

# Product Country of Origin Marking and Labeling Requirements

## Purpose

This procedure will address how to comply with the requirements for Country of Origin (“COO”) marking and labeling for all Zurn products.

In this procedure, the term “**Labeling**” refers to any notation of origin on boxes, cartons or outside packaging and the term “**Marking**” refers to any origin marking on the product itself such as etching or ink markings or other methods of permanent marking of the origin onto the product.

## Scope

Country of Origin labeling and marking for International Sales

How to label boxes and outer cartons with COO and when it is required

How to mark products with COO and when it is required

## Responsibilities

Business Unit/Warehouse/Ship room Coordinator – SRC

Purchasing

Trade Compliance

Overseas Vendors

## Marking and Labeling

For US origin products the labeling of origin is not solely dependent on the actual origin of the product but a combination of the product origin and the destination of that product when sold. There are 2 exceptions where additional marking of product is required – see #3

### 1. Non-US origin products

Items identified in the MRP system with an origin of anything other than USA must have the origin printed on the package or label at time of shipment.

Proper Marking of origin can include:

- **Made in (name of country) i.e. Made in Canada**
- **Product of (name of country) i.e. Product of China**

## 2. Items of US Origin

a. Items of US origin that will be exported to another country can be labelled with US origin the same as foreign items are – see 1.b

b. Items of US origin that will be sold within the US to a domestic customer do not require any labeling of origin. The labeling of product with a USA origin is strictly monitored and enforced by the Federal Trade Commission (FTC) and carries a very high minimum US content requirement. The requirement is that the item for sale has all or virtually all US material content.

i. If an item meets the FTC guidelines of virtually all US content then a Made in USA labeling is an option – these must be approved by Trade Compliance. A special flag in the system can be assigned to items that meet this standard.

ii. If your item is US origin but does NOT meet the minimum FTC requirements, there are additional marking options. These options must be vetted and approved by Trade Compliance before such labeling will be allowed. Items with this type of labeling text must have a special set up within the MRP system to properly print on all labels.

Examples of such options are:

*Part 'xxxx' is engineered and assembled in the US of US and foreign components.*

*Part 'xxxx' is assembled in the US of components from China and Taiwan.*

*Part 'xxxx' is designed and manufactured in the US of foreign components.*

3. Items sold to certain countries.

Products of any origin sold to certain Foreign Countries require both **inner and outer Package labeling and product marking. (etching directly on the part itself)**

There are currently two countries that require this additional marking, they are: Saudi Arabia and South Korea.

### **Components:**

Components used in another product, do not need not have any country of origin markings on product itself. It is sufficient to have country of origin markings on the inner and master carton at time of import.

If, on the other hand, the components are themselves stand-alone products and there is no reasonable way to use them as component parts of another stand-alone product, **then foreign country of origin markings (e.g. "China", "Made in China") need to appear on the product itself.**

An article that is to be combined with another article in the United States but which will retain its identity and will not become substantially transformed **must be marked ‘made in’ (country) or ‘product of’ (country)**.

### **Customer Marking/Etching Requirements**

We may have customers who have specific origin label marking or product etching requirements. Any specific customer requirements outside of this policy need to be brought to the Trade Compliance Department for review. Requirements will need to be reviewed against both customs and FTC laws and regulations to determine their feasibility.

### Shipment

The Business Unit Warehouse /Ship room coordinator – SRC ensures all goods have a permanent fixed marking indicating the country of origin (“COO”\*) of those goods and labeling both product and packaging.

### Marking

Country of origin declarations and method of product designations may be in the form of: Placard, Sign, Label, Sticker, Band, Twist Tie, Pin Pag, Check Box

Sale of Finished Goods.

- Product to be sold in the USA and exported to other countries:
- Product meets the Made in USA standard (= ~95% US content), and may be marked COO USA.
- Product substantially transformed in the USA. For domestic sale, **no origin marking, and labeling required.**
- Product and components do not qualify for substantial transformation. Product and packaging required to be marked with full description of country of assembly and country sources of all components other than those which qualify via de minimis.

