DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Cellular Aspects of Diabetes and Obesity

Time: 8:00 a.m. to 5:00 p.m.
Place: Lorien Hotel & Spa, 1600 King Street, Alexandria, VA 22314.
Contact Person: Elaine Sierra-Rivera, Ph.D., elaine.sierra-rivera@csr.nih.gov.

(Notice Announcing the Automated Commercial Environment (ACE) as the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Certain Electronic Entry and Entry Summary Filings Accompanied by Food and Drug Administration (FDA) Data)

U.S. Customs and Border Protection


Action: General notice.

Summary: This document announces that the Automated Commercial Environment (ACE) will be the sole electronic data interchange (EDI) system authorized by the Commissioner of U.S. Customs and Border Protection (CBP) for processing electronic entries and entry summaries associated with the entry types specified in this notice, for merchandise that is subject to the import requirements of the Food and Drug Administration (FDA). This document also announces that the Automated Commercial System (ACS) will no longer be a CBP-authorized EDI system for purposes of processing these electronic filings.

Dates: Effective June 15, 2016; ACE will be the sole CBP-authorized EDI system for electronic entry and entry summary filings for merchandise subject to the import requirements of the FDA.

DEPARTMENT OF HOMELAND SECURITY

Notice announcing the Automated Commercial Environment (ACE) as the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Certain Electronic Entry and Entry Summary Filings Accompanied by Food and Drug Administration (FDA) Data
associated with the following entry types:
01 (consumption), 03 (consumption—antidumping/ countervailing duty), 06 (consumption—Foreign Trade Zone (FTZ)), 11 (informal), 23 (temporary importation under bond), 51 (Defense Contract Administration Service Region), and 52 (government—dutiable).

FOR FURTHER INFORMATION CONTACT: Questions related to this notice may be emailed to ASKACE@cbp.dhs.gov with the subject line identifier reading “ACS to ACE—FDA transition”.

SUPPLEMENTARY INFORMATION:

Background

Statutory Authority

Section 484 of the Tariff Act of 1930, as amended (19 U.S.C. 1484), establishes the requirement for importers of record to make entry for merchandise to be imported into the customs territory of the United States. Customs entry information is used by U.S. Customs and Border Protection (CBP) and Partner Government Agencies (PGAs) to determine whether merchandise may be released from CBP custody. Importers of record are also obligated to complete the entry by filing an entry summary declaring the value, classification, rate of duty applicable to the merchandise and such other information as is necessary for CBP to properly assess duties, collect accurate statistics and determine whether any other applicable requirement of law is met.

The customs entry requirements were amended by Title VI of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057, December 8, 1993), commonly known as the Customs Modernization Act, or Mod Act. In particular, section 637 of the Mod Act amended section 484(a)(1)(A) of the Tariff Act of 1930 (19 U.S.C. 1484(a)(1)(A)) by revising the requirement to make and complete customs entry by submitting documentation to CBP to allow, in the alternative, the electronic transmission of such entry information pursuant to a CBP-authorized electronic data interchange (EDI) system. CBP created the Automated Commercial System (ACS) to track, control, and process all commercial goods imported into the United States. CBP established the specific requirements and procedures for the electronic filing of entry and entry summary data for imported merchandise through the Automated Broker Interface (ABI) to ACS.

Transition From ACS to ACE

In an effort to modernize the business processes essential to securing U.S. borders, facilitating the flow of legitimate shipments, and targeting illicit goods pursuant to the Mod Act and the Security and Accountability for Every (SAFE) Port Act of 2006 (Pub. L. 109–347, 120 Stat. 1884), CBP developed the Automated Commercial Environment (ACE) to eventually replace ACS as the CBP-authorized EDI system. Over the last several years, CBP has tested ACE and provided significant public outreach to ensure that the trade community is fully aware of the transition from ACS to ACE.

On February 19, 2014, President Obama issued Executive Order (E.O.) 13659, Streamlining the Export/Import Process for America’s Businesses, in order to reduce supply chain barriers to commerce while continuing to protect our national security, public health and safety, the environment, and natural resources. See 79 FR 10657 (February 25, 2014). Pursuant to E.O. 13659, a deadline of December 31, 2016, was established for participating Federal agencies to have capabilities, agreements, and other requirements in place to utilize the International Trade Data System (ITDS) and supporting systems, such as ACE, as the primary means of receiving from users the standard set of data and other relevant documentation (exclusive of applications for permits, licenses, or certifications) required for the release of imported cargo and clearance of cargo for export.

