

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

December 14, 2011

Dear Board Members:

RE: PCAOB Rulemaking Docket Matter No. 37, *Concept Release on Auditor Independence and Audit Firm Rotation*

Thank you for the opportunity to comment on the Public Company Accounting Oversight Board's ("PCAOB") Release No. 2011-006: *Concept Release on Auditor Independence and Audit Firm Rotation* (the "Concept Release").

We support the PCAOB's continuing effort to improve audit quality and enhance auditor independence, objectivity and professional skepticism. We believe a mandate to require periodic audit firm rotation may be counter-productive and will not achieve these objectives.

We believe the current auditing standards, corporate governance rules and regulatory environment are sufficient to promote auditor independence in order to sustain a quality audit for which we expect and demand from our professional service providers on behalf of our shareholders. Accordingly, we believe the appropriate level of responsibility lies with the audit committee for determining whether a change in audit firm is warranted, based on the facts and circumstances specific to our company. Our audit committee regularly reviews and evaluates the independence of our audit firm and quality of the audit they provide to the company and our shareholders in accordance with current regulatory requirements governed by Sarbanes-Oxley Section 301 and Section 10A of the Securities Exchange Act of 1934, among others.

Suggesting that mandatory audit firm rotation increases auditor independence, professional skepticism and objectivity seems to have inherent flaws:

Shareholders benefit when the integrity of financial information is not compromised. As generally acknowledged and referenced throughout the Concept Release, mandating audit firm rotation effectively creates an environment that increases audit risk in the early years during the transition period as a result of lost institutional knowledge when a change in audit firm occurs. Common sense dictates that it takes time for an auditor to adequately understand a new client's business, its industry and the complex accounting and operational issues that are specific to that client. In addition to the heightened inherent audit risk an audit firm rotation creates, the cost in acquiring the institutional knowledge and the resulting burden placed on company management should not be overlooked. Decisions to switch auditors have,

historically, not been taken lightly due to these very real concerns and implications. Audit committees take great care in making such decisions, weighing all factors involved. Mandating change without considering all costs and benefits specific to the company is not prudent and may not be in the best interests of shareholders.

The premise specified in the Concept Release that “Unlike many other professionals, an auditor must ... struggle against letting the inevitable pressures of client service interfere with his or her duty to serve the public” is counter to the myriad of standards governing the Certified Public Accounting (“CPA”) profession and the expectations we, as a company, have of our audit firm. The profession is governed by a set of standards and rules that require auditor independence, professional skepticism and objectivity; including the PCAOB’s own rule on auditor independence, Rule 3520, and the requirement of the auditor to exercise professional skepticism as specified in Auditing Standard No. 13, *The Auditor’s Responses to the Risks of Material Misstatement*; in addition, independence of auditors is addressed in Rule 2-01 of Regulation S-X of the Securities and Exchange Commission and Section 7233(b) of the Sarbanes-Oxley Act of 2002. Accordingly, if the PCAOB believes issues with auditor independence, objectivity and professional skepticism are significantly prevalent within the registered public accounting firms there are far greater issues within the CPA profession and auditing environment that mandatory audit firm rotation would not address. We do not believe this to be the case.

Further, we do not believe mandating audit firm rotation would have any perceivable impact on professional skepticism and objectivity. In fact, it may have a reverse effect particularly in the early years subsequent to an audit firm rotation during which time an in-depth understanding of the business is developed. In our experience, professional skepticism and objectivity in the audit environment are primarily a function of:

- Overall quality of the audit firm’s staff;
- The individual auditor’s acumen, including technical competence, experience and knowledge of our business and industry;
- The audit firm’s professional education, training and mentoring programs regarding auditing techniques and our industry specialization;
- The audit firm’s underlying audit methodology, which affects the quality and thoroughness of the audit; and
- The audit firm’s internal quality control processes and procedures.

These underlying factors generally dictate the quality of the audit. Ultimately, our audit committee reviews whether to retain our audit firm based, in part, on the overall audit quality and on the firm’s integrity and professionalism.

To simplify a solution for certain audit failures by mandating audit firm rotation seems to treat a perceived underlying symptom rather than the ultimate cause of such failures. We suspect a combination of incompetence or simple human error, the ever increasing complexity of generally accepted accounting principles, inappropriate application of audit methodology and lack of appropriate oversight of the audit process are to blame in the majority of such failures. With respect to auditor independence, it would seem the PCAOB’s current regulatory mandate is appropriate and sufficient to continue to manage and mitigate this risk in order to provide shareholders and public companies with a reasonable additional layer of

protection against inadequate audits without implementing unproven, costly measures such as mandatory audit firm rotations.

Addressing whether mandatory audit firm rotations are beneficial in creating a “fresh look” to “improve” auditor independence, objectivity and/or professional skepticism dismisses the fact that audit firms already have both mandated audit partner rotations on audit engagements through current regulatory requirements and natural rotations within audit teams as a result of retirements, reassignments, departures, etc. which create ongoing “fresh looks” of a company’s financial reporting and underlying financial systems and internal controls.

In summary, we concur with the Cohen Commission’s previous conclusions that a company’s audit committee, governed by certain fiduciary duties as voted on by the shareholders, remains in the best position to assess the quality of its audit firm and to determine when an audit firm rotation is appropriate. The PCAOB should continue to focus on audit quality through the regulation, inspection and discipline of registered public accounting firms. We also encourage the PCAOB to continue to assess the ultimate cause of audit failures before implementing costly “solutions” that may have unintended consequences which would not be in the best interests of investors.

The PCAOB’s inspections of registered public accounting firms are intended to identify firms and/or audit teams that do not adequately adhere to professional standards and regulations, including independence, objectivity and professional skepticism. If such regulatory oversight is applied with the appropriate level of discipline and thoroughness it would seem sufficient to mitigate the concerns raised in the Concept Release. In this day and age, with scrutiny levels and regulatory oversight at unprecedented levels, an individual or firm at large willfully disregarding standards of auditor independence, professional skepticism and/or objectively would be tantamount to career and/or firm suicide. Violators of significant professional and/or ethical standards should be dealt with swiftly and harshly based on the respective facts.

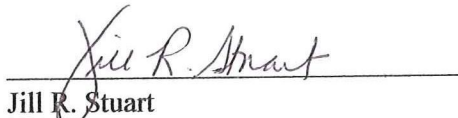
We appreciate the opportunity to express our views and the PCAOB’s careful consideration of this issue.

Sincerely,



Mark A. Peters

Executive Vice President and Chief Financial Officer



Jill R. Stuart

Senior Vice President

Accounting, Finance and Chief Accounting Officer