Examples of Product labeling can be found in Appendix A

**Appendix A:** Product and packaging markings and labeling: **(Examples)**



Country of Origin \*\*Marking Exception:

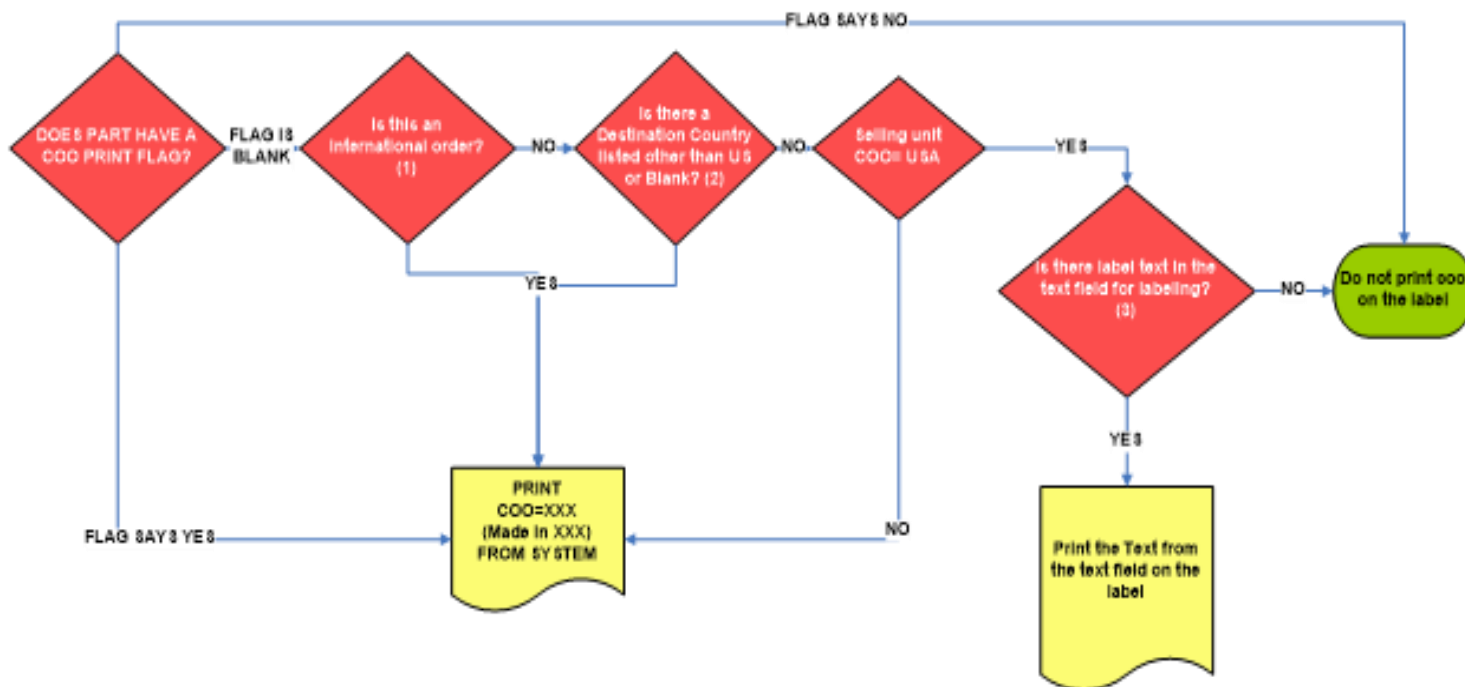
- ii. The nature of some goods, such as nails, screws, bolts, and nuts, are excluded from the country of origin marking requirements, **but the packaging and master pack of such goods must be properly marked.**

***\*The abbreviation “COO” is used for convenience in this Standard Procedure. DO NOT USE THE ABBREVIATION “COO” IN ANY PRODUCT AND/OR PACKAGE MAILINGS.***

Appendix B: MRP System – Labeling Flowchart:

## COO Labeling Process Flowchart

With text comments



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### Scope

- Country of Origin labeling and marking for International Sales
- How to label boxes and outer cartons with COO and when it is required
- How to mark products with COO and when it is required

## Responsibilities

Business Unit/Warehouse/Ship room Coordinator – SRC

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Appendix A: Product and packaging markings and labeling: (Examples)

[Text Box][Text Box]  
[Text Box][Text Box]

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