Abstract: The Form I–510 is executed upon the arrival of an alien crewman within the purview of Section 253 of the Immigration and Nationality Act. The information is used by CBP to help ensure that expenses of caring for an alien crewman are reimbursed by the carrier.

Current Actions: CBP is proposing to extend this collection of information with no change to the burden hours.

Estimated Number of Respondents: 100.

Estimated Number of Annual Responses per Respondent: 1.

Estimated Total Annual Responses: 100.

Estimated Time per Response: 5 minutes.

Estimated Total Annual Burden Hours: 8.

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Notice of Issuance of Final Determination Concerning Multifunctional Machines


ACTION: Notice of final determination.

SUMMARY: This document provides notice that U.S. Customs and Border Protection (“CBP”) has issued a final determination concerning the country of origin of certain multifunctional machines which may be offered to the United States Government under a government procurement contract. Based upon the facts presented, in the final determination CBP concluded that Japan is the country of origin of the multifunctional machines for purposes of U.S. Government procurement.

DATES: The final determination was issued on November 30, 2009. A copy of the final determination is attached.

FOR FURTHER INFORMATION CONTACT: Karen S. Greene, Valuation and Special Programs Branch, Regulations and Rulings, Office of International Trade (202–325–0041).

SUPPLEMENTARY INFORMATION: Notice is hereby given that, pursuant to subpart B of part 177, Customs Regulations (19 CFR part 177, subpart B), CBP issued a final determination concerning the country of origin of certain multifunctional machines which may be offered to the United States Government under a government procurement contract. This final determination, in HQ H039955, was issued at the request of Sharp Electronics Corporation under procedures set forth at 19 CFR part 177, subpart B, which implements Title III of the Trade Agreements Act of 1979, as amended (19 U.S.C. 2511–18). In the final determination, CBP concluded that, based upon the facts presented, certain articles will be substantially transformed in Japan. Therefore, CBP found that Japan is the country of origin of the finished articles for purposes of U.S. Government procurement.

This case involves the Sharp Dragon II J–models (Sharp model # MX–M550N/UJ, MX–M620N/UJ, and MX–M700N/UJ). These models have monochrome copying, printing, faxing and duplex scanning functions.

Sharp Corporation, Sharp’s parent company (“Sharp Japan”) developed the Dragon II J–models in Japan, including the engineering, development, design and art work processes. The production of the Dragon II J–Models began with the preparation of the key subassemblies and units. According to your submission, there are 11 main subassemblies that compose the Dragon II J–Models. Of the eleven subassemblies, only the drum unit subassembly is assembled in Japan. The remaining 10 subassemblies are assembled in China with parts from Japan and China. The final assembly of the merchandise is performed in Japan.

The Subassemblies Assembled in China

According to your submission, the subassemblies which are themselves assembled in China are essentially as follows:

- Laser scanning unit (“LSU”) creates text or images on the photoconductor drum. It consists of a housing, synchronous lens, two cylindrical lenses, and asynchronous lower lens.
- The transfer belt unit transfers the image created on the drum onto the surface of the paper for printing.
- The multifunctional printer cabinet subassembly is comprised of the mechanical frame for the printer engine along with exterior panels, paper transport and exit components, paper driver motors, cooling fans and filters, sensors and switches for detecting paper and whether doors are open or closed, the paper manual feed unit, the toner supply motors and sensors, paper transport motors and sensors, the duplex section, the toner image transfer section, the image scanner section and the operation panel.
- The main charger unit subassembly charges the surface of the drum evenly by application of high voltage so that it can form electrostatic images when irradiated by laser beams.
- The process unit subassembly houses the drum used for creating images. The drum is produced and installed in China.
- The developer unit is used to transfer toner evenly over the latent image created on the...
is or would be a product of a designated final determinations as to whether an article amended (19 U.S.C. § 2511 et seq.), CBP multifunctional printer machines for the network interface card are installed. MFP cabinet unit. A network interface card is installed into the slot on the rear of the back side of the MFP cabinet. The flash ROM (which includes the firmware) is installed in a slot on the cabinet unit subassembly and attaches the place in Japan. Sharp Japan starts with a MFP produced in Japan. Further, the developer (iron powder beads) and toner are and produced in Japan. Further, the controller, the CIS, the fusing gear, the LSU synchronous lower lens, LSU two cylinder lenses, the transfer belt, cleaning brushes, drum separator paws, the cleaning brush roller, the toner waste pipe, the drum, the mixing roller, the humidity sensor, the diodes and resistors, condensors, the flash ROM, the boot ROM, the firmware, the SDRAM, the application-specific integrated circuit (‘‘ASIC’’), the multifunctional printer input/output system control ASIC, the LCD panel control ASIC, the USB controller, the CIS, the fusing gear, the separator paw, the web roller, the cleaning sub roller, the cleaning roller bearing, the lower cleaning roller and the thermostats. The firmware and ASICs are developed and produced in Japan. Further, the developer (iron powder beads) and toner are produced in Japan.