On October 13, 2015, CBP published an Interim Final Rule in the Federal Register (80 FR 61278) that designated ACE as a CBP-authorized EDI system. The designation of ACE as a CBP-authorized EDI system was effective November 1, 2015. In the Interim Final Rule, CBP stated that ACS would be phased out and anticipated that ACS would no longer be supported for entry and entry summary filing by the end of February 2016. Filers were encouraged to adjust their business practices so that they would be prepared when ACS was decommissioned.

CBP has developed a staggered transition strategy for decommissioning ACS. The first two phases of the transition were announced in a Federal Register notice on February 29, 2016. (81 FR 10264). This notice announces the third phase of the transition. CBP will continue to monitor the FDA filing rates in ACE. Should there be a need to avoid an adverse impact on trade, CBP will reassess the transition completion date for FDA filings.

ACE as the Sole CBP-Authorized EDI System for the Processing of Certain Electronic Entry and Entry Summary Filings Accompanied by FDA Data

This notice announces that, effective June 15, 2016, ACE will be the sole CBP-authorized EDI system for electronic entries and entry summaries for merchandise that is subject to import requirements of the Food and Drug Administration (FDA), associated with the following entry types:
01—Consumption—Free and Dutiable
03—Consumption—Antidumping/Countervailing Duty
06—Consumption—Foreign Trade Zone (FTZ)
11—Informal—Free and Dutiable
23—Temporary Importation Bond (TIB)
51—Defense Contract Administration Service Region (DCASR)
52—Government—Dutiable

ACS as the Sole CBP-Authorized EDI System for the Processing of Certain Electronic Entry and Entry Summary Filings

- Electronic entry and entry summary filings for the following entry types must continue to be filed only in ACS:
- 02—Consumption—Quota/Visa
- 07—Consumption—Antidumping/Countervailing Duty and Quota/Visa Combination
- 08—NAFTA Duty Deferral
- 09—Reconciliation Summary
- 12—Informal—Quota/Visa (other than textiles)
- 21—Warehouse
- 22—Re-Warehouse
- 31—Warehouse Withdrawal—Consumption
- 32—Warehouse Withdrawal—Quota
- 34—Warehouse Withdrawal—Antidumping/Countervailing Duty
- 38—Warehouse Withdrawal—Antidumping/Countervailing Duty & Quota/Visa Combination
- 41—Direct Identification Manufacturing Drawback
- 42—Direct Identification Unused Merchandise Drawback
- 43—Rejected Merchandise Drawback
- 44—Substitution Manufacturer Drawback
- 45—Substitution Unused Merchandise Drawback
- 46—Other Drawback
- 61—Immediate Transportation
- 62—Transportation and Exportation
- 63—Immediate Exportation
- 69—Transit (Rail only)
- 70—Multi-Transit (Rail only)

CBP will publish a subsequent Federal Register Notice in the near future announcing entry and entry summary filings will be transitioned in ACE.
DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Notice of Issuance of Final Determination Concerning Certain Exercise Equipment


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 two pieces of exercise equipment known as the Matrix® G3–S60 Selectorized Dip/Chin Assist and the Matrix® G3–FW52 Back Extension Bench. Based upon the facts presented, CBP has concluded that the country of origin of the exercise equipment is the United States under Scenario One and China under Scenario Two.

DATES: The final determination was issued on May 10, 2016. A copy of the final determination is attached. Any party-at-interest, as defined in 19 CFR 177.22(d)(1), may seek judicial review of a final determination within 30 days of publication of such determination in the Federal Register.

FOR FURTHER INFORMATION CONTACT: Ross Cunningham, Valuation and Special Programs Branch, Regulations and Rulings, Office of Trade (202) 325–0034.

SUPPLEMENTARY INFORMATION: Notice is hereby given that on May 10, 2016, pursuant to subpart B of Part 177, U.S. Customs and Border Protection Regulations (19 CFR part 177, subpart B), CBP issued a final determination concerning the country of origin of two pieces of exercise equipment known as the Matrix® G3–S60 Selectorized Dip/Chin Assist and the Matrix® G3–FW52 Back Extension Bench, which may be offered to the U.S. Government under an undesignated government procurement contract. This final determination, HQ H270580, was issued 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 under Scenario One, the processing in the United States results in a substantial transformation, whereas under Scenario Two, the processing in the United States does not result in a substantial transformation. Therefore, the country of origin of the exercise equipment for purposes of U.S. Government procurement is the United States under Scenario One and China under Scenario Two.

Section 177.29, CBP Regulations (19 CFR 177.29), provides that a notice of final determination shall be published in the Federal Register within 60 days of the date the final determination is issued. Section 177.30, CBP Regulations (19 CFR 177.30), provides that any party-at-interest, as defined in 19 CFR 177.22(d), may seek judicial review of a final determination within 30 days of publication of such determination in the Federal Register.


Myles B. Harmon,
Acting Executive Director, Regulations and Rulings, Office of Trade.
HQ H270580
May 10, 2016
OT:RR:CTF:VS H270580 RMC

CATEGORY: Country of Origin

John A. Knab
Garvey Shubert Barer PC
1000 Potomac Street NW
Suite 200
Washington, DC 20007
Re: U.S. Government Procurement; Country of Origin of Exercise Equipment; Substantial Transformation

Dear Mr. Knab:

This is in response to your letter dated November 3, 2015, requesting a final determination on behalf of Johnson Health Tech North America (“Johnson”) pursuant to Subpart B of Part 177 of the U.S. Customs and Border Protection (“CBP”) Regulations (19 CFR part 177). Under these regulations, which implement Title III of the Trade Agreements Act of 1979 (“TAA”), as amended (19 U.S.C. 2511 et seq.), CBP issues country of origin advisory rulings and final determinations as to whether an article is or would be a product of a designated country or instrumentality for the purposes of granting waivers of certain “Buy American” restrictions in U.S. law or for products offered for sale to the U.S. Government. This final determination concerns the country of origin of two pieces of exercise equipment. As a U.S. importer, Johnson is a party-at-interest within the meaning of 19 CFR 177.22(d)(1) and is entitled to request this final determination.

FACTS:

Johnson is an exercise equipment manufacturer based in Cottage Grove, Wisconsin. It is a wholly-owned subsidiary of the Taiwanese entity Johnson Health Tech. Co., Ltd. (“JHT”). JHT, through its subsidiaries, operates in Taiwan, China, and the United States.

The two pieces of equipment at issue are the Matrix® G3–S60 Selectorized Dip/Chin Assist (“G3 Dip”) and the Matrix® G3–FW52 Back Extension Bench (“G3 Back Extension”). The G3 Dip machine is designed to be used for pull-ups and triceps dips. The user kneels on a counterweighted lever that supports some of the user’s body weight during pull-up or triceps-dip exercises. This upward pressure helps the user develop strength before transitioning to unassisted pull-ups or triceps dips. The G3 Back Extension is an adjustable bench, angled at 45 degrees, designed to be used for lower-back exercises such as hyperextensions.

In its submission, Johnson described two scenarios for assembling the exercise equipment in the United States. The first scenario would apply to both the G3 Dip and the G3 Back Extension and involves importing all component parts for the equipment from China and welding, painting, and assembling them in the United States. The second scenario would apply only to the G3 Dip and is similar to the first scenario except that some of the sub-assemblies would be welded together in China. The specifics of each scenario are described in greater detail below.

1. Scenario One—Design, Weldments, and Assembly in the United States

a. Design in the United States

Johnson states that the G3 Dip and G3 Back Extension will be derived from previous industrial designs that were completed in the United States, although some additional U.S. industrial design may be needed to refresh the look of the equipment. In the design process, U.S.-based engineers will use SolidWorks software to create 3D models and 2D drawings from computer models. Each unit will generally require between 100 and 200 2D computer drawings representing between 300 and 500 separate components and subassemblies. These 2D drawings will then be used as the blueprints in the manufacturing process.

b. Component Parts and Materials Come From China

The G3 Dip will consist of approximately 500 parts all produced in China from Chinese materials except for the cable that connects the weights to the counterweight. This cable will be procured from a U.S. supplier but is of unknown origin. The G3 Back Extension will consist of approximately 200 parts all produced in China from Chinese materials.