



BUY AMERICAN ACT COMPLIANCE

IDEAL-TRIDON NO-HUB COUPLINGS

Ideal-Tridon and Classic Series No-Hub Couplings

There is much confusion with regard to the “Buy **American Act**” and “Buy **America Provisions**” legislation. These are two separate regulation requirements. Buy America applies solely to grants issued by the Federal Transit Administration and Federal Highway Administration. Buy American may be applied to all direct U.S. federal procurement. All references to “BAA” in this explanation refer to the Buy American Act and specifically the Classic brand series of no hub couplings manufactured by Ideal Clamp Products, Inc.

The Buy American Act was passed by US Congress in 1933. The BAA restricts the purchase of supplies that are not domestic end products. The BAA uses a two part test to define a domestic end product.

1. The article must be manufactured in the United States
2. The cost of domestic components must exceed 50% of the cost of all the components

All IDEAL-TRIDON No-Hub Couplings **with the exception of Classic brand** meet criteria #2 and are therefore BAA compliant.

However, the Classic brand no-hub couplings are manufactured in Mexico at Ideal’s factory in Matamoros and carry with it a North American Free Trade Agreement (NAFTA) exemption. The country of origin of the Classic series is “Mexico” and this is stamped on the product itself.

In January of 1994, the United States, Mexico and Canada entered into the North American Free Trade Agreement. Mexico is a “Free Trade Agreement” country.



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The Classic Series No-Hub is BAA Compliant

The Classic series meets the Buy American Act in the FAR agreement and we have listed the reason below.

FAR 52.225-5

“Free Trade Agreement country end product” means an article that –

- (1) Is wholly the growth , product, or manufactured of a Free Trade Agreement (FTA) country; or
- (2) In the case of an article that consists in whole or in part of materials from another country, has been substantially transformed in an FTA country into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was transformed. The term refers to a product offered for purchase under a supply contract, but for purposes of calculating the value of the end product includes services (except transportation services) incidental to the article, provided that the value of those incidental services does not exceed that of the article itself.

The Classic series qualifies under option 2. Our product qualifies for the NAFTA Free Trade Agreement. The product’s HTS classification is 7326.90.8588 and qualifies for NAFTA based on the below rule for this HTS classification.

- (1) A change to subheading 7325 through 7326 from any subheading outside that group

All components purchased for the manufacturing of our product have a HTS classification other than 7325 or 7326 or is manufactured within one of the three NAFTA countries. As a result the finished product qualifies for NAFTA.

FAR 52.225-11

Under (a) definitions option (2) our product also qualifies. Under US Customs rules our product as mentioned above qualifies for NAFTA. The gasket in question is transformed to another HTS classification when it is added to the clamp assembly. This transformation allows for NAFTA qualification which should be sufficient for FAR requirements.

Commercially available off-the-shelf (COTS) item.

Under (ii) this item is sold in substantial quantities in the commercial plumbing industry. This product is sold to many customers throughout the plumbing industry under the same specifications generally referenced for construction projects requiring this product. They are readily available to all commercial contractors for use in construction and home repairs.

In addition, as it applies to the **America Recovery and Reinvestment Act (ARRA)** and the United States Obligations Under International Agreements:

It Reads:

For federal procurement, the Buy American requirement does not apply where the materials used in the project are from countries with which the U.S. has a relevant international agreement, namely including (a) signatories to the World Trade Organization Government Procurement Agreement, and (b) countries with which the U.S. has Free Trade Agreements with relevant procurement provisions.

Under this waiver language, the NAFTA exemption would usurp the ARRA requirement.

An updated NAFTA exemption certificate is available upon request.

NSF Certified

Both Ideal-Tridon and Classic series standard duty no-hub couplings are certified by all major plumbing code bodies throughout the U.S. and Canada and are NSF Certified. NSF certification provides independent third-party confirmation that the product is in full compliance with the requirements set forth in CISPI 310.

