**How to Determine U.S. Content for STEP Assistance**

In accordance with SBA requirements, to be eligible for STEP, the Eligible Small Business Concern (ESBC) must be an export-ready U.S. company seeking to export goods or services that are EITHER:

1. of U.S. origin (that is, substantially transformed in the United States); OR
2. have at least 51% U.S. content.

“Substantially transformed” means that the good underwent a fundamental change (normally as a result of processing or manufacturing in the United States) in form, appearance, nature, or character, which adds to its value an amount or percentage that is significant in comparison to the value which the good (or its components or materials) had when exported from the country in which it was first made or grown.

For the 51% U.S. content requirement, SBA follows the U.S. Commercial Service definition of U.S. content, as defined below.

**U.S. content or manufactured goods** = (ex-factory price of a good) minus (aggregate value contributed by non-U.S. or foreign sources (e.g., costs or payments to foreign suppliers/providers/employees not resident in the United States)).

Example:



**U.S. content for services** = (contract value of the service, whether delivered in the U.S. or overseas) minus (aggregate value contributed by non-U.S. or foreign sources (e.g., costs or payments to foreign suppliers/providers/employees not resident in the United States)).

Example:

