



December 1, 2011

Office of the Secretary
PCAOB
1666 K Street, N.W.
Washington, DC 20006-2803
comments@pcaobus.org

Reference: Rulemaking Docket Matter No. 037 Concept Release on Auditor Independence and Audit Firm Rotation

The PCAOB is seeking comments on the general question of:

“whether mandatory auditor rotation would significantly enhance auditors' objectivity and ability and willingness to resist management pressure.”

I am the Senior Director of Internal Audit for Websense, Inc., a content security company that protects companies' web, email and data. We derive shareholder value through delivering web security services based on our continued research and development activity across the globe. As a multinational company, we must manage the cost of doing business in each locale. Being forced to change auditors based on a rule rather than a business need in any given country would disrupt our operations and limit our ability to drive shareholder value.

We believe our auditors exhibit an appropriate level of independence, objectivity and professional skepticism and we do not believe mandatory audit firm rotation would meaningfully improve the independence, objectivity and professional skepticism of our external auditors.

We have retained our external auditors for over ten plus years. During this time we purchased a company whose audit was done in another country by another auditing firm. The acquired company had a small line of business that was new to us. Two years after the acquisition, as the business line grew, we became aware that the revenue recognition policies used by the former company, and adopted by us, were not in accordance with US GAAP. As a result we restated our financial statements. This example illustrates the difficulty a company would have in changing auditors. There is much to learn about a company and its business when you are first engaged as its auditors. Sometimes, it is years later before you truly understand the nuances. The quality of the audit of this small line of business was diminished due to our auditor's lack of familiarity with it. We believe that if companies are forced to change auditors the quality of the audit will be diminished in the initial years while the new firm gets up to speed with the nuances of the company. One advantage of audit firm tenure is that the auditor gains significant knowledge and understanding of a company over time, and such knowledge enhances audit quality. All transitions have their share of cost, disruption and risk. In each new auditor-client relationship, the auditor and the company incur costs getting up to speed. These costs escalate when companies have many locations or operate in many different countries and/ or many different lines of business. We believe that tenure enhances the quality of the audit rather than detract from it and that the costs of changing auditors outweighs any perceived benefits.

To the Board's assertion that *“an auditor that knows its work will be scrutinized at some point by a competitor may have an increased incentive to ensure that the audit is done correctly. That, in turn, may decrease an auditor's willingness to accept financial reporting that is not presented in conformity with generally accepted accounting principles”* we say that this happens now. A company can change auditors at any time. Hence, the auditors must always ensure their work meets Generally Accepted Auditing Standards. Further, the audit work of all firms who audit large public companies is subject to review by the

PCAOB. We do not believe mandating auditor rotation would have any impact on the correctness of the audit.

We believe that mandatory audit rotation would diminish audit quality due to the learning curve audit firms face on new engagements. Mandatory audit firm rotation would reduce both the effectiveness and efficiency of the audit. At a time when audits are becoming more complex, we believe these challenges would have negative implications for audit quality, investor protection and the integrity of the financial system.

Please note that this letter expresses my personal views and does not necessarily represent the views of the Company.

Sincerely,

A handwritten signature in black ink that reads "Catherine A. Young". The signature is written in a cursive, flowing style.

Catherine A. Young
Sr. Director, Internal Audit
Websense, Inc.

cc. Mark St.Clare, Audit Committee Chair
Mike Newman, CFO