

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 referenced 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.*

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BILLING CODE 9111-14-P

## DEPARTMENT OF HOMELAND SECURITY

### Customs and Border Protection

#### Notice of Issuance of Final Determination Concerning; Standard and Rolled-Edge Ball Seals

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** Notice of final determination.

**SUMMARY:** This document provides notice that the Bureau of Customs and Border Protection (CBP) has issued a final determination concerning the country of origin of two types of ball seals to be offered to the United States Government under an undesignated government procurement contract. Based on the facts presented, CBP has concluded that the operations performed in China do not result in a substantial transformation of the U.S. components. Therefore, the assembled ball seals will not be considered to be products of China.

**DATES:** The final determination was issued on February 6, 2008. A copy of the final determination is attached. Any party-at-interest, as defined in 19 CFR 177.22(d), may seek judicial review of this final determination within 30 days of February 13, 2008.

**FOR FURTHER INFORMATION CONTACT:** Holly Files, Valuation and Special Programs Branch, Regulations and Rulings, Office of International Trade (202-572-8740).

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that on February 6, 2008, 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 two types of ball seals to be offered to the United States Government under an undesignated government procurement contract. The CBP ruling number is H021398. This final

determination was issued at the request of TydenBrammall, Inc. d/b/a/ TydenBrammall ("TydenBrammall") 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).

The final determination concluded that, based upon the facts presented, the simple assembly in China of three major U.S.-origin components with two minor Chinese-origin components does not result in a substantial transformation of the U.S.-origin components. Therefore, the assembled ball seals will not be considered to be products of China for purposes of U.S. Government procurement.

Section 177.29, Customs Regulations (19 CFR 177.29), provides that notice of final determinations 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), states 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**.

Dated: February 6, 2008.

**Myles B. Harmon,**

*Acting Executive Director, Office of Regulations and Rulings, Office of International Trade.*

#### Attachment: HQ H021398

February 6, 2008

MAR-2-05 OT:RR:CTF:VS H021398 HEF CATEGORY: Marking.

Ms. Linda M. Weinberg,

*Barnes & Thornburg LLP, Suite 900, 750 17th Street, NW., Washington, DC 20006.*

RE: U.S. Government Procurement; Final Determination; country of origin of ball seals; substantial transformation; 19 CFR Part 177.

Dear Ms. Weinberg: This is in response to your letter dated December 21, 2007, requesting a final determination on behalf of Brammall, Inc. d/b/a TydenBrammall ("TydenBrammall"), pursuant to subpart B of Part 177, Customs and Border Protection ("CBP") Regulations (19 CFR 177.21 *et seq.*). Under these regulations, which implement Title III of the Trade Agreements Act of 1979, as amended (19 U.S.C. 2511 *et seq.*), CBP issues country of origin advisory rulings and final determinations on whether an article is or would be a product of a designated country or instrumentality for the purpose of granting waivers of certain "Buy American" restrictions in U.S. law or practice for products offered for sale to the U.S. Government.

This final determination concerns the country of origin of certain ball seals. We note that TydenBrammall is a party-at-interest within the meaning of 19 CFR 177.22(d)(1) and is entitled to request this final determination. Samples of the ball seals, at various stages of the manufacturing

process, were also submitted with your request. In preparing this final determination, consideration was given to your supplemental submission dated January 9, 2008.

#### Facts

The products subject to this final determination are two types of ball seals known as the "Tyden Standard Ball Seal" and the "Tyden Rolled-Edge Ball Seal." The ball seals are used to secure rail, container, and truck cargo shipments. The "ball" of a seal is comprised of metal top and bottom caps. A metal strap runs through the center of the ball and extends at length from the bottom cap. The metal strap may have a custom seal number embossed on it and/or a printed bar code. A die cut notch at the end of the metal strap is used to engage with two interlocking D-shaped rings, located inside the ball, to form a functional security lock. The ball itself is slotted to provide visible proof to the user that the seal is locked.

You advise that TydenBrammall uses identical materials and components in the manufacture of both the Tyden Standard Ball Seal and the Tyden Rolled-Edge Ball Seal. The manufacturing processes for the two products are also identical, with the exception that the Rolled-Edge Ball Seal requires the additional step of having its edges rolled under at the end of the U.S. processing. The ball seals are assembled from five components. You advise that the seals' three major components are produced in the United States from U.S. materials. The other two components are sourced in China.

To produce the U.S.-origin components, TydenBrammall purchases rolls of coiled steel from a U.S. steel producer. You note that highly trained operators and maintenance die technicians load the steel coils onto two computer-controlled presses and dies at TydenBrammall's U.S. facility. The presses and dies are used to stamp the strap, ball seal top cap, and ball seal bottom cap from the coiled steel into specific sizes and subject to precise tolerances. You assert that the U.S.-origin components have no other use other than as components of the finished ball seals due to their specific shapes, sizes, and tolerances.

Next, the three U.S.-origin components are shipped to China for a simple assembly process. You state that in China, unskilled laborers manually assemble two Chinese-origin "D" shaped locking rings with the U.S.-origin strap. After the rings are attached to the strap, the top and bottom caps are manually attached using a small hand press that seals the caps together by slightly bending the top cap around the bottom cap.

The assembled ball seals are then returned to TydenBrammall's U.S. facility where they are stored until ordered by specific end-customers. When a customer places an order, assembled seals are removed from storage and placed on a machine that die cuts a notch into the "male" end of the strap. You explain that the notch, like the teeth on a key, makes the seal a functional security lock. You also advise that prior to the die cutting of the notch, the seal is not functional. The same machine used to die cut the notch also embosses and/or inkjet prints

a unique serial number and/or bar code onto the strap of the seal. The operator of the machine then bundles the ball seals in sequential numbered order in groups of 100 seals.

#### Issue

What is the country of origin of the assembled ball seals for purposes of U.S. Government procurement?

#### Law and Analysis

Pursuant to subpart B of Part 177, 19 CFR 177.21 *et seq.*, which implements Title III of the Trade Agreements Act of 1979, as amended ("TAA"; 19 U.S.C. 2511 *et seq.*), CBP issues country of origin advisory rulings and final determinations on 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 practice for products offered for sale to the U.S. Government.

Under the rule of origin set forth at 19 U.S.C. 2518(4)(B):

An article is a product of a country or instrumentality only if (i) it is wholly the growth, product, or manufacture of that country or instrumentality, or (ii) in the case of an article which consists in whole or in part of materials from another country or instrumentality, it has been substantially transformed into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was so transformed.

See also, 19 CFR 177.22(a).

In rendering advisory rulings and final determinations for purposes of U.S. Government procurement, CBP applies the provisions of subpart B of Part 177 consistent with the Federal Procurement Regulations. See 19 CFR 177.21. In this regard, CBP recognizes that the Federal Procurement Regulations restrict the U.S. Government's purchase of products to U.S.-made or designated country end products for acquisitions subject to the TAA. See 48 CFR 25.403(c)(1). The Federal Procurement Regulations define "U.S.-made end product" as:

\* \* \* an article that is mined, produced, or manufactured in the United States or that is substantially transformed in the United States into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was transformed.

48 CFR 25.003

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*, 6 Ct. Int'l Trade 204, 573 F. Supp. 1149 (1983), *aff'd*, 741 F.2d 1368 (Fed. Cir. 1984). If the manufacturing or combining process is a minor one which leaves the identity of the imported article intact, a substantial transformation has not occurred. *Uniroyal, Inc. v. United States*, 3 Ct. Int'l Trade 220, 542 F. Supp. 1026 (1982). In *Uniroyal*, the court determined that a

substantial transformation did not occur when an imported footwear upper, the essence of the finished article, was combined with a domestically produced outsole to form a shoe. See *id.* 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, and C.S.D. 90-97.

In order to determine whether a substantial transformation occurs when components of various origins are assembled to form completed articles, CBP considers the totality of the circumstances and makes such decisions on a case-by-case basis. The country of origin of the article's components, the extent of the processing that occurs within a given country, and whether such processing renders a product with a new name, character, and use are primary considerations in such cases. Additionally, facts such as resources expended on product design and development, extent and nature of post-assembly inspection procedures, and worker skill required during the actual manufacturing process will be considered when analyzing whether a substantial transformation has occurred; however, no one such factor is determinative.

CBP has considered a number of different scenarios involving the assembly of locking apparatus. In Headquarters Ruling Letter ("HRL") 734440, dated March 30, 1992, CBP found that a lock apparatus was substantially transformed in the United States as a result of combining it with pieces manufactured in the United States. In rendering the country of origin marking decision, CBP noted that the predominant expense of the assembled lock was from the parts produced in the United States, which required extensive manufacturing and development. By contrast, the imported piece was a generic mechanism that was inserted into the U.S. piece.

In another country of origin marking case, HRL 734923, dated May 14, 1993, CBP determined that imported components of a door lockset, the rosettes and parts of the latch, were substantially transformed when they were assembled together with significant U.S. components in the United States to make the finished door lockset. CBP found the manufacture of the rosettes in China to be relatively simple and that it did not require a great deal of precision as compared to the manufacture of the other components in the United States, which required significant precision and substantial machinery and tooling.

In HRL 735133, dated May 5, 1994, CBP held that imported lock parts and assemblies were not substantially transformed when assembled in the United States with a U.S.-origin coverplate screw. CBP noted that most of the cost in making the finished lock was attributable to operations performed in Taiwan and that the production in the United States was a simple manual assembly operation of basically finished parts.

Most recently, in HRL W563587, dated February 8, 2007, CBP issued another government procurement final determination to TydenBrammall concerning bolt container seals and cable seals. In HRL W563587, CBP considered two different manufacturing scenarios for each of the two products: one

where the seals were assembled in the United States from imported components and another where the seals were assembled in the United States from imported components and a U.S.-origin lock body. In each instance, the U.S. operations involved the simple assembly of only four or five parts. The production of the bolt container seal involved the assembly of four parts to form a lock body assembly and the packaging of the assembly with a finished bolt shank of Chinese-origin. CBP found that packaging the bolt shank with the assembly did not substantially transform the bolt shank. Thus, the bolt shank retained its Chinese origin under both manufacturing scenarios, and the country of origin of the lock body assembly was determined separately. Where the products were produced entirely from foreign components, CBP found the U.S. assembly operations insufficient to substantially transform the foreign components into products of the United States. After finding that the Chinese-origin lock bodies imparted the essential character of both the cable seal and the lock body assembly, CBP determined that their country of origin was China. Where U.S. lock bodies were used, CBP determined that the country of origin of the cable seal and the lock body assembly was the United States. In reaching this determination, CBP noted that the U.S.-origin parts and the U.S. labor accounted for most of the cost of making the seals.

In the instant case, the major components of the ball seals are stamped in the United States from U.S.-origin steel to precise sizes and tolerances by skilled technicians using relatively sophisticated machinery. Next, the three U.S.-origin components are shipped to China where unskilled workers perform a simple manual assembly of the three components with two minor Chinese-origin components. The seals are then returned to the United States where notches are die cut into the straps to make the products functional locking mechanisms. We find that the U.S.-origin components impart the essential character to the assembled seals. Based on our previous rulings and the facts presented in the instant case, we also find that the operations performed in China are not complex or meaningful. The Chinese operations are simple assembly operations that involve a small number of components and do not appear to require a considerable amount of time, skill, or attention to detail. As such, the assembled ball seals, upon importation to the United States, will not be considered to be products of China.

#### Holding

Based on the facts provided, the U.S.-origin components impart the essential character to the assembled ball seals. The operations performed in China do not result in a substantial transformation of the U.S.-origin components. As such, the assembled ball seals, upon importation to the United States, will not be considered to be products of China.

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. Any party-at-interest may, within 30 days after publication of the **Federal Register** notice referenced above, seek judicial review of this final determination before the Court of International Trade.

Sincerely,

Myles B. Harmon,  
Acting Executive Director, Office of  
Regulations and Rulings, Office of  
International Trade.

[FR Doc. E8-2631 Filed 2-12-08; 8:45 am]

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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5194-N-05]

### Notice of Proposed Information Collection for Public Comment; HOPE VI Public Housing Programs: Funding and Program Data Collection

**AGENCY:** Office of the Assistant  
Secretary for Public and Indian  
Housing, HUD.

**ACTION:** Notice.

**SUMMARY:** The proposed information collection requirement described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal.

**DATES:** *Comments Due Date:* April 14, 2008.

**ADDRESSES:** Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name/or OMB Control number and should be sent to: Lillian L. Deitzer, Departmental Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410-5000; telephone 202-708-2374 (this is not a toll-free number) or e-mail Ms. Deitzer at [Lillian.L.Deitzer@HUD.gov](mailto:Lillian.L.Deitzer@HUD.gov) for a copy of the proposed form and other available information.

