

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: February 23, 2010]²

Bill No. and sponsor: S. 2014 (Mr. Robert Menendez of New Jersey).

Proponent name,³ location: Mitsui Seki (USA), Inc., Franklin Lakes, NJ.

Other bills on product (111th Congress only): S. 2047.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Horizontal machining center, with true 5 axis simultaneous contouring capability having the following specifications: with fully automated 1,000 mm square table built into machine base, with dropdown trunnion receiver with tilting axis center of rotation; capable of handling work loads of up to 2,000 kg with a precision of within approximately 3 arc seconds in the tilting and rotary axes for both positioning and machining; and having a horizontal-spindle with a Y-axis travel of 1,200 mm or more but not over 1,500 mm, an X-axis travel of 1,300 mm or more but not over 2,000 mm and a Z-axis travel of 1,000 mm or more but not over 1,400 mm (provided for in subheading 8457.10.00).

Check one: Same as that in bill as introduced.
 Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

Machining centers are essentially combination boring, milling, and drilling machines. Horizontal machining centers have a spindle (the motor that turns the cutting tool, such as an end mill bit) that attacks the workpiece horizontally. These machining centers have five axes of approach to the workpiece—three linear axes (x-, y-, and z-axes) plus two rotary axes (A-axis is for rotation around the horizontal linear X-axis, and B-axis is for rotation around the linear vertical Y-axis) accomplished through a rotary table with a trunnion). This configuration provides the machine with the capability of moving around the workpiece in multiple dimensions simultaneously, allowing for the creation of complex shapes and angles with a higher level of accuracy than machines having fewer axes, as well as greater production efficiencies. The greater the length of the linear axes, the greater the size of the part or component that may be machined. The trunnion is a tilting table. In the subject product, the trunnion has a rotary table that sits on top of the tilting table, and this component is built into the base of the machine, rather than standing several feet above the base of the machine.

¹ Industry analyst preparing report: Dennis Fravel (202-205-3404); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

According to the proponent, it is the volumetric accuracy in the machining envelope that is the measure of accuracy of a machine tool during machining. The volumetric accuracy is the combined sum of figures reflecting the positioning, straightness of travel, and wobble of a machine tool's moving components while machining the workpiece. The subject machines are capable of supporting high work loads while maintaining straightness of travel by reducing pitch, yaw, and roll. Further, by having the trunnion built into the base, the pallet that holds the workpiece is centered directly under the A-axis of rotation, and therefore the machining point is closer to the A-axis and results in greater accuracy. The large size of the linear axes allow this machine to be used in the production of large aircraft parts. These machines are imported from Japan.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8457.10.00:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty					
Col. 1-General rate of duty	4.2%	4.2%	4.2%	4.2%	4.2%
Estimated value <i>dutiable</i> imports ^a	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000
Customs revenue loss ^b	\$462,000	\$462,000	\$462,000	\$462,000	\$462,000

a/ Dutiable import estimates were based on Commission estimates and industry information.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Mitsui Seki (USA), Inc. (Proponent) Scott Walker, 201-337-1300	11/30/2009	No	Yes	No
AMT–The Association for Mfg. Technology Paul H. Freedenberg, 703-893-2900	11/12/2009	No	No	No
Bertsche Engineering Corp. Richard Bertsche, 847-537-8757	11/18/2009	Yes	Yes	Yes
DMG Thomas Bone, Fax: 630-227-3975	11/20/2009	No	No	No
Doosan Infracore America Corp. Katie Yun, Fax: 973-618-2501	11/20/2009	No	No	No
Grob Systems, Inc. Sarah Griffiths, 419-358-9015	11/18/2009	Yes	Yes	Yes
Haas Automation, Inc. John Gwynn, 205-278-1800	11/17/2009	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Heller Machine Tools L.P. Robert Pelachyk, 248-288-5000	11/20/2009	No	No	No
Hyundai-Kia Machine America Corp. Jerry McCarty, Fax: 201-489-2723	11/20/2009	No	No	No
MAG Industrial Automation Systems Mark Logan, 859-534-4600	11/18/2009	Yes	Yes	Yes
Makino, Inc. Donald D. Lane, Fax: 513-573-7360	11/20/2009	No	No	No
Mazak Corp. Brian J. Papke, 859-342-1700	11/12/2009	No	No	No
Mori Seiki USA, Inc. Thomas R. Dillon, Fax: 847-593-5433	11/20/2009	No	No	No
OKK USA Corp. Joann Holmgren, 630-924-9000	11/19/2009	No	No	No
Okuma America Corp. Lisa Rummel, 704-588-7000	11/18/2009	No	No	No
SNK America, Inc. Tom Naokawa, 847-364-0801	11/20/2009	No	Yes	Yes
Starrg-Heckert, Inc. Greg Dunkley, Fax: 859-534-5212	11/20/2009	No	No	No
Toyoda Machinery USA Corp. Jim Kletzein, Fax: 847-253-0540	11/20/2009	No	No	No

Technical comments:⁴

It is suggested that at least the minor edits shown in the article description on page 1 should be included. The bill would present a number of features that CBP would need to verify for goods imported with a claim for entry under this heading, and many of them could be verified only by laboratory testing. We would point out that changes in some of the features (such as the size of the “1,000 mm square table”) or deviations in their measurement could disqualify a machine under this language.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

111TH CONGRESS
1ST SESSION

S. 2014

To suspend temporarily the duty on horizontal machining center.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. MENENDEZ introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on horizontal machining center.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. HORIZONTAL MACHINING CENTER.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by inserting in numerical sequence the following
7 new heading:

“	9902.01.00	Horizontal machining center, with true 5 axis simultaneous contouring capability having the following specifications: with fully automated 1,000 mm square table built into machine base, with drop-down trunnion receiver with tilting axis center of rotation; capable of handling work loads of up to 2,000 kilograms with a precision of within +/- 3 arc seconds in the tilting and rotary axes for both positioning and machining; having a horizontal-spindle with a Y-axis travel of not less than 1,200 mm but not greater than 1,500 mm, an X-axis travel of not less than 1,300 mm but not greater than 2,000 mm, and a Z-axis travel of not less than 1,000 mm but not greater than 1,400 mm (provided for in subheading 8457.10.00)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

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