52.225-1 BUY AMERICAN SUPPLIES (MAY 2014)

(a) Definitions. As used in this clause-

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

- (1) Means any item of supply (including construction material) that is-
 - (i) A commercial item (as defined in paragraph (1) of the definition at FAR 2.101);
 - (ii) Sold in substantial quantities in the commercial marketplace; and
 - (iii) Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and
- (2) Does not include bulk cargo, as defined in <u>46 U.S.C. 40102(4)</u>, such as agricultural products and petroleum products.

Component means an article, material, or supply incorporated directly into an end product.

Cost of components means-

- (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
- (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.

Domestic end product means-

- (1) An unmanufactured end product mined or produced in the United States;
- (2) An end product manufactured in the United States, if -
 - (i) The cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic; or
 - (ii) The end product is a COTS item.

End product means those articles, materials, and supplies to be acquired under the contract for public use.

Foreign end product means an end product other than a domestic end product.

United States means the 50 States, the District of Columbia, and outlying areas.

- (b) <u>41 U.S.C. chapter 83</u>, Buy American, provides a preference for domestic end products for supplies acquired for use in the United States. In accordance with <u>41 U.S.C. 1907</u>, the component test of the Buy American statute is waived for an end product that is a COTS item (See <u>12.505</u>(a)(1)).
- (c) Offerors may obtain from the Contracting Officer a list of foreign articles that the Contracting Officer will treat as domestic for this contract.
- (d) The Contractor shall deliver only domestic end products except to the extent that it specified

delivery of foreign end products in the provision of the solicitation entitled "Buy American Certificate."