

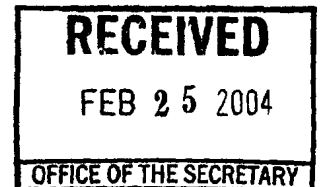
S7-40-02

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January 23, 2004

Mr. William H. Donaldson, Chairman
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549



Mr. William J. McDonough, Chairman
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, DC 20006

Re: Accelerated Filers Effective Date for Management's Report on Internal Control

Dear Messrs. Donaldson and McDonough:

On behalf of the undersigned companies, we write to express our significant concern with the effective date for management's assessment of, and the independent auditor's attestation to, the effectiveness of internal control over financial reporting as required by Section 404 of the Sarbanes-Oxley Act (Section 404 requirements).

As indicated in SEC Release No. 33-8238, one of the main goals of the Sarbanes-Oxley Act is to improve the quality of financial reporting and increase investor confidence in the financial markets. We endorse those objectives. Our concern is that the greatly compressed time frame from the date a final PCAOB Auditing Standard is adopted and the currently mandated effective date of the Section 404 requirements for accelerated filers (fiscal years ending on or after June 15, 2004) leaves insufficient time to interpret and implement the requirements of the final standard, as further explained below. This will potentially have the unintended effect of actually decreasing investor confidence in the financial markets just as those markets are recovering from the scandals that prompted the recent financial reporting and accounting reforms.

In particular, we believe it will be very difficult for companies and auditors to properly implement the new rules for a fiscal year that is nearly complete when the Auditing Standard is final. We believe this is especially true with respect to internal controls over financial reporting that operate primarily on a quarterly basis. For example, companies such as ours with June 30 and July 31 and August 31st fiscal year ends have established aggressive project plans to document their controls and now are in the process of testing them. This work has been based on draft rules and an environment of evolving interpretations. There are real and significant implementation and reporting risks. For example, if a June 30 fiscal year end company were to determine, as of March 31, that some key controls require remediation, or that their assessment must include additional testing based on a fresh interpretation of the final rules, the first quarterly close in which testing could occur would be as of June 30, 2004. At that date there will be a genuine,

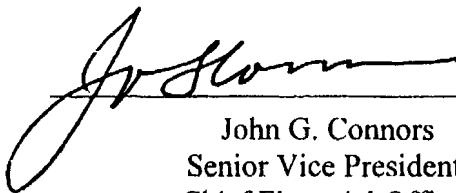
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serious question as to whether the company and the auditors will have observed the control in operation for a "reasonable period of time" sufficient to conclude the control is effective. Inability to do so solely because the remediated control had not operated or new test had not been conducted for a reasonable period of time could result in a modified report that could have unintended capital market consequences, despite the fact that the control in fact after passage of a reasonable period of time would be proven effective.

Additionally, many registrants and others have commented that the definitions of significant deficiency and material weakness are not consistent with the definition of internal control over financial reporting in the proposed Auditing Standard and that the definitions are causing considerable confusion among registrants and their auditors. We believe that consistency in practice is critical to achieving credibility with investors as companies and auditors report under Section 404 requirements. It is therefore vital that sufficient time be provided to registrants and their auditors to fully understand the final Auditing Standard definition of these critical terms. For these and other reasons we urge that the effective date of the Section 404 requirements be extended to fiscal years ending on or after September 15, 2004 for companies that are accelerated filers.

We fully appreciate the fact that the SEC has postponed the effective date of the Section 404 requirements from its original proposal of fiscal years ending on or after September 15, 2003 to fiscal years ending on or after June 15, 2004. Nevertheless, we strongly believe an additional extension in the effective date will significantly contribute to a more successful implementation of the Section 404 requirements with minimal likelihood of adverse unintended consequences to the capital markets.

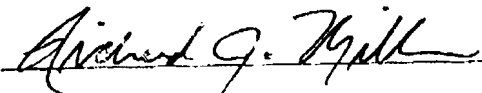
Sincerely,



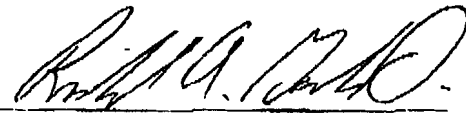
John G. Connors
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Executive Vice President,
Chief Financial Officer
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cc: (SEC Commissioners and PCAOB Board)