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(202) 272-2650



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Philosophizing About Accounting Professionalism

James C. Treadway, Jr.
Commissioner

The views expressed herein are those of Commissioner Treadway and do not necessarily represent those of the Commission, other Commissioners, or the staff.

Introduction

My comments today bear the title "Philosophizing About Accounting Professionalism." Before I go further, I should observe that my focus today is on the public accounting profession, although I may use the shorthand term "accounting profession" or just "profession."

In April, 1984, Donald J. Kirk, Chairman of the Financial Accounting Standards Board, delivered a thoughtful, articulate speech which has heightened awareness about professionalism. Its title was "Standards and Other Requisites of Professionalism," and I recommend it to you for a careful reading. Given the current turmoil involving accounting matters generally and the focus upon the public accounting profession specifically, Mr. Kirk's call for "beefed-up" professionalism -- which he defined as a voluntary commitment to excellence -- as the ultimate answer to a broad array of complex issues naturally attracts attention.

I say that Mr. Kirk's speech has attracted attention not to cause alarm. For one, I welcome any and all discussions about professionalism, its importance, and its current status -- regardless of whether you personally consider that status to be perfect, slightly marred, or something worse. If on-going dialogue gives those who are committed to professionalism encouragement to continue their efforts and keeps all of us "sensitized," it is all worthwhile.

The Definitional Problem

Yet, when one word seems to provide the solution to all the problems, my experience -- perhaps tinged by some innate cynicism -- suggests that we should be sure that we all start from a common understanding. High-sounding words like professionalism -- we could include self-regulation, fiscal responsibility, deregulation, or even Manifest Destiny -- seem to have three common characteristics: (1) they can inspire us to do good things; (2) they can mean different things at different times and cause confusion; and (3) occasionally they can start wars. Only one of the three is desirable.

So, even at the risk of being pedantic, I decided to start at "square one." A quick consultation with Mr. Webster told me that the first definition of "professionalism" is "the conduct, aims, or qualities that ... mark a profession...." Finding little help there, I checked the second definition -- "the following of a profession (as athletics) for gain...." Mr. Webster seems to specialize in circular meanings, but at least he selected athletics as his example of a profession, rather than one reputed to be somewhat older. Thanks be for small favors.

The Supreme Court also has tried to define professionalism, although the Justices were operating from perhaps a slightly different perspective. Only a few months ago they unanimously described the role of the accounting profession in the loftiest of terms.

By certifying the public reports that collectively depict a corporation's financial status, the independent auditor assumes a public responsibility transcending any employment relationship with the client. The independent public accountant performing this special function owes ultimate allegiance to the corporation's creditors and stockholders, as well as to [the] investing public. This "public watchdog" function demands that the accountant maintain total independence from the client at all times and requires complete fidelity to the public trust. To insulate from disclosure a certified public accountant's interpretations of the client's financial statements would be to ignore the significance of the accountant's role as a disinterested analyst charged with public obligations. 1/

Presumably, the Court was saying that an accountant whose day-to-day conduct in all situations at all times satisfies all of the Arthur Young standards passes the test of professionalism -- whatever it means. I doubt that many would quarrel with the notion that one who meets all the Arthur Young standards is indeed professional.

Think again about those terms, with all their potential ramifications:

- public responsibility...
- transcending any employment relationship...
- ultimate allegiance to the corporation's creditors and stockholders, as well as to the investing public...
- public watchdog...
- total independence from the client at all times...
- complete fidelity to the public trust...
- disinterested analyst...
- charged with public obligations.

That is a very high pedestal and a long way to fall. In some ways, it sounds as if the Court were describing an ecclesiastical position -- about the only thought left out was "guardian

1/ United States v. Arthur Young & Co., No. 82-687, slip op. at 11 (March 21, 1984) (emphasis added).

of public morality." And I will venture to predict that for years to come we will see that language cited in ways and in situations we have not yet begun to imagine.

But reflecting upon the Supreme Court's definition -- and comparing it to the Kirk and Webster definitions -- only brings me back to my original problem. Can we define professionalism in more precise, and perhaps less glowing, terms which are commonly understood and lend themselves to day-to-day, practical application? Or is professionalism something that we recognize intuitively but which escapes precise definition? And if so, does that mean that calls for enhanced professionalism are destined to be inherently non-productive because of the murkiness of the concept?

The Importance of Public Perceptions

Before searching further for a definition, let's talk about public perceptions. We have a saying in Washington to the effect that perception usually displaces reality. Some more bluntly say that perception is reality. In any event, no one seems to debate seriously the importance of perception.

A recent study commissioned by Peat, Marwick, Mitchell & Co. contains some findings about public perceptions essentially consistent with the Supreme Court's high view of the accounting profession.

- Those surveyed had a generally good understanding of the role of independent auditors. That level of understanding declined, however, when it came to questions about the extent of an auditor's responsibilities in specific situations, such as those involving fraud or dishonest operations.
- By a substantial majority, those surveyed believed that public accounting firms exercise independent and objective judgment in performing audits, that the quality of their work is very good, and that the profession is performing today better than ever before.
- The survey ranked auditors high in the quality of the work they performed. Outright criticism was slight. Negative views were held by less than ten percent in all groups.
- Accounting firms were recognized for their independence and objectivity in performing audits. Ninety percent gave favorable ratings on this point.
- Those surveyed ranked independent auditors highly in terms of ethics and morality. My profession -- attorneys -- ranked in the bottom half, but United States Senators and Congressmen ranked at the bottom of the list.

From those findings, we could conclude that most people believe the accounting profession demonstrates an acceptable -- even enviable -- level of "professionalism," whatever the term means.

