (8) on page 53, of this invitation for bid establish that tender should present as many bank letters of reference as possible to certify that the Tenderer has cash and/or financial resources and wherewithal required to design, develop, set-up, stock, operate and maintain the Stores, or credit lines of at least mid-six figures.

8. **Question:** What type of document we need to present to complete item 12 of page 54, is a declaration of the tenderer sufficient, or which other documents needs to be presented?

Answer: A declaration of the tenderer is sufficient. See page 7, CII. Format letter certifying that there is no legal impediment to contract or perform the contract.

9. **Question:** In the general description of the Tender it is stated that the VENDOR will also have a non-exclusive license to use several registered trademarks property of the ACP on the merchandise to be offered and sold only at the “Canal de Panamá” Stores object of this contract. We respectfully request to include a non-exclusive license to use several trademarks property of the ACP to be offered and sold not only in the “Canal de Panamá” stores, but also at a national and international level.

Answer: On page 2 of the invitation for bid, item 3 establish that concession includes a non-exclusive license to use several registered trademarks property of the ACP in products to be sold in the “Canal de Panama” stores. The non-exclusive license to use several trademarks property of the ACP to be offered at a national and international level might be the object of another future invitation for bid.

10. **Question:** Please provide us with information from last years and current operation of Gift Shop. Any relevant information, such as:

- Sales (either volume or gross figures) per Product category per year for the previous three years period;

- Overall Gross Sales per week versus Overall Gross weekend sales per year for the previous three years period;
- Average number of transactions per day and per week for the previous two year period;
- Average value of transaction for the same two year period;

Answer: Contract does not contemplate, concessionaire should submit the listed above information. Nevertheless, for the computation of variable price and royalty, concessionaire submitted Miraflores Store’s sales annual reports with information as follows:

Year	Sales (\$)
2009	1,046,536.71
2010	990,547.93
2011	1,243,539.19
2012	1,527,494.56
2013	1,462,410.40
2014	1,569,264.58
2015	1,409,858.76
2016	1,281,680.77

11. **Question:** Is it possible to extend the timeframe of five (5) business days period established on page 31, point (a) 10.4 Termination for Convenience. This time is too limited to allow the Vendor (store operator under the concession) to close all the affairs related to the business in an orderly manner, initiate the cancellation of outstanding credits with his suppliers, file notices to tax authorities and/or submit tax exemptions or tax relief -- as it may be applicable – corresponding to unsold merchandise which I.T.B.M.S. has already been advanced, cancel orders for future inventory, dispose of existing inventories, etc.

Answer: ACP will amend the time frame to 30 business days.

12. **Question:** Please confirm if other registered trademarks, logos, and/or commercial brands of the ACP will be available for development of product lines, more than those listed on Attachment N°1 of the invitation for bid, page N°55.

Answer: Yes, other intellectual property, as per example: logos, slogans, photographs, arts, graphic designs, will be available to be used on product development and design.

13. **Question:** point 5.4, Part II, Section 5. STORE INVENTORY, establishes the obligation for Vendor to receive merchandise on consignment from ACP. Likewise, Vendor shall have right of first refusal on every and any merchandise that ACP orders to be produced or that is produced with ACP’s consent bearing ACP’s trademarks or brands so that Vendor can promote and sell said merchandise at the stores in CVM and COA.

We believe in the spirit of fairness that ACP shall make available to Vendor all of its merchandise and inventories bearing ACP’s brand names and trademarks so that Vendor can have the option to access such inventory in addition to products on consignment.

Answer: ACP keeps its right of design and develop merchandise. In addition, the license provide on this invitation for bid is a non-exclusive license. ACP will amend point 5.4 “Products on Consignment”, to VENDOR have the option to accept or not the products on consignment from ACP.

14. **Question:** Where is located building 710, location established to deliver the proposal?

Answer: Building 710 is located in Balboa, front with Goethals monument and diagonal to Ascanio Arosemena Training Center.

15. **Question:** Is required to submit proposal documents in English?

Answer: Certifications issued by the Government of Panamá and letters to be provided by banks, suppliers or any local organization which will certify experience or financial status of tenderer can be submitted in Spanish. Formats of letters and bonds included in the invitation for bid has to be submitted in the language published.

16. **Question:** Provide examples on the meaning of conflict of interest mentioned in the invitation for bid.

Answer: Among other, any kind of relationship: business, economic, blood relationship with the Contracting officer or contract specialist, any member of PCA Board of Directors, the Administrator, Sub Administrator, or any executive Vice President, etc. See pages 7CIII Conflict of interest disclosure letter and page 8 CIV. Conflict of interest disclosure letter. For reference, please see article 16 of the PCA Ethic and Conduct Regulations.

17. **Question:** Is the current concessionaire of the gift shops allowed to participate in the bid?

Answer: Yes, the current concessionaire is allowed to participate in the process.

18. **Question:** Is the Panama Canal Authority allowed to reveal financial information of current concessionaire, number of transactions, and the average amount per transaction?

Answer: The Panama Canal Authority is allowed to disclosure just the annual gross revenues information established at the contract. See answer for question #10.

19. **Question:** Is it possible to propose different variable price (Price Bid) for the store of Agua Clara y Miraflores.

Answer: No, it is not possible. Tenderer shall propose just on figure, which will apply for both stores.

20. **Question:** Is the act of openings of proposals a public act?

Answer: No, because it is a Negotiated Bid. After opening and until contract award, all information must be treated as confidential. So the opening is an ACP only act, to be held with the presence of the Contracting Officer, specialists and witnesses.

21. **Question:** Are the established dates in the invitation for bids going to be extended, since the delivering date was already changed on amendment N°1, keeping other dates?

Answer: Panama Canal Authority will extend the timeframe established in the invitation for bids if considered it necessary.

22. **Question:** Will be the concessionaire allow to sell products to other concessionaires at the visitor centers.

Answer: The Panama Canal Authority will not interfere in any legitimate and arms-length business relationships between concessionaires.

23. **Question:** Is the Panama Canal Authority planning to announce an invitation for bids to give license to develop Panama Canal products and sale them through Panamanian territory.

Answer: The Panama Canal Authority is constantly developing new branding opportunities and might give non-exclusive brand licensees in the future.

24. **Question:** Is permitted to sale other brands at the visitor centers´ stores, additional to the Panama Canal registered trademark included in the invitation of bids and other brands not related to the canal.

Answer: The invitation for bids established that: “At the end of the first four (4) months of operation of the Stores, the Official Product Line must comprise, on average, at least sixty percent (60%) of the store area of the Merchandise Inventory a percentage of the Panama Canal Official Line products. It’s the intention that most merchandise is related to the canal experience, nevertheless, physical space can be used with souvenirs products made under other brands since it is within terms and conditions of the concession contracts with PCA.

It is the intention of this contract that the Stores offer Panama Canal related merchandise and products either from the Panama Canal Official Product Line or those developed by third parties with Panama Canal related graphics and design. It is not the intention that the Stores become an outlet for other brands or labels and other labels or brands shall not be more prominent that the Panama Canal in any product. The main focus of the merchandize in the Stores shall be the Panama Canal and not any particular label or brand. The ACP recognizes that some Panama Canal items might be developed over and using products from new or established brands and labels. If that is the case, the label or brand of the product shall not be the most visible or relevant part of any such product.

25. **Question:** Are the brands listed on Attachment N°1 – Panama Canal Authority (ACP) Registered Trademarks the only ones to be permitted to develop the Panama Canal Official Line products?

Answer: No, the Official Product Line products should include elements, symbols, images and graphics of the Panama Canal and should not be limited to the trademarks registered. The trademarks might be combined with other Panama Canal graphic visual representations.

26. **Question:** What is the approval term for the products submitted to PCA?

Answer: Since the approval process of products depends on a multidisciplinary team, is not possible to provide a specific term for a diversity, volume and type of products that can be developed at any given time, nevertheless, PCA will implement an efficient process of approval.