

COUNTRY OF ORIGIN MARKING SUMMARY:

EVERY ARTICLE OF FOREIGN ORIGIN MUST BE MARKED WITH THE COUNTRY OF ORIGIN AS LEGIBLY, INDELIBLY & PERMANENTLY AS THE PRODUCT WILL ALLOW

MARKING PURPOSE

The purpose of marking laws: Congress intended that the ultimate purchaser should be able to determine by inspection of the markings on imported goods, the country of which the goods are a product. The evident purpose is to mark the goods so that at the time of purchase the ultimate purchaser may, by knowing where the goods were produced, be able to buy or refuse to buy them, if such marking should influence his will. *United States v. Friedlaender & Co.*, 27 CCPA 297, C.A.D. 104 (1940)

COUNTRY OF ORIGIN

The country of manufacture, production, or growth of any article of foreign origin entering the U.S. Further work or material added to an article in another country must effect a substantial transformation in order to render a different country of origin *

ULTIMATE PURCHASER

The "ultimate purchaser" is defined generally as the last person in the U.S. who will receive the article in the form in which it was imported. If an imported article will be used in domestic manufacture, the manufacturer may be the "ultimate purchaser" if [s]he subjects the imported article to a process which results in a substantial transformation of the article. However, if the manufacturing process is a minor one, which leaves the identity of the imported article intact, the consumer or user of the article, who obtains the article after the processing, will be regarded as the "ultimate purchaser."

MARKING ON THE IMMEDIATE CONTAINER

Generally, articles imported in containers are eligible to be excepted from individual country of origin marking, as articles for which marking of their containers will reasonably indicate their country of origin. For the container exception to apply, Customs requires the article to be imported in a properly marked container, and Customs officials at the port of entry must be satisfied that the ultimate purchaser will in **all foreseeable circumstances** receive the article in its original unopened marked container.

For example: if it is foreseeable to Customs officials at the port of entry that under any circumstances an article of ready-to-assemble furniture will be removed from its container prior to retail sale to serve as a display model, existing policy would call for denying the container exception for the furniture and requiring that the individual components be marked with the country of origin.

* For NAFTA goods, the tariff shift rule applies. An article is considered to come from the country where it was last processed or manufactured and caused a change in classification under the Harmonized Tariff System.

In certain limited instances, a correctly marked article may be packaged in a container without the necessity of repeating country of origin marking on the package. For example: a correctly marked crystal vase could be placed in an unmarked container, provided the container remains unsealed at the point of sale. Customs believes the ultimate purchaser is extremely likely to open the container of such an article and closely examine the vase before purchase, consequently seeing the origin marking (see cfr 134.26(f)).

MARKING PENALTIES

Articles not marked as required may be subject to additional duties of 10 percent of the final appraised value unless exported or destroyed under Customs supervision prior to liquidation of the entry. The 10 percent additional duty is assessable for failure either to mark the article (or container) to indicate the English name of the country of origin of the article or to include words or symbols required to prevent deception or mistake.

DELIVERY MAY BE WITHHELD UNTIL PROPERLY MARKED

Any imported article (or its container) held in Customs custody can be held until marked with its country of origin.

REDELIVERY MAY BE DEMANDED

The port director may demand redelivery to Customs custody of any article (or its container) previously released, which is found to be not marked legally with its country of origin for the purpose of requiring the article (or its container) to be properly marked.

TIME LIMIT FOR ACCEPTABLE MARKING

30 days from date of notice of redelivery

NOTE ON NAFTA

The country of origin marking requirements for a "good of a NAFTA country" are also determined in accordance with Annex 311 of the North American Free Trade Agreement ("NAFTA") and the appropriate Customs Regulations. The Marking Rules used for determining whether a good is a good of a NAFTA country are contained in Part 102, Customs Regulations. The marking requirements of these goods are set forth in Part 134, Customs Regulations.

OTHER MARKING REQUIREMENTS

These marking requirements address country of origin marking only. Nothing in these regulations should be construed as excepting any article (or its container) from the particular requirements of marking under any other provision of any law, such as those of the Federal Trade Commission, Food and Drug Administration, and other agencies.

MARKING CITATION

The marking statute, section 304, Tariff Act of 1930, as amended (19 U.S.C. 1304), provides that, unless excepted by law, every article of foreign origin (or its container) imported into the U.S. shall be marked in a conspicuous place as legibly, indelibly and permanently as the nature of the article (or its container) will permit, in such a manner as to indicate the ultimate purchaser in the U.S. the English name of the country of origin of the article. Part 134, Customs Regulations (19 CFR Part 134) implements the country of origin marking requirements and exceptions of 19 U.S.C. 1304.