

December 14, 2011

**Intermec
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Corporation**

Sent via email to: comments@pcaobus.org

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Public Company Accounting Oversight Board ("PCAOB")
Office of the Secretary
PCAOB
1666 K Street, N.W.
Washington, D.C. 20006-28-3

Subject: PCAOB Rulemaking Docket Matter No. 37

Dear PCAOB:

Intermec, Inc. has reviewed the PCAOB Release No. 2011-006: Concept Release on Audit Independence and Audit Firm Rotation. We appreciate the opportunity to provide our feedback.

Intermec Inc. (NYSE:IN) develops and integrates products, services and technologies that identify, track and manage supply chain assets and information. Core technologies include rugged mobile computing and data collection systems, bar code printers, voice, label media, and RFID. The company's products and services are used by customers in many industries worldwide to improve the productivity, quality and responsiveness of business operations.

We are also a large accelerated filer and global consumer of services from all four of the big four firm's world-wide locations.

In our reading of the concept release, we agree that:

- "An audit has value to financial statement users because it is performed by a competent third party who is viewed as having no interest in the financial success of the company"; and
- "The reforms in the Act (Sarbanes-Oxley Act of 2002) have made a significant, positive difference in the quality of public company auditing".

Our view is:

- We, as with other commenters, also believe the decision to retain or replace the audit firm is the sole domain of a company's audit committee as shareholders' governance representative on financial reporting matters.
- Companies should not be forced into mandatory audit firm rotation because the evidence to do so is wrought with conflicting conclusions and unanticipated consequences as recent (2011) research points out:

"Thus, whether auditor rotation increases or decreases audit quality depends on an interaction with professional skepticism in ways that neither standard setters nor auditors likely anticipate. These findings can help clarify conflicting conclusions from archival research about the effects of auditor rotation on audit quality."¹

¹ Bowlin, Kendall O., Hobson, Jessen L. and Piercey, M. David, The Effects of Auditor Rotation, Professional Skepticism, and Interactions with Managers on Audit Quality (August 22, 2011).

- The enhanced professional skepticism with rigor sought should first include an objective, integrated assessment of both PCAOB inspection findings and Securities and Exchange Commission (“SEC”) results from enforcement actions, comment letters and other data points gathered in overseeing registrants. The integrated PCAOB/SEC findings should provide the credible body of evidence for a current update to the public company audit standards over independence, objectivity, and professional skepticism. We observe that some of these standards (shown as interim) have not yet been formally updated and issued by the PCAOB and are not listed for revision on the PCAOB’s November 2011 standard setting agenda and related calendar out to 2013. We also observe that the interim standards have been rolled forward from those that existed prior to the establishment of the PCAOB.
- Partner, not firm, rotation provides the “fresh and skeptical set of eyes” needed. We have experienced this to our company’s benefit in terms of a richer more in depth dialogue on, for example, key management judgments and estimates.

On the goal of improving audit quality, consider:

- Encouraging firms to continue with training on professional skepticism including the core principles underlying critical thinking which are typically absent from historical checklist auditing approaches.
- Utilizing the current authority provided in the Act to oversee firms and implement appropriate penalties or other suitable remedies when an audit fails from lack of professional skepticism, independency or objectivity.
- Leveraging communications through the SEC directly to audit committees where audit engagement partners and teams are found lacking in specific cases of independence, objectivity, and professional skepticism.
- Advocating that firms enhance audit committee communications in the areas of significant management judgments, estimates and critical accounting policies with crisper, more meaningful customized metrics and benchmarking; and, less boiler plate language.

Other commenters to date have also disagreed with mandatory auditor rotation through numerous objections on cost, efficiency, and disruption to the business, so we will not provide more details as we generally affirm the comments already submitted.

We would be pleased to provide further comments, if you have any questions about our letter.

Respectfully submitted,



Robert J. Driessnack
Chief Financial Officer



Doug Stubsten
Controller



Robert G. Busch
Chief Audit Executive

cc: Intermec, Inc. Audit Committee