



HARMONIZED SYSTEM  
COMMITTEE

-  
23rd Session  
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CLASSIFICATION OF THE "MEDIA COMPOSER 1000"

(IX.36 on the Agenda)

Reference :

Doc. 40.179  
Doc. 40.260, Annex IJ/26 (HSC/17 – Report)  
Doc. 40.600, Annex IJ/4 (HSC/18 – Report)  
Doc. 40.892  
Doc. 41.000, Annex A/VIII (HSC/19 – Report)  
Doc. 41.100, Annex F/8 (HSC/19)  
Doc. 41.100, Annex K/16 (HSC/19)

I. BACKGROUND

1. On 4 March 1999, the Secretariat received a note from the United States Administration requesting that the classification of the "Media Composer 1000" be placed as a new question on the Agenda of the Harmonized System Committee's 23<sup>rd</sup> Session. The machine in question was classified in subheading 8543.89 at the Committee's 18<sup>th</sup> Session but in light of the factual questions that have arisen, the US Administration believes it is appropriate for the Committee to review the classification of that machine on the basis of an accurate understanding of its components. The Note from the United States is reproduced below.

II. U.S. NOTE : CLASSIFICATION OF "MEDIA COMPOSER 1000"

2. "At its 18<sup>th</sup> Session, the Committee considered the classification of the "Media Composer 1000" system and decided by a majority vote, that it was classifiable in heading 85.43 on the basis of Note 5(E) to Chapter 84 and Note 4 to Section XVI rather than in heading 84.71. Several administrations, however, believed that the function of the system was, very simply, information processing. The "information" or data, in this case, was video information processed by a system that was an ADP machine that satisfied the conditions of Note 5 to Chapter 84.
3. At the time, the US Administration concurred in the conclusion reached by the majority of the Committee. It has since become apparent that the nature of certain of the components in the system as described in the working document was misunderstood by this

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Administration. In light of further information we have received with respect to this product, the US Administration requests that the Committee reconsider the classification of this product.

### **Analysis**

4. During the discussion, the US Delegate specifically noted his understanding that in addition to an ADP machine, the system incorporated additional hardware specially for professional video and audio editing, including a video monitor and video board and specialized boards for video compression, video effects and audio mixing. The presence of these specialized boards was central to our conclusion.
5. Further research and inquiry has revealed that the "Media Composer 1000" is a freely programmable standard ADP machine, together with additional ADP boards which are components of the kind usually found in standard automatic data processing machines, albeit possessing a higher capacity. Its function is to process information based on whatever program is used with the machine. The presence of video graphics cards, of a kind which enable the machines to receive analogue video signals and convert them to a format that can be used by the ADP machine, is fully consistent with the function of ADP.

### **Conclusion**

6. Therefore, we request that the Committee reconsider the design and function of this machine in view of the nature of the hardware and review whether it is classifiable in heading 84.71."

### III. SECRETARIAT COMMENTS

7. If the components referred to as boards ("video coprocessor board; compression board; DVE real-time board; audiomedica II sound board; SCSI-II accelerator board") in the Classification Opinion for the "Media Composer 1000" turn out to be simple programs entered into the automatic data processing (ADP) machine, it might be argued that the "Media Composer 1000" is an ordinary ADP machine that performs all its functions as a result of the software that is entered into the machine. Consequently, it would meet the terms of Note 5(A) (a) to Chapter 84. When the "Media Composer 1000" was examined by the Committee, the Secretariat understood that the boards in question were hardware and not software.
8. The Secretariat's main concern is to determine if the product that was classified at the Committee's 18<sup>th</sup> Session and that which the United States Administration has referred to in its Note are, in fact, the identical product. If there has been a further development of the "Media Composer 1000", then it would not be feasible to compare the components of the original version with that of the newer version, as the components, by design, may have changed.

### IV. CONCLUSION

9. The Secretariat leaves it to the Committee to decide what action it should take.
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