**FOR FURTHER INFORMATION CONTACT:** Mary Schulhof, Office of Policy, Programs and Legislative Initiatives, PIH, Department of Housing and Urban Development, 451 7th Street, SW., Washington DC 20410, telephone 202-402-4112, (this is not a toll-free number).

**SUPPLEMENTARY INFORMATION:** The Department will submit the proposed information collection to OMB for review, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended).

This Notice is soliciting comments from members of the public and affected agencies concerning the proposed collection of information to: (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (3) enhance the quality, utility, and clarity of the information to be collected; and (4) minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated collection techniques or other forms of information technology; e.g., permitting electronic submission of responses.

This Notice also lists the following information:

*Title of Proposal:* HOPE VI program.

*OMB Control Number:* 2577-0208.

*Description of the need for the information and proposed use:* Section 24 of the U.S. Housing Act of 1937, as added by section 535 of the Quality Housing and Work Responsibility Act of 1998 (Pub. L. 105-276, 112 Stat. 2461, approved October 21, 1998) and revised by the HOPE VI Program Reauthorization and Small Community Main Street Rejuvenation and Housing Act of 2003 (Pub. L. 108-186, 117 Stat. 2685, approved December 16, 2003), establishes the HOPE VI program for the purpose of making assistance available on a competitive basis to public housing agencies (PHAs) in improving the living environment for public housing residents of severely distressed public housing projects through the demolition, rehabilitation, reconfiguration, or replacement of severely distressed public housing projects (or portions thereof); in revitalizing areas in which public housing sites are located, and contributing to the improvement of the surrounding community; in providing housing that avoids or decreases the concentration of very low-income families; and in building sustainable communities. In addition, the HOPE VI Program Reauthorization and Small Community Main Street Rejuvenation and Housing Act of 2003 added to the HOPE VI program the purpose of making assistance available on a competitive basis to small units of local government to develop affordable housing as part of Main Street rejuvenation projects. The program authorization was renewed by the Consolidated Appropriations Act, 2008 (Pub. L. 110-161, approved December 26, 2007), which extends the program

until September 30, 2008. Under this requirement, the Department only has a few months to award and obligate the 2008 funds or they will be returned to the Treasury.

These information collections are required in connection with the annual publication in the **Federal Register** of Notices of Funding Availability (NOFAs), contingent upon available funding and authorization, which announce the availability of funds provided in annual appropriations for HOPE VI Revitalization, Demolition grants, and HOPE VI Main Street grants.

Eligible public housing agencies (PHAs) (for HOPE VI Revitalization and Demolition) and eligible local units of government (for HOPE VI Main Street) interested in obtaining HOPE VI grants are required to submit applications to HUD, as explained in each program NOFA. The information collection conducted in the applications enables HUD to conduct a comprehensive, merit-based selection process in order to identify and select the applications to receive funding. With the use of HUD-prescribed forms, the information collection provides HUD with sufficient information to approve or disapprove applications.

Applicants that are awarded HOPE VI grants are required to report on a quarterly basis on the sources and uses of all amounts expended for revitalization, demolition, or Main Street activities. HOPE VI Revitalization grantees use a fully-automated, Internet-based process for the submission of quarterly reporting information. HUD reviews and evaluates the collected information and uses it as a primary tool with which to monitor the status of HOPE VI Revitalization projects and the HOPE VI Revitalization program.

*Agency form numbers:* HUD-52774, HUD-52780, HUD 52785, HUD-52787, HUD-52798, HUD-52790, HUD-52797, HUD-52799, HUD-52800, HUD-52825-A, HUD-52860-A, HUD-52861, HUD-53001-A, SF-424, SF-LLL, HUD-27061, HUD 27300, HUD 2880, HUD 96010, and HUD 96011.

*Members of affected public:* Public Housing Agencies.

*Estimation of the total number of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response:*

For HOPE VI Revitalization Application: 30 respondents, once annually, 192 hours average per response results in a total annual reporting burden of 5,795.10 hours.

For HOPE VI Demolition Applications: 34 respondents, once annually, 40.25 hours average per