

[Your Company Letterhead]

[Date]

[Vendor Name]
[Vendor Company Name]
[Vendor Address]
[City, State, Zip Code]

Dear [Vendor Contact Name],

Thank you for submitting your proposal for [brief description of goods/services or project] and for the time and effort your team put into preparing your offer.

After a thorough review and careful consideration of all submitted proposals, we regret to inform you that we have decided to proceed with another supplier. Our decision was based on receiving a more competitive offer, which better aligns with our current requirements in terms of pricing, quality, and overall value.

We want to emphasize that this decision does not reflect any shortcomings in your proposal or your organization's capabilities. We truly appreciate your interest in working with [Your Company Name] and your commitment to providing excellent service.

We value the professional relationship we have developed and hope that you will understand our position. We encourage you to participate in our future bidding opportunities, as we look forward to the possibility of working together on upcoming projects.

Once again, thank you for your time and effort. Please feel free to contact us if you would like feedback on your proposal or wish to discuss future collaboration opportunities.

Sincerely,
[Your Name]
[Your Position]
[Your Company Name]
[Your Contact Information]