methodology and found only minor discrepancies in the application of its payment date formula. We did not find that these minor discrepancies resulted in either a systematic over- or underreporting of the credit period for PP sales. Furthermore, NPBS' discount rate was lower than the reported interest rate. This minor discrepancy has been corrected by the Department.

Comment 29: Torrington claims that NTN-Germany improperly calculated its U.S. credit expenses. According to Torrington, NTN-Germany determined U.S. credit expenses using interest rates that appear to have been determined on borrowings made outside of the United States. Because NTN-Germany has submitted no evidence that it finances its accounts receivable using funds borrowed outside the United States, Torrington urges the Department to reject NTN-Germany's reported interest rate and use the highest U.S. interest rate reported by a German respondent to calculate NTN-Germany's U.S. credit expenses.

NTN-Germany responds that Torrington's argument appears to be based on the fact that many of the banks from which NTN-Germany borrowed money during the POR have foreign names. NTN-Germany states that it determined the U.S. interest rate that it submitted in its questionnaire response based on its short-term borrowing. As a result, NTN-Germany urges the Department to disregard Torrington's arguments.

Department's Position: We agree with NTN-Germany. The record contains no evidence to suggest that NTN-Germany calculated its U.S. interest rate based on borrowing outside the United States. Therefore, for these final results we have used the U.S. interest rate that NTN-Germany reported in its questionnaire response to calculate credit expenses for U.S. sales.

Comment 30: NTN-Germany states that its reported U.S. credit expense was reasonable because it was based on customer-specific information. Accordingly, NTN-Germany contests the Department's recalculation of the firm's reported U.S. credit expenses. If the Department determines not to use NTN-Germany's reported U.S. credit expenses, however, NTN-Germany asserts that the Department should correctly calculate the credit period. According to NTN-Germany, the Department determined the credit period as the number of days between the sale date and the payment date. NTN-Germany requests that, if the Department continues to calculate salespecific credit periods, the Department calculate the credit period as the

number of days between shipment and payment, as specified in the Department's questionnaire.

Torrington responds that NTN-Germany's concerns are unclear because of the manner in which NTN-Germany determined shipment and sale dates for its U.S. sales. Torrington further argues that NTN-Germany has provided no evidence that the Department's method of calculating the credit period for NTN-Germany's U.S. sales is unreasonable. Accordingly, Torrington concludes that the Department should not amend its calculation of NTN-Germany's U.S. credit expenses for these final results.

Department's Position: We agree in part with NTN-Germany. Based on a comparison of NTN-Germany's reported terms of payment, the actual number of days between shipment and payment for U.S. sales and the credit period reported by NTN-Germany in its questionnaire response, we have determined that NTN-Germany's reported credit period does not accurately reflect the credit that NTN-Germany granted on the U.S. sales subject to this review. Specifically, NTN-Germany's reported credit period does not comport with its stated terms of payment or with the sale-specific credit period calculated using actual shipment and payment dates for each sale. Because NTN-Germany's reporting method is not representative of the actual credit period for its U.S. sales, and because our questionnaire specified the actual, sale-specific credit period as preferential to an aggregate credit period for each customer, we have imputed the actual credit period for NTN-Germany's U.S. sales for these final results. We agree with NTN-Germany, however, that we should calculate the sale-specific credit period according to our longstanding practice of using the shipment date, rather than the sale date, as the beginning of the credit period, and have revised our calculations accordingly for these final results.

Comment 31: Federal-Mogul claims that the Department should not allow SARMA to apply a late payment factor to each customer's terms of payment to establish a payment date for HM sales. Furthermore, Federal-Mogul argues that the Department should disallow any additional credit expenses attributed to late payments made by SARMA (SKF-France) HM customers. Citing Federal-Mogul Corp. v. United States, 824 F. Supp. 223 (1993), Federal-Mogul argues that, since COS adjustments are only allowed for those factors which affect price or value, additional credit expenses incurred from a purchaser's unexpected failure to pay within the agreed-upon period cannot affect the price which was set specifically in

contemplation of payment being made at the end of the agreed-upon credit period.

SKF-France contends that its credit expense calculations, which are based on the actual payment date, are consistent with Departmental policy. SKF-France cites the Department's position in Final Results of Antidumping Administrative Review; Certain Welded Carbon Steel Pipe and Tube Products from Turkey, 55 FR 42230, 42231 (1990), and Final Determination of Sales at Less than Fair Value; Certain Tapered Journal Roller Bearings and Parts Thereof From Italy, 49 FR 2278, 2279-80 (1984), to support its position. SKF-France states that Federal-Mogul's reference to a recent Department redetermination on remand is inapposite (see Federal-Mogul Corp. v. United States, 824 F. Supp. 223 (1993)). Additionally, SKF-France contends that it updated SARMA's payment dates and recalculated credit expenses using actual dates of payment.

Department's Position: The Department disagrees with Federal-Mogul. Consistent with Departmental policy, we adjust for credit expenses based on sale-specific reporting of actual shipment and payment dates. See Final Results of Administrative Review; Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From the Republic of Germany. 56 FR 31724 (July 11, 1991). This policy recognizes the fact that all customers do not always pay according to the agreed terms of payment and that respondent is aware of this fact when setting its price. Therefore, it would be inappropriate to make a COS adjustment for credit based entirely on the agreed terms of payment, since it would not take into account all of the circumstances surrounding a sale. Furthermore, the Department agrees with SKF-France that SARMA reported its actual payment dates in its supplemental response.

4G. Indirect Selling Expenses

Comment 32: Torrington argues that Koyo incorrectly included among its total indirect selling expenses amounts charged to a reserve account established for doubtful debt. Torrington states that Koyo conceded in its deficiency response that this reserve allowance was not an expense, but a provision for future expenses. As a result, Torrington maintains that the Department should exclude this allowance from Koyo's pool of indirect selling expenses for the final results.

Citing AOC Int'l. v. United States, 721 F. Supp. 314 (CIT 1989) and Daewoo Electric Co. v. United States, 712 F. Supp. 931 (CIT 1989), Koyo responds