



Food Service Systems, LLC
Local Roots, Global Reach

8/26/19

Dear Valued Customer:

Re: "Buy American" Requirements

Section 104(d) of the William F. Goodling Child Nutrition Reauthorization Act of 1998 requires school food authorities (SFAs) to purchase, to the maximum extent practicable, "domestic commodity or product" which is either: (1) an agricultural commodity produced in the U.S.; or (2) a food product processed in the U.S. using "substantial" agricultural commodities that are produced in the U.S. "Substantial" means that over 51% of the final processed product consists of agricultural commodities that are produced in the U.S. <https://www.fns.usda.gov/sites/default/files/cn/SP24-2016os.pdf>

As you can read in the guidance link above, there are limited exceptions to the Buy American provision which allow for the purchase of products not meeting the "domestic" standard as described ("non-domestic") in circumstances when use of domestic products is truly not practicable.

These exceptions, as outlined in the guidance, are:

- The product is not produced or manufactured in the U.S. in sufficient and reasonable available quantities of a satisfactory quality; or
- Competitive bids reveal the costs of a U.S. product are significantly higher than the non-domestic product.

Today, Food Service Systems is sourcing Carrots from Mexico due to the logistics to our South Texas Distribution point and the high cost of goods and freight to move the product from the Pacific Northwest. The price difference is nearly 31%.

Food Service Systems carries a complete line of frozen vegetables, many of which are sourced from Mexico who is a NAFA partner and who's plants have been scrutinized by our QA team with full SQF Audits and accountability.

Thank you for your continued business and we look forward to servicing your needs into the future.

Sincerely,

William E. Lawrence

Vice President