

**UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 64613 / June 7, 2011**

**ACCOUNTING AND AUDITING ENFORCEMENT**  
**Release No. 3289 / June 7, 2011**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14413**

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<b>In the Matter of</b>	:	
Mark C. Schwartzhoff,	:	
<b>Respondent.</b>	:	
	:	

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**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Mark C. Schwartzhoff (“Respondent” or “Schwartzhoff”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.<sup>1</sup>

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<sup>1</sup> Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

## II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

## III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Schwartzhoff, age 43, resides in Odessa, Missouri. From July 1992 to July 1995, he worked as an internal auditor for Thor Industries, Inc.’s corporate headquarters in Jackson Center, Ohio. From July 1995 to January 2007, he was employed by Dutchmen Manufacturing, Inc. (“Dutchmen”), a Thor operating subsidiary located in Goshen, Indiana. He served as Dutchmen’s Controller from July 1995 to approximately May 1997. He served as Dutchmen’s Vice President of Finance, Dutchmen’s senior financial officer position, from approximately May 1997 through January 2007. In February 2007, Respondent’s employment with Dutchmen was terminated effective January 19, 2007.

2. Thor Industries, Inc. (“Thor”) is a Delaware corporation based in Jackson Center, Ohio. Thor produces and sells a wide range of recreation vehicles and small and mid-size buses in the U.S. and Canada. At all relevant times, Thor’s common stock has been registered with the Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and traded on the New York Stock Exchange under the symbol THO. Dutchmen Manufacturing, Inc. is one of Thor’s principal operating subsidiaries.

3. On May 23, 2011, a final judgment was entered against Respondent, permanently enjoining him from future violations of Sections 10(b) and 13(b)(5) of the Exchange Act and Exchange Act Rules 10b-5, 13b2-1, and 13b2-2 thereunder, and aiding and abetting violations of Exchange Act Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) and Exchange Act Rules 12b-20, 13a-1, and 13a-13 thereunder, in the civil action entitled Securities and Exchange Commission v. Thor Industries Inc., et al., Civil Action Number 1:11-cv-00889 (RMC), in the United States District Court for the District of Columbia. The final judgment also prohibits Respondent from serving as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act. In addition, the final judgment orders Respondent to pay disgorgement of \$299,805, together with prejudgment interest thereon in the amount of \$95,025, for a total \$394,830, but provides that such

amount shall be deemed satisfied upon the entry of an order in a parallel criminal proceeding requiring Respondent to pay restitution in an amount equal to or greater than \$394,830.

4. The Commission's complaint alleged, among other things, that during the second quarter of fiscal 2003 through the second quarter of fiscal 2007, Respondent created and recorded fraudulent accounting entries and related documentation to hide inventory losses occurring at Dutchmen. Instead of properly recording increased cost of goods sold, Respondent hid inventory losses in various balance sheet accounts, including accounts receivable, accounts payable, and cash. These entries resulted in overstating Dutchmen's pretax income by approximately \$26 million during fiscal 2004 to 2006 and into the second quarter of fiscal 2007. As a result, as alleged in the complaint, Thor's annual and quarterly financial statements filed with the Commission during this period were false and misleading. In June 2007, Thor filed restated financial statements with the Commission for fiscal years 2004 to 2006 and the first quarter of fiscal 2007.

#### **IV.**

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Schwartzhoff 's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

Schwartzhoff is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Elizabeth M. Murphy  
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the *Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions* ("Order"), on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-2557

Timothy N. England, Esq.  
Division of Enforcement  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-5561

Mr. Mark C. Schwartzhoff  
(Respondent Schwartzhoff waived service; notice being handled by Enforcement Division)