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Made in USA seems to be bantered around a lot these days. What does this mean? The Federal Trade Commission defines Made in the USA as "a product that has all or virtually all" material used to produce it from the U.S. The FTC also states that the claim to be "Made in the USA" can be either expressed or implied. Selling a product whose box features a US Flag or Geographic representation of the U.S. implies that the product is made in the U.S...

In the past, the architectural hardware community never accepted ANSI/BHMA Graded product that was not "Made in the USA". Some of this was due to quality perceptions, as well as a patriotic attempt to protect our US manufacturers. However, over the past decade, this unspoken rule has fallen to the wayside due to the advent of our global economy. Cost, quality and availability all have played a factor in creating a new environment where nearly all the key hardware manufacturers have product that is ANSI graded and is manufactured in places such as Taiwan, China, Korea and Europe. In fact, as we speak today, it is very difficult to find a U.S. Lock company that has a lock than can meet the Made in U.S.A. criteria.

So, if "Made in the U.S.A." has become so difficult to achieve, and even harder to supply, what does "Buy American" mean? How does this differ from Made in the U.S.A.? The origins of the Buy American Act dates back to 1933 and was an effort to mandate a preference of American over foreign made goods. It is specified for federal projects requiring the use of American made materials. This law and a later law passed in 1979 known as GATT, The Government Procurement Code gives preference to countries that are designated countries and members of the WTO. A designated country, one that is a WTO or has a trade agreement with the US, can sell its product as Buy American. This includes countries such as The Republic of South Korea, France, Mexico and many others. The Buy American Act requires that a minimum of 51% of the materials that make up the product be from U.S. sources. It is important to note that labor is *not* a factor in this equation.

The definition of the Buy American act has been further restricted with the implementation of President Obama's signing of the ARRA (American Recovery and Reinvestment Act) which requires that all or virtually all the material (down to the origin of the steel and other materials used to make the product) must be from an American source. Since most steel and other materials are no longer domestic, a Certificate of Substantial Transformation is required which allows use of material other than US made, provided it goes through a significant change before it is incorporated into the end product.

How does this affect you, the purchaser? First and foremost, one must be cautious regarding the claims that some unscrupulous manufacturers make about their product. Can the company produce documentation as to their claim of meeting the requirements of the Buy American Act? Is labor being used to achieve the required results? Does the project you are pursuing use ARRA funds?

Having an understanding of these acts will go a long way in helping to protect you as you seek this lucrative work.

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