



## U.S. Customs and Border Protection

N356661

December 19, 2025

OT:RR:NC:N1:118

CATEGORY: Origin

Martin Schaefermeier  
Cassidy Levy Kent (USA) LLP  
2112 Pennsylvania Ave. NW, Suite 300  
Washington, DC 20037

RE: The country of origin of a cutting chisel

Dear Mr. Schaefermeier:

In your letter dated December 2, 2025, on behalf of Betek GmbH & Co. KG, you requested a country of origin determination for purposes of Section 301 duties and IEEPA tariffs. Pictures and descriptions of the manufacturing processes were included in your submission.

The merchandise under consideration is identified as a cutting chisel. The imported tool is primarily comprised of five components: the steel body, a tungsten carbide tip, brazing, a clamping sleeve and a wear plate. The chisel is an essential part of a cold milling machine used for surface treatments of roads with the purpose of removing asphalt layers while allowing for the reuse of the milled material. The chisel is the part of the machine that penetrates and cuts the material layer by layer from the road surface. Multiple chisels are used on one cold milling machine. In operation, each chisel is mounted into individual holders that are welded onto the rotating milling drum of the machine. The chisels can be ejected and replaced when needed.

You have stated that manufacturing process for the chisel will occur in Germany using parts and components from local German partners, sourcing only the tungsten carbide tip from China. The manufacturing process begins with cold forging steel in Germany into the raw steel body and machining it to exact technical specifications. Specifically, the base of the body is machined to fit precisely into the holder on the cold milling machine. In addition, a hole is precision-drilled in the top of the steel body to accommodate the carbide tip.

The remaining steps of the production of the finished chisel are also performed in Germany. The tungsten carbide must be sandblasted in preparation for the brazing process. The chisel body is also sandblasted and then washed to remove oil residue and rust protection that was applied for transport. After sandblasting and washing, the machined steel body is ready for brazing. It is loaded into the brazing machine, together with brazing and soldering material. The tungsten carbide tip is then placed on the forged seat of the steel body, and both are brazed together using a specialized mixture, all of which originate from Germany or another EU member country. Subsequently, the chisel is again sandblasted to remove any scaling that may have built up from the brazing process. The wear plate and clamping sleeve, which are also made in Germany, are then

affixed to the steel body. The finished chisel is then reviewed for quality control, packaged, and shipped to the United States.

When determining the country of origin for purposes of applying current trade remedies under Section 301 and additional duties, the substantial transformation analysis is applicable. See, e.g., Headquarters Ruling Letter H301619, dated November 6, 2018. 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, 681 F.2d 778 (C.C.P.A. 1982). This determination is based on the totality of the evidence. See National Hand Tool Corp. v. United States, 16 C.I.T. 308 (1992), *aff'd*, 989 F.2d 1201 (Fed. Cir. 1993).

Our office notes that in the case of the cutting chisel, the tool is primarily comprised of five components: the steel body, a tungsten carbide tip, brazing, a clamping sleeve and a wear plate. Apart from the tungsten carbide tip, all these components are manufactured in Germany. The sum of the complex operations performed in Germany results in the permanent combination of a first rough-forged and then precision-machined steel body and a carbide tip into a precision-made finished cutting chisel through machining, brazing, and heat treatment (in addition to other steps). These processes result in a product, i.e. the finished cutting chisel, having a new name, character, and use different from that of the imported carbide tip. It is therefore the opinion of our office that a substantial transformation occurs in Germany and consequently the country of origin for the finished cutting chisel is Germany.

The holding set forth above applies only to the specific factual situation and merchandise description as identified in the ruling request. This position is clearly set forth in Title 19, Code of Federal Regulations (CFR), Section 177.9(b)(1). This section states that a ruling letter is issued on the assumption that all of the information furnished in the ruling letter, whether directly, by reference, or by implication, is accurate and complete in every material respect. In the event that the facts are modified in any way, or if the goods do not conform to these facts at time of importation, you should bring this to the attention of U.S. Customs and Border Protection (CBP) and submit a request for a new ruling in accordance with 19 CFR 177.2. Additionally, we note that the material facts described in the foregoing ruling may be subject to periodic verification by CBP.

This ruling is being issued under the provisions of Part 177 of the Customs and Border Protection Regulations (19 C.F.R. 177).

A copy of the ruling or the control number indicated above should be provided with the entry documents filed at the time this merchandise is imported. If you have any questions regarding the ruling, please contact National Import Specialist Anthony Grossi at [anthony.e.grossi@cbp.dhs.gov](mailto:anthony.e.grossi@cbp.dhs.gov).

Sincerely,

(for)

Evan Conceicao  
Designated Official Performing the Duties of the Division Director  
National Commodity Specialist Division