Final Assembly and Testing In Japan

The final assembly of the machines takes place in Japan. Sharp Japan starts with a MFP cabinet unit subassembly and attaches the various subassemblies by screws.

The printer control unit (MFP control unit) together with the flash ROM (which includes the firmware) is installed in a slot on the back side of the MFP cabinet. The flash ROM is installed into the slot on the rear of the MFP cabinet unit. A network interface card is installed. An additional flash ROM and a network interface card are installed.

Testing, final inspection and packaging of the units for shipment to the U.S. occurs in Japan.

ISSUE:

What is the country of origin of the subject multifunctional printer machines for the purpose of U.S. Government procurement?

LAW AND ANALYSIS:

Pursuant to Subpart B of Part 177, 19 CFR §177.22(a).

In determining whether the combining of parts or materials constitutes a substantial transformation, the determinative issue is the extent of operations performed and whether the parts lose their identity and become an integral part of the new article. Belcrest Linens v. United States, 573 F. Supp. 1149 (Ct.Intl’l Trade 1983), aff’d, 741 F.2d 1368 (Fed. Cir. 1984). Assembly operations that are minimal or simple, as opposed to complex or meaningful, will generally not result in a substantial transformation. See C.S.D. 80–111, C.S.D. 85–25, C.S.D. 89–110, C.S.D. 89–118, C.S.D. 90–51, and C.S.D. 90–97. In C.S.D. 85–25, 19 Cust. Bull. 844 (1985), CBP held that for purposes of the Generalized System of Preferences (‘‘GSP’’), the assembly of a large number of fabricated components onto a printed circuit board in a process involving a considerable amount of time and skill resulted in a substantial transformation. In that case, in excess of 50 discrete fabricated components (such as resistors, capacitors, diodes, integrated circuits, sockets, and connectors) were assembled. Whether an operation is complex and meaningful depends on the nature of the operation, including the number of components assembled, number of different operations, time, skill level required, attention to detail, quality control, the value added to the article, and the overall employment generated by the manufacturing process.

In order to determine whether a substantial transformation occurs when components of various origins are assembled into completed products, CBP considers the totality of the circumstances and makes such determinations on a case-by-case basis. The country of origin of the item’s components, extent of the processing that occurs within a country, and whether such processing renders a product with a new name, character, and use are primary considerations in such cases. Additionally, factors such as the resources expended on product design and development, extent and nature of post-assembly inspection and testing procedures, and worker skill required during the actual manufacturing process will be considered when determining whether a substantial transformation has occurred. No one factor is determinative.

CBP has held in a number of cases involving similar merchandise that complex and meaningful assembly operations involving a large number of components result in a substantial transformation. In Headquarters Ruling Letter (‘‘HRL’’) 563491 (February 8, 2007), CBP addressed the country of origin of certain digital color multifunctional systems manufactured by Sharp and assembled in Japan of various Japanese—and Chinese—origin parts. In that ruling, CBP determined that color multifunctional systems were a product of Japan based on the fact that “although several subassemblies are assembled in China, enough of the Japanese subassemblies and individual components serve major functions and are high in value, in particular, the transfer belt, control box unit, application-specific integrated circuits, charged couple device, and laser diodes.” Further CBP found that the testing and adjustments performed in Japan were technical and complex and the assembly operations that occurred in Japan were sufficiently complex and meaningful. See also HRL 562936, dated March 17, 2004. The processing operations presented in this case are more similar to that presented in HRL 563491. The composition and assembly process of a number of key subassemblies such as the laser scanning unit, the transfer belt unit and the controller unit are not meaningfully different from the assembly operations performed on the merchandise in our previous ruling. Taking all of the facts and circumstances into account, and in light of our previous decision, we find that the operations performed in Japan including the final assembly, testing and related operations to be sufficiently complex and meaningful to result in a new and distinct article of commerce in Japan. Therefore, we find that the Dragon II–J multifunctional printer machines are products of Japan for the purposes of U.S. Government procurement. We note however, that with so many of the subassemblies performed in China, the transfer of additional parts or processing from Japan to China might well require a different result.

HOLDING:

Based on the facts of this case, the country of origin of the Dragon II–J–model multifunctional printer machines is Japan for purposes of U.S. Government procurement.

Notice of this final determination will be given in the Federal Register, as required by 19 CFR §177.29. Any party-at-interest other than the party which requested this final determination may request, pursuant to 19 CFR §177.31 that CBP reexamine the matter anew and issue a new final determination. Pursuant to 19 CFR §177.30, any party-at-interest may, within 30 days after publication of the Federal Register Notice referred to above, seek judicial review of this final determination before the Court of International Trade.

Sincerely,

Sandra L. Bell,
Executive Director, Office of Regulations and Rulings Office of International Trade.

[FR Doc. E9–29056 Filed 12–4–09; 8:45 am]

BILLING CODE 9111–14–P