they are properly classified as HM sales. See *AFBs II* (at 28422) and *AFBs III* (at 39783). We also verified NMB/Pelmec Thai's reported home market sales and find that such sales were in the ordinary course of trade. See verification reports for NMB/Pelmec Singapore and Thailand.

Comment 4: Referring to Nachi's supplemental questionnaire response (at 4), Torrington notes that Nachi has admitted to assisting certain customers in obtaining Japan Bearing Institute (JBI) Inspection certificates for a portion of Nachi's HM sales. Torrington claims that JBI inspection certificates are prepared for merchandise destined for export. Thus, all sales for which JBI inspection certificates were completed should be deleted from the HM database. Further, Torrington asserts that JBI certificates may identify destinations which would serve as additional evidence that JBI inspectedmerchandise is destined for export.

Nachi contends that simply because merchandise is JBI inspected does not necessarily mean it is destined for export, and that Nachi has no way of knowing which, if any, JBI-inspected

bearings were exported.

Department's Position: We agree with Nachi. We previously determined that JBI inspection certificates merely attest to the quality of the inspected merchandise. See Final Results of Redetermination Pursuant to Court Remand, Federal-Mogul Corp. and the Torrington Company v. United States, Slip Op. 93–180 (September 14, 1993). We thoroughly examined the Japanese laws that mandated which information was to be included on the certificates. Reporting the final destination was only required for certain commodities for which quality standards are applied based on destination. AFBs were not included among such commodities. The certificates are not country-specific nor sale-specific. Inspection certificates indicate brand, model number and quantity inspected, but are of no help in determining whether sales reported as HM sales were destined for export. Torrington has presented no new evidence to indicate that respondents knew, or should have known, that reported HM sales were destined for export because JBI inspection certificates were completed.

Comment 5: Torrington asserts that INA's HM sales database is incomplete. Torrington states that the Department found at verification that HM models for which INA failed to report dynamic load ratings (DLRs) were not reported in their proper families and were deleted from the HM sales listing. Torrington further alleges that the Department's

verification report demonstrates that the HM models for which INA failed to provide DLRs not only belonged to the same family, but were, in fact, identical to the bearings for which INA reported DLRs. Finally, Torrington asserts that the Department's verification findings support Torrington's allegations that INA reported models whose characteristics are not listed in INA's catalogs and that do not appear to be logical. For these reasons, Torrington concludes that INA deliberately attempted to manipulate the Department's analysis and, therefore, that the Department should determine INA's dumping margins using first-tier BIA for these final results.

INA acknowledges that it improperly created certain bearing families as a result of a computer programming error. According to INA, however, this error has an insignificant impact on the Department's calculations. First, INA asserts that the matches for the specific models that the Department examined at verification were not affected by missing load ratings, because the Department made identical rather than family matches for one of the products at issue, and because INA made no sales of the other product during the sample weeks. INA further argues that its own analysis demonstrates that only a handful of U.S. sales were matched to HM families for which INA failed to report certain bearings. Finally, INA provides explanations of each product for which Torrington challenged INA's reporting of physical characteristics. For these reasons, INA contests Torrington's request that the Department reject INA's reported HM sales and use BIA to determine INA's dumping margins for

Department's Position: We agree in part with Torrington. At verification, we found that INA failed to report DLRs for certain bearings that it sold in the HM. INA subsequently acknowledged that it improperly created certain bearing families in responding to the HM sales portion of our questionnaire. Accordingly, we have identified the bearing families that INA created incorrectly by matching models reported without DLRs in INA's summary HM sales database with models reported in INA's HM sales database that we determined to be in the same family based on family characteristics excluding DLRs, and used BIA to determine the dumping margins for those U.S. sales that we compared to those families. There is no evidence in the record, however, to support Torrington's arguments that other aspects of INA's reporting of physical characteristics are erroneous

and that INA deliberately manipulated its reporting of the physical characteristics of its bearings in order to lower its dumping margins.

Accordingly, we have not rejected INA's reported HM sales database for these final results.

## 16. Miscellaneous Issues

## 16A. Verification

Comment 1: Federal-Mogul challenges the Department's statement that it found no discrepancies during the verification that it conducted at INA's U.S. subsidiary. According to Federal-Mogul, certain data contained in the verification exhibits do not correspond with those contained in INA's questionnaire responses. Specifically, Federal-Mogul states that: (1) The Deutsche mark values of certain shipments differ from those in the responses; (2) the gross and net weights of one shipment differ from those in the responses; and (3) the per-unit freight charge for the one sea shipment that INA included among the sample used to calculate per-unit movement expenses during the verification is less than the per-unit amount that INA reported in its questionnaire response for the same shipment. As a result, Federal-Mogul requests that the Department increase INA's reported ocean freight expenses by the percentage difference between the ocean freight charge contained in the verification exhibit and that contained in INA's questionnaire

INA explains that differences in the Deutsche mark values reported in the verification exhibits and the questionnaire responses are the result of rounding, and are insignificant. In explaining the discrepancy between the gross and net weights reported in the verification exhibits and the questionnaire responses, INA acknowledges that it incorrectly calculated the total gross and net weights reported in the verification exhibits. According to INA, however, the weights reported for this shipment in the questionnaire response are accurate. Finally, INA explains that the difference between the freight charges reported in the verification exhibits and the questionnaire responses is the result of the fact that the charges shown in the verification exhibit include harbor maintenance and merchandise processing fees, which are not included in the freight charge reported in the response. Because the information reported in INA's responses is accurate, INA concludes that the Department is not required to make any adjustments to INA's reported freight charges.