



**HQ H354210**

**November 12, 2025**

**OT:RR:CTF:VS H354210 EE**

**CATEGORY:** Origin

Kenneth R. Paley  
Sharretts, Paley, Carter & Blauvelt, P.C.  
75 Broad Street  
New York, NY 10004

**RE:** Grain Splits of Bovine Crust Leather; Country of Origin for Purposes of Trade Remedies

Dear Mr. Paley:

This is in response to your letters, dated September 2, 2025, and October 16, 2025, on behalf of your client, Kamali Group Incorporated (“KGI”), concerning the country of origin of certain grain splits of bovine crust leather for purposes of additional trade remedy measures. Your request, submitted as an electronic ruling request, was forwarded to this office from the National Commodity Specialist Division for review.

**FACTS:**

The product in question is grain splits of bovine crust leather to be imported into the United States from Brazil. You state that since 2018, KGI has been engaged in an ongoing program with one of its largest customers under which it provides bovine crust leather for the customer in 18 different colors. The leather is processed in Brazil from wet blue bovine leather produced in the United States from American hides. You state that to produce the wet blue whole hides, raw American hides are salted, bated, pickled, and chrome tanned in the United States. The hides are then sorted for grading and shipped to the Brazilian company. In Brazil, the hides are shaved to yield a more uniform thickness, retanned to add colors (during which process chemicals are added to make the leather flame-retardant), and fatliquored to achieve desired color and softness. Finally, the hides are vacuum dried and shipped to KGI back in the United States. After importation, KGI will sell the imported bovine crust leather to a leather finishing manufacturer in the United States who will finish the leather in accordance with the specifications of its customers.

You claim that the country of origin of subject bovine crust leather is the United States and that the leather will not be subject to additional tariffs imposed under subheadings 9903.01.77 and 9903.02.09, Harmonized Tariff Schedule of the United States (“HTSUS”).

## ISSUE:

What is the country of origin of the bovine crust leather for purposes of additional trade remedy measures?

## LAW AND ANALYSIS:

When determining the country of origin for purposes of applying current trade remedies, the substantial transformation analysis is applicable. The test for determining whether a substantial transformation will occur is whether an article emerges from a process with a new name, character, or use different from that possessed by the article prior to processing. *See Texas Instruments, Inc. v. United States*, 69 CCPA 151 (1982). This determination is based on the totality of the evidence. *See National Hand Tool Corp. v. United States*, 16 CIT 308 (1992), *aff'd*, 989 F.2d 1201 (Fed. Cir. 1993).

In Headquarters Ruling Letter (“HQ”) W559969, dated February 3, 1997, U.S. Customs and Border Protection (“CBP”) revoked an earlier ruling, HQ 557714, dated September 9, 1994, where CBP held that the processes performed in Mexico on the wet blue split sides which consisted of shaving, retanning, coloring, fatliquoring, and conditioning known as “staking” resulted in a substantial transformation. In HQ W559969, CBP found that the processes performed in Mexico actually did not result in a substantial transformation, as the exported article, wet blue, was actually leather, and the additional operations performed to make conditioned crust leather were only finishing operations similar to those involved in HQ 556242, dated October 2, 1991.

In HQ 556242, CBP considered, for purposes of Note 2(b), non-perishable crust leather which was imported into the United States from several South American countries. The operations performed in the United States included among the following operations:

1. Retanning the crust for more consistent texture;
2. Coloring the crust based on the desired finished color;
3. Fatliquoring or oiling to change the texture of the leather;
4. Drying;
5. Dampening if vacuum drying was used;
6. Dry milling by tumble drying for a softer feel;
7. Toggling to stretch the hides back to yield size after shrinkage;
8. Mechanical softening to further soften the leather;
9. Embossing the leather with the desired print pattern;
10. Painting to desired color; and
11. Sealing and trimming.

CBP held that the material imported into the United States did not undergo a substantial transformation by the operations performed in the United States as the operations were cosmetic in nature and the crust leather and the finished leather were the same product at different stages of production. *See also* HQ 560381, dated June 13, 1997. Consistent with our previous rulings, we find that the operations performed in Brazil do not substantially transform the wet blue hides

from the United States. The processing in Brazil is cosmetic in nature and akin to finishing operations. Accordingly, we find that the country of origin of the grain splits of bovine crust leather will be the United States for purposes of additional trade remedy measures.

**HOLDING:**

The country of origin of the grain splits of bovine crust leather will be the United States.

Please note that 19 C.F.R. § 177.9(b)(1) provides that “[e]ach ruling letter is issued on the assumption that all of the information furnished in connection with the ruling request and incorporated in the ruling letter, either directly, by reference, or by implication, is accurate and complete in every material respect. The application of a ruling letter by a [CBP] field office to the transaction to which it is purported to relate is subject to the verification of the facts incorporated in the ruling letter, a comparison of the transaction described therein to the actual transaction, and the satisfaction of any conditions on which the ruling was based.”

A copy of this ruling letter should be attached to the entry documents filed at the time this merchandise is entered. If the documents have been filed without a copy, this ruling should be brought to the attention of the CBP officer handling the transaction.

Sincerely,

Monika R. Brenner, Chief  
Valuation and Special Programs Branch