10 Longs Peak Drive
Broomfield, Colorado

May 31, 2012

VIA EMAIL

Office of Secretary
The Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, DC 20006

Dear Public Accounting Oversight Board:

Thank you for the opportunity to respond to the Public Accounting Oversight Board ("PCAOB") Proposed Auditing Standard: *Related Parties, Proposed Amendments to Certain PCAOB Auditing Standards Regarding Significant Transactions and Other Proposed Amendments to PCAOB Auditing Standards* (the "Proposed Standards"). Ball Corporation ("Ball", "the company", "we" or "our") is a U.S.-based public, Fortune 500, multi-national manufacturer of metal packaging products and of aerospace and other technologies with sales in 2011 of $8.6 billion and total assets of $7.3 billion. The company has chosen to respond to the Proposed Standards to highlight its concerns with the proposed changes to the auditing standards of executive compensation included in Auditing Standard 12.

The company understands the PCAOB's background for introducing this proposal as: 1) incentives and pressures for executive officers to meet financial targets can result in increased risks of material misstatement to a company's financial statements, and 2) such incentives and pressures can result from executive compensation arrangements that are tied to company performance. Consequently, the PCAOB has introduced the proposed auditing guidance to ensure that the risks presented to the financial statements by executive compensation are incorporated into the auditor's opinion of the financial statements.

The company has reservations regarding the proposed auditing standard and the far reaching implications this standard can have on the auditors and their relationship with their publicly-traded clients. Specifically, Ball is concerned that the proposed standard will put the auditors in a position to have to opine upon the merits of a performance based compensation plan and whether there is significant risk of fraud inherent in the utilization of that plan. Ball is also concerned that the added emphasis on executive compensation could cause investors to question the independence of auditors required to assess executive compensation as currently included in the Proposed Standards.

First, we believe that the Proposed Standard puts a burden on the auditors to understand the performance based compensation arrangements of executive management and determine if those compensation arrangements pose an increased risk of material misstatement of the company's financial statements. Many executive performance based compensation arrangements are unique, complex arrangements that are structured and reviewed by consultants and board members that have extensive experience in the structuring of these types of contracts. Ball is concerned that the independent auditor firms do not have the appropriate knowledge, expertise, experience or skill sets to review these potentially complex contracts. This will in turn require the auditors to hire outside experts to review the contracts and gain comfort with the structure of the arrangements, which will increase the time and cost related to the audit while not necessarily increasing the value of the opinion expressed at the conclusion of the audit itself.

Second, as the auditors are required to review the executive compensation arrangements and opine on the risk presented by those contracts, many companies may desire to use the audit report which includes the auditor's opinion on the compensation arrangements for purposes of supporting the reasonability of its compensation arrangements or ask the audit advisors to assist in the design of the compensation arrangements to avoid potential issues related to the auditors required audit work under the standard. The tailoring of executive compensation arrangements to comply with auditor specifications could potentially be viewed as a conflict of interest by investors and raise questions about the independence of the audit firm.

In conclusion, we would ask the PCAOB to reconsider the Proposed Standards on executive compensation and specifically exclude them from the proposals for Auditing Standard No. 12.

Please consider our comments and contact us if you have any further questions regarding our comments on the Staff Paper.

Sincerely,

Shawn M. Barker
Vice President and Controller