But the survey had some less encouraging findings. Focusing on flexibility in performing audits, the survey found that "less flexibility ... was assumed to exist than is actually the case." Asked to choose between a standard set of accepted auditing procedures, on the one hand, and procedures developed by the accounting firm on a case-by-case basis depending on the specific circumstance and the type of company being audited, on the other, fifty-one percent believed standard auditing procedures were followed. Thirteen percent believed auditing procedures were determined on a case-by-case basis, while thirty-one percent volunteered that both practices were followed. "Both" was the most frequent response among accounting professors (fifty-three percent). That suggests a fair amount of confusion -- not a good condition when we seek common understanding, not conflicting perceptions.

Confusion also emerged about auditors' responsibilities for detecting fraud. Seventy-one percent overall (seventy-five percent among corporate executives and generally large majorities of the other groups surveyed) believed that independent auditors have a responsibility to detect fraud only insofar as the financial statements contain material misrepresentations. The other opinions were split -- thirteen percent said that auditors are completely responsible for detecting fraud, while another thirteen percent said they have no responsibility for detecting fraud. That also suggests a fair amount of confusion.

The severest criticism came when the survey asked participants whether accounting firms give in too easily to pressures to "bend the rules" in their clients' favor. Overall, thirty-nine percent agreed either "strongly" or "somewhat" that the profession yields too easily to client pressure. That is a most disturbing number. Turned on its flip side, it means that less than two-thirds believe audits are conducted objectively and independently. Criticism was in the general area of thirty-five percent among five of the groups surveyed -- executives, lawyers, stockholders, congressional aides, and the media. This belief was strongest among security analysts (sixty-four percent), portfolio managers (forty-nine percent), regulatory officials (forty-eight percent), and accounting professors (forty-three percent). In a sense, the latter three professions could be argued to be the most knowledgeable of all the groups. And if fifty-percent, on average, of arguably the most knowledgeable groups hold a negative view of independence and objectivity, we are in a distressing state.

Contradictory Perceptions

So public perceptions about the accounting profession on the one hand are generally positive. At the same time, even within the four corners of the Peat, Marwick survey, public perceptions seem self-contradictory, particularly if sixty-four percent of

the security analysts, forty-nine percent of portfolio managers, forty-eight percent of the regulatory officials, and forty-three percent of the accounting professors believe accountants are prone to bending the rules.

The contradictory perceptions becomes more marked when from other quarters, we hear much today that is negative about the quality of financial reporting. Note that I shifted emphasis -- I said quality of financial reporting, not quality of accountants. But criticisms about the quality of financial reporting inevitably adversely impact the profession and -- rightly or wrongly -- the public's perception of the profession. Listen to a few examples.

1. A recent BusinessWeek article discussing Commission enforcement actions in the financial reporting area was entitled "The SEC Turns Up The Heat On Cooked Books." 2/ An article in the Economist, talking of Commission accounting-related enforcement cases, characterized the Chairman of our Commission as a "crusader." 3/

2. The Wall Street Journal has reported that the chairman of a large accounting firm "seriously questions" (anonymously, I should add) whether the Financial Accounting Standards Board "is going to make it." 4/

3. Reporting recently on the possible merger of Price Waterhouse and Deloitte Haskins & Sells, the New York Times described the combination as "a common response to the wave of change and rampant competition that has swept public accounting in recent years." The Times added: "It is unlikely to be the last." 5/

4. Special concern is widespread about the accounting practices of depository institutions. Witness a recent article in the Wall Street Journal, "Bank Results for 3rd Period Reflect Boosts in Reserves for Loan Losses." 6/

2/ Bus. Wk., Sept. 3, 1984, at 63.

3/ Economist, June 30, 1984, at 67.

4/ Wall St. J., April 30, 1984, at 1, col. 6.

5/ N.Y. Times, Oct. 3, 1984, at D1, col. 3.

6/ Wall St. J., Oct. 17, 1984, at 4, col. 1.

5. Donald J. Kirk, Chairman of the Financial Accounting Standards Board, has expressed concern that the credibility of our entire system of corporate governance is at stake: "The long-run interests of those who believe in our economic system require recognition that responsible, credible financial reporting is inseparable from responsible corporate performance." 7/

6. Only last week, the Wall Street Journal carried an article entitled: "Insurers Tell Big Accounting Concerns Liability Rates May Rise, Sources Say." 8/

7. A Congressional Committee will hold public hearings on accounting in late 1984 or early 1985. These hearings will be the most farreaching since the Moss-Metcalf hearings of the 1970's.

I could go on and on, but these examples make the point -- there are some decidedly negative perceptions about the quality of financial reporting. That in turn suggests that professionalism is not widely perceived as being at an acceptable level, even professionalism as narrowly confined to the public accounting profession.

So we have one of those classic contradictions. But that contradiction is readily understandable, almost predictable, if I can persuade you to agree with one of my pet theories: "The loftier station any person or profession assumes or aspires to, the greater the resulting pressure for perfection." Another way of saying the same thing is that the public does not like to discover that its idols have feet of clay.

Of course, we all know that auditing and accounting involve much judgment. Many decisions are made on the basis of less than full information, and audits are not guarantees. We also know that the process revolves around something called generally accepted accounting principles, a diverse, almost sprawling collection of standards of varying degrees of authoritativeness. GAAP simply is not a neatly bound volume, indexed and cross-indexed by chapter and verse, taking everyone to the same bottom line result -- the ultimate in logic and rationality. In a sense, GAAP has a basis that is partly intuitive and historical, based on experience. And, of course, the process also revolves around another set of standards -- GAAS -- which are far more judgmental than many realize. Perhaps it is little wonder that perceptions are contradictