

10023 Martin Luther King Jr. Way S Seattle, WA 98178 P 800.275.2500 F 206.760.7000 www.steeler.com

## STEELER AND THE BUY AMERICA ACT

September 5, 2014

## TO WHOM IT MAY CONCERN,

So far this year, we have received a few inquiries into products which meet the "Buy America Act". There has been some understandable confusion between this and the similarly named "Buy American Act". As such, this letter is written to clarify any misunderstandings and to define the ramifications of Buy America for us from a manufacturer's point-of-view.

Our steel suppliers obtain their raw materials from different locations. One of our suppliers meets the Buy American Act with all of the coils it produces, meaning that both the coils and the finished cold-formed steel members are produced domestically. However, our coil suppliers have expressed to us that coils which are to meet the stricter Buy America Act are subject to a minimum eight-week lead time and significantly higher costs. A recent quote put the cost of a Buy America approved coil at a substantial cost above non-"Buy American Act" and this higher cost would be transferred to the customer. In quoting a recent job, we bid these Buy America products at a 72% overall increase in cost to the customer, plus an added 8-12 weeks of production time.

It seems the building materials industry is not prevalent in the mass-transit sector, so there has not yet been an emphasis on ordering coils which meet the Buy America Act. As such, we have never ordered this type of coil and do not plan on doing so until demand warrants the added cost. We have limited space at our production facilities, and inventory which does not move hurts our efficiency and creates unnecessary, unrecouped costs and therefore we are unable to order this steel in advance of receiving a firm order.

Per the Buy America Act, a waiver is available to allow for products assembled in the United States but not sourced domestically to be used in place of much costlier, less prevalent products. Based on the definitions given in 49 U.S. Code Section 5323, subsection j, we recommend that project managers who require cold-formed steel to meet Buy America apply for this waiver due to the lack of availability and much higher costs associated with these materials. If you have any questions, please call our Corporate office at 206-725-2500.

Sincerely,

## Steeler Management Team

Seattle	Redmond	Tacoma	Spokane	Portland	Tigard	Sacramento
P 206.760.8500	P 425.869.5555	P 253.572.8200	P 509.926.7403	P 503.231.1100	P 503.431.2000	P 916.483.3600
Newark	Bakersfield	San Diego	Phoenix	Tucson	Delta, B.C.	



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## SALES TERMS AND CONDITIONS - BUY AMERICA PRODUCTS

September 8, 20	014					
TO WHOM IT	MAY CONCERI	N,				
that any custo		to special-orde	-			eler, Inc. requires 45,000 pounds of
nonrefundable. on raw materia	Production time	e for Buy Ameri ese terms must l	ca products is a be agreed upon i	n estimated 8-12 in writing and p	! weeks, but may ayment received	ck and therefore vary depending in full before the 06-725-2500.
Sincerely,						
Steeler Manage	ment Team					
Corporate P 206.760.2500  Newark P 510.505.9595	Seattle P 206.725.8500 Bakersfield P 661.399.3333	Tacoma P 253.572.8200 San Diego P 619.527.1000	Spokane P 509.926.7403 Phoenix P 623.848.0007	Portland	Tigard  P 503.431.2000  Delta, B.C.  P 604.940.1332	Sacramento P 916.483.3600