



To determine whether or not a manufactured good is American made, the EPA has developed the **Substantial Transformation Examination (STE)** which consists of the questions in the chart shown in Figure 1.

Although the STE checklist does require some subjective evaluations, it can be a useful guide for helping assistance recipients determine whether a manufactured good can be reasonably considered “American-made.”

Figure 1

| STE QUESTIONS  | Y E S    | N O      |
|--|----------|----------|
| 1. Were all of the components of the manufactured good manufactured in the United States, and were all of the components assembled into the final product in the US? <i>(If the answer is yes, then this is clearly manufactured in the US, and the inquiry is complete)</i> |          | <b>X</b> |
| 2. Was there a change in character or use of the good or the components in America? (These questions apply to the product as a whole, not to individual components)<br><b>* Any one bullet answered “YES” passes STE</b>   | <b>X</b> |          |
| <b>A.</b> Was there a change in the physical and/or chemical properties or characteristics designed to alter the functionality of the good?  | <b>X</b> |          |
| <b>B.</b> Did the manufacturing or processing operation result in a change of a product(s) with one use into a product with a different use?   | <b>X</b> |          |
| <b>C.</b> Did the manufacturing or processing operation result in the narrowing of the range of possible uses of a multi-use product?  | <b>X</b> |          |
| 3. Was(/were) the process(es) performed in the US (including but not limited to assembly) complex and meaningful?<br><b>** Any two bullets answered “YES” passes STE</b>   | <b>X</b> |          |
| <b>A.</b> Did the process(es) take a substantial amount of time?   | <b>X</b> |          |
| <b>B.</b> Was(/were) the process(es) costly?   | <b>X</b> |          |
| <b>C.</b> Did the process(es) require particular high level skills?  | <b>X</b> |          |
| <b>D.</b> Did the process(es) require a number of different operations?  | <b>X</b> |          |
| <b>E.</b> Was substantial value added in the process(es)?  | <b>X</b> |          |

## 2. A:

The final product, the control valve, is entirely machined, assembled, inspected and tested in Tulsa, OK at the OCV plant. The components making up the final assembly might have multiple uses, but the end product is assembled into a functioning valve with a specific purpose, to function as a diaphragm-actuated control valve.

## 2. B:

The components making up the final assembly might have multiple uses, but the end product is assembled into a functioning valve with a specific purpose, to function as a diaphragm-actuated control valve.

## 2. C:

The components making up the final assembly might have multiple uses, but the end product is assembled into a functioning valve with a specific purpose, to function as a diaphragm-actuated control valve. Components can be assembled into a variety of models, dependent upon the exact function required by individual customers' needs.

## 3. A:

The processes of design, machining, coating, configuration, assembly, inspection and testing take a substantial amount of time for each completed valve.

## 3. B:

The processes listed in 3.A. represent a significant portion of the cost of the final product, as OCV maintains a labor force and incurs overhead expenses during the processes, all located in Tulsa, OK.

## 3. C:

The processes listed in 3.A. required a skilled, competent labor force to produce a quality, functioning control valve meeting all specifications.

## 3. D:

Multiple operations are required to convert raw materials and components into the final product, the control valve. 3.A. lists these operations.

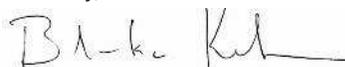
## 3. E:

Value is added at each operation stage during the manufacture of a completed control valve, as raw materials are converted into usable components through machining, inspection and coating operations. These converted raw materials are assembled along with purchased components, such as fasteners, fittings and rubber goods, into the control valve. Testing and inspection activities take place to confirm the valve meets all quality standards and any applicable specifications.

OCV Control Valves certifies that its products meet the requirements of the "Buy American" provisions and the American Recovery and Reinvestment Act of 2009 ("ARRA").

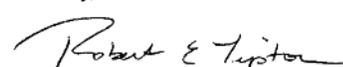
OCV may buy individual components which may be used in conjunction with the control valve which may fall subject to other jurisdictions of certain requirements of the Buy American Act. Please refer to the recent White House Office of Management and Budget which has issued final rules of clarifications on the "Buy American" provision contained in section 1605 available at [www.recovery.gov](http://www.recovery.gov).

Sincerely,



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