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November 23, 2011

The Office of the Secretary
PCAOB
1666 K Street, N.W.
Washington, D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 37

Dear Sir or Madam:

On behalf of the Audit Committee of the Board of Directors of La-Z-Boy Incorporated, I am grateful for the opportunity to offer our comments on your proposal that public companies be required to rotate the firms performing their audits as discussed in PCAOB release No. 2011-008. We appreciate that the proposal is well intentioned, but we believe that a mandatory rotation of audit firms would significantly increase our costs of obtaining audits without producing better audits. In fact, we believe that in many cases, the quality of audits would decline.

You have expressed the opinion that a lack of required independence, objectivity, and professional skepticism by audit firms is either directly or indirectly responsible for audit failures. The premise of your fear, that longtime engagements lead to a lack of independence, objectivity, and skepticism, is not consistent with our experience. We have engaged the same large auditing firm for many years, and, if anything, the skepticism of its auditors has increased over time, particularly since the collapse of Arthur Andersen and the passage of Sarbanes-Oxley and Dodd Frank. We do not believe that substituting a different audit firm would result in more effective audits.

To the contrary, it is apparent to us that the quality of audits would, in many cases, decline. Today, individual auditors often rotate through different engagements, but auditors who are new to an engagement learn about the subject company from their colleagues who have worked on prior audits. Requiring a company to utilize a new firm that has no experience with the company would create a large learning curve in the audit firm's first year on an engagement as the auditors became familiar with the company's business model, business risks, accounting policies, accounting issues, internal controls, management processes, and the ethics and leadership of management and the Board of Directors. Experience and prior knowledge are assets in understanding a company, and requiring that auditors periodically start from scratch would inevitably reduce the average quality of audits performed in the first years of a new engagement.

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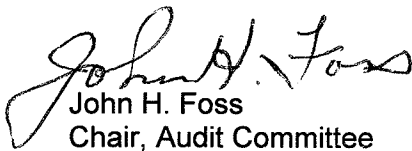
Rather than increasing auditor independence, mandatory rotation might have the unintended consequence of reducing independence. Given the small number of top tier accounting firms, companies required to change audit firms might be forced to engage firms that had recently provided the companies non-audit services in areas such as transactions, tax planning, etc. Similarly, audit firms, knowing that their audit engagements were limited in time, conceivably could have an incentive to curry favor from the companies they audit in order to gain more lucrative non-audit work from those companies following the conclusion of their time providing audit services.

We hope that the PCAOB will take into account the costs its proposal would impose on our public companies. The learning curve and necessary re-education of a new audit firm would greatly increase the hours required of the company's management, its internal audit staff, and the audit firm, thus increasing the cost. We would pay more for audits performed by auditors less qualified to perform the work.

We support the PCAOB's effort to insure the quality and integrity of audits of public companies. This proposal, though, would not serve that cause and instead would undermine it. We suggest instead that the PCAOB build on its audit review system by including both the audit firm and the subject client in discussing audit failures and taking required corrective actions. As members of the Audit Committee, we would welcome direct input from the PCAOB on the quality of audits.

Thank you for your consideration of our comments.

Very truly yours,


John H. Foss
Chair, Audit Committee