



Increasing Buy America Content

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Company Overview

- Located in the San Francisco Bay Area since 1890
 - Current location of Hayward, CA since 1968
- Exclusively build heavy duty transit buses
 - Produce >1,500 buses per year
 - 40ft, 35ft & 29ft lengths
 - Diesel, CNG & Hybrid Electric
- 100% US presence from initial design through final assembly



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Buy America: Transit Bus Regulations



- Buses are considered Rolling Stock
 - Cost of components produced in the U.S. need to be more than 60% of the total component cost and final assembly must take place in the U.S.
- Component Requirements:
 - More than 60% of the subcomponents, by cost, must be of domestic origin and the manufacturing of the component must take place in the U.S.
- Subcomponent Requirements:
 - Subcomponents are considered of domestic origin if they are manufactured in the U.S.
- % Material Content & Manufacturing Location certified by Supplier for each part #
 - >60% material content = 100% Buy America
 - <60% material content = Actual % certified
 - i.e. 30% material content = 30% Buy America
 - Lack of certification from supplier = 0% Buy America

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Buy America: Supplier Certifications



GILLIG LLC

ANNUAL BUY AMERICA CERTIFICATION

CERTIFICATION YEAR: 2014

Company Name	
Address	
City, State, Zip	
Telephone	
E-mail Contact Person	

The above named supplier hereby releases the following information on components supplied to GILLIG LLC in support of the manufacture of FTA funded buses. In accordance with the Buy America requirements of 49 CFR Part 661.11 for rolling stock, for a component to be of domestic origin, more than 60% of the subcomponents of that component, by cost, must be of domestic origin, and the manufacture of the component must take place in the United States. If a component is fully compliant, please note % of U.S. subcomponent content in "A" below. If a component does not meet the domestic origin requirements, the cost of the domestic content may be included in the calculation of the domestic content of the bus (please note cost in "B" below). The following components are certified as follows:

Component Model/Part Number ("XXX" denotes all versions of component)	Component(s) Description	Manufacturing Location of Component(s) (City, State, Country)	Meets/Exceeds 60% U.S. Content (Yes/No)	% of Cost of U.S. origin of Subcomponents i.e., Manufactured within U.S. ("A")	\$ (Cost) of U.S. Content if Unable to Meet 60% Threshold or U.S. Manufacture Location ("B")
1		2		3	4

For components manufactured outside the U.S., did U.S. subcomponents included receive tariff exemptions for importation back into the U.S.? _____ (Yes/No)

The authorizing agent for the company acknowledges that this certification is valid for the annual period stated, and will be re-issued if any event occurs during the annual period that rescinds the component(s) designation as being of U.S. domestic origin as defined under the requirements of 49 CFR 661.

Authorization:

Signature:	Date:
Name (Printed):	Title:
Prepared by (Printed):	Telephone:

- 1 Suppliers are required to certify for each individual part # they provide
- 2 Suppliers are required to certify the manufacturing location of each part # they provide
- 3 If a part meets/exceeds 60% US content, suppliers are required to document the actual % of domestic content
- 4 If a part fails to meet 60% US content, suppliers are required to document the actual cost associated with the domestic content

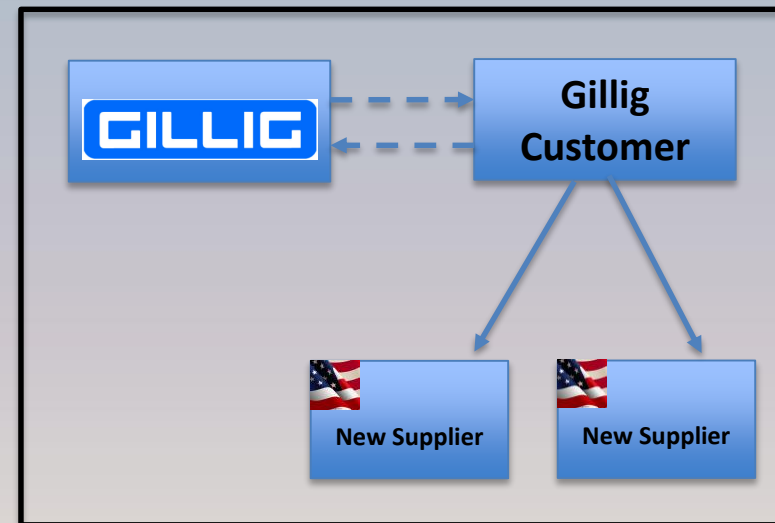
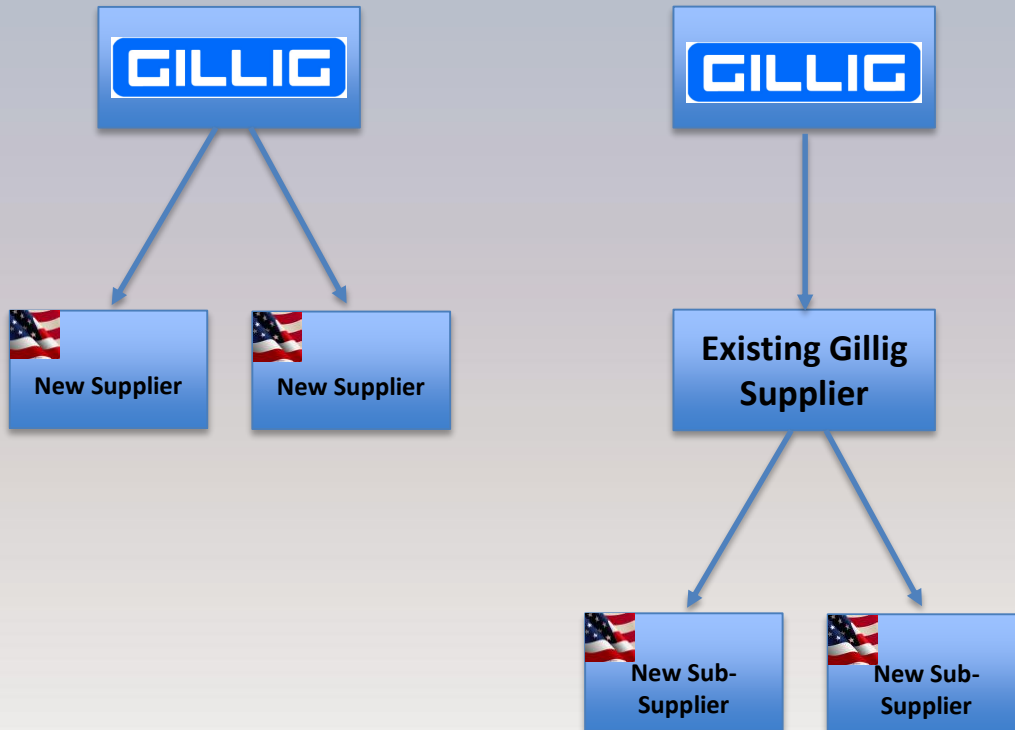
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- Multi-faceted approach involving Gillig, Suppliers and Customers



- Material Cost represents the majority of the cost of a finished bus
- Customers specify the majority of components (by \$) in their buses

Increasing Buy America Content



- Working with Suppliers to Increase Buy America Content
 - Identification of New Suppliers
 - Utilize locally manufactured suppliers who offer strong partnerships, local support and freight savings
 - Expand qualified DBE and Small Business certified suppliers who routinely achieve 100% Buy America compliance
 - Attend NIST MEP Buy America Connectivity Forums on a regular basis
 - Working with Existing Suppliers
 - Identify and prioritize key suppliers where Buy America Content needs to increase
 - Reinforce the importance of Buy America and set goals for increasing content
 - Assist suppliers in qualifying new sub-component suppliers with 100% domestic content

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Increasing Buy America Content



- Working with Customers to Increase Buy America Content
- Example Bus:

	<u>Buy America %</u>
– Utilize customer selected suppliers	72%
• Replace current transmission supplier with domestic supplier	+5%
• Replace current ITS supplier with domestic supplier	+3%
– New Buy America Content	80%

* Example assumes 60% US material content requirement