



HARMONIZED SYSTEM
COMMITTEE

-
27th Session
-

NC0433E1

O. Eng.

Brussels, 8 May 2001.

CLASSIFICATION OF THE "MEDIA COMPOSER 1000"

(RESERVATION BY THE EC)

(Item VIII.2 on Agenda)

Reference documents :

40.179 (HSC/17)	NC0071E1 (HSC/23)
40.260, Annex IJ/26 (HSC/17 – Report)	NC0090E2, Annex IJ/36 (HSC/23 – Report)
40.600, Annex IJ/4 (HSC/18 – Report)	NC0151E1 (HSC/24)
40.892 (HSC/19)	NC0160E2, Annex H/18 (HSC/24 – Report)
41.000, Annex A/VIII (HSC/19 – Report)	NC0286E1 (HSC/26)
41.100, Annex F/8 (HSC/19)	NC0340E2, Annex G/4 (HSC/26 – Report)
41.100, Annex K/16 (HSC/19)	NC0385E1 (HSC/27)

I. BACKGROUND

1. After the preparation of Doc. NC0385E1, the Secretariat received the following note from the United States Administration on the classification of the Media Composer 1000.

II. NOTE FROM THE US ADMINISTRATION

CLASSIFICATION OF MEDIA COMPOSER 1000

2. "At its 24th Session, the Committee reviewed its earlier classification of the "Media Composer 1000" system and concluded that the system was properly classifiable in heading 84.71 as an automatic data processing (ADP) machine. This decision reflected a change from the decision previously reached. This change was warranted on the basis of new information as to the nature of the system. Specifically, contrary to the assumptions made at the 18th Session, the system did not include special hardware devices which perform a function other than data processing or which dedicate or limit the system to a video editor. In fact, the only "hardware" components were units of an ADP machine.

File No. 2609

3. The machine, presented in the form of a system, is freely programmable whether or not software programs have been installed on a hard drive. Classification under the Nomenclature is based on the consideration of the objective characteristics of the machine. The system meets all of the requirements of Note 5(A) and (B) for an ADP machine presented in the form of a system. We support the decision of the Committee to classify in heading 84.71.
4. However, in Document NC0286E1, the EC suggests that we must consider the software as a component when we classify this system. If this reasoning were to be adopted, the classification of any machine (or of a freely programmable computer) would be based on a readily changeable software program rather than on the approach that has been long accepted, *i.e.*, classification by the objective characteristics of the machine. We believe that classification should be without regard to the nature of the software.
5. The presence of software does not alter the fact that the machine remains freely programmable. The objective characteristics of this machine or system are that it consists of a CPU, input units and output units. The input units include signal converters, *i.e.*, the video cards and the compression boards which allow analogue information to be converted into digital signals for processing by the ADP machine.
6. None of listed components is capable of performing a function independently of an automatic data-processing machine. The conversion or compression of data for use by such a system cannot be regarded as a specific function. Indeed, the conversion of data within a data-processing system, as defined by Note 5(B), is a vital component for the functioning of that system since data processing consists in utilizing data of any kind. The video cards and compression boards are components or parts whereby an automatic data processing machine is able to accept or deliver data, and they have no specific function other than assisting or contributing to the automatic data processing of the system. In fact, this is precisely the nature of a video input card such as the one classified by the Committee at its last session as a unit of an ADP machine. Consequently, Note 5(E) to Chapter 84 is inapplicable because there is no specific function other than data processing.
7. Therefore, we ask the Committee to consider these facts and affirm its decision to classify the Media Composer in heading 84.71 as an ADP machine presented in the form of a system."

III. SECRETARIAT COMMENTS

8. Given the late arrival of the observations, the Secretariat has simply reproduced the comments.

IV. CONCLUSION

9. The Committee is invited to take consideration the comments received from the US Administration, as set out in paragraphs 2 to 7 above, when considering this Agenda item.
-