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ADVANT-E CORPORATION

December 5, 2011

Public Company Accounting Oversight Board
Attn: Office of the Secretary
1666 K Street, N.W.
Washington, DC 20006-2803

Re: PCAOB Rulemaking Docket Matter No.37
Auditor Independence and Audit Firm Rotation

Ladies and Gentlemen of the Office of the Secretary:

We oppose mandatory auditor rotation for the following reasons:

- Mandatory auditor rotation would not improve the quality of audits. It would likely reduce the quality of audits by decreasing or eliminating the auditor's knowledge of the company and the company's industry that the auditor acquires over a period of time. Changing auditors increases audit risk in the first few years because the new auditor faces a learning curve on a new engagement.
- Mandatory auditor rotation increases the cost of audits. The cost associated with the new auditor acquiring knowledge about the new company and its business, industry, accounting policies, and internal controls, etc. would be significant, particularly in the first one to three years. Audit fees would likely increase significantly.
- Smaller reporting companies may have a difficult time finding a qualified auditor because the auditing fees are not large enough to attract the larger auditing firms, and many smaller auditing firms are not willing to add new public company clients due to the cost of liability insurance and other risks of auditing public companies. As a result, smaller reporting companies may need to engage a firm a considerable distance away, resulting in further increased audit cost.
- Mandatory auditor rotation likely will not result in the improved auditor independence, auditor objectivity and professional skepticism that are hoped for. The audit deficiencies referred to in PCAOB Rulemaking Docket Matter No.37, for example, with respect to revenue recognition and fair value, may result from the auditor's lack of experience, lack of technical competence, and other factors--not just from the auditor's failure to apply an appropriate level of skepticism or objectivity.
- Audit quality is also a function of the increasing lack of verifiability and complex nature of Generally Accepted Accounting Principles (GAAP). Detailed and principles-based accounting GAAP for areas such as revenue recognition, fair value,

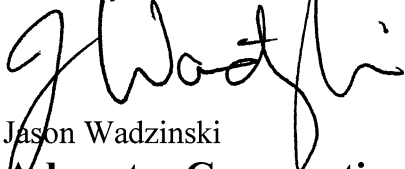
impairment of assets, etc. are complex and likely are major deterrents to audit quality, regardless of the auditor and regardless of whether auditors are rotated.

- Mandatory auditor rotation should not be required of smaller reporting companies because the additional audit cost is not commensurate with the size of smaller reporting companies, and far outweighs the benefits, if any, for their investors.

The following suggestions may help improve overall audit quality:

- Require auditors who work on public company engagements to have semi-annual education and training in the entire matter of auditor independence, objectivity, and a skeptical attitude.
- Require auditors who work on public company engagements to have annual education in high risk GAAP areas such as revenue recognition, fair value, and impairment, etc.
- Levy substantial penalties for auditors when audit deficiencies are detected.

Sincerely,



Jason Wadzinski

Advant-e Corporation

Chief Executive Officer

Chairman of the Board of Directors



James E. Lesch

Advant-e Corporation

Chief Financial Officer

Member of the Board of Directors