

December 12, 2011

Office of the Secretary  
Public Company Accounting Oversight Board  
1666 K Street NW  
Washington, DC 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 37

Dear Office of the Secretary:

Nucor Corporation appreciates the opportunity to provide comments to the Public Company Accounting Oversight Board (PCAOB) on the Concept Release on Auditor Independence and Audit Firm Rotation.

Nucor is a manufacturer of steel and steel products, as well as a scrap processor, with operating facilities and customers located principally in North America. We are the largest recycler in North America, using scrap steel as the primary raw material in producing steel and steel products.

We agree with the PCAOB's emphasis on the importance of auditor independence, objectivity and professional skepticism; however, we do not support the concept of mandatory audit firm rotation. Our concerns are as follows:

Increased audit costs

We believe that mandatory rotation would increase the cost of the audit, while negatively impacting the quality of the audit. For each rotation, the new auditors would need to be educated about the company's operations, risks, internal controls and accounting processes, as well as about the industry. This process would involve additional time spent not only by the new audit firm but by company resources – including accounting and internal audit personnel, the management team and the audit committee. It will take considerable time and expense for a new firm to become knowledgeable about the company.

Other costs will also be incurred. Companies will spend time and money in the selection process of new auditors. In addition, transition time incurred by both the predecessor auditor and the successor auditor will be billed to the company. Predecessor auditors will also have to provide consents for various public filings, thereby increasing audit costs. For large companies such as ours, additional time and expense will be incurred to coordinate a change in audit teams in several states and countries.

Risk to audit quality

Regardless of the experience of the new audit team, there will be a loss of institutional knowledge that is likely to cause audit quality to suffer in the early years of an engagement. Large, complex companies are especially at risk since there can be a steep learning curve to understand a company's operations, risks, accounting systems and processes, control environment, and industry.

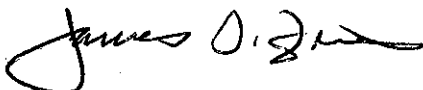
Effect on non-audit services

Many large companies are limited in their choice of auditor to one of the Big 4 firms. These same four firms provide the large companies with certain non-audit services, including valuation services, tax planning and internal audit services. Since there are limitations on an independent auditor's ability to perform non-audit services, those services must be provided by one of the three remaining firms. Mandatory rotation of the independent audit firm would result in further limiting the pool of service providers for both the audit and non-services, and could potentially cause increased costs and inefficiencies.

In conclusion, we believe the current PCAOB inspection process combined with mandatory partner rotation sufficiently address the concerns of auditor independence, objectivity and professional skepticism. We do not believe that mandatory auditor rotation would improve audit quality and may in fact decrease audit quality while increasing costs.

Thank you for your consideration of these comments.

Very truly yours,



James D. Frias  
Chief Financial Officer, Treasurer  
and Executive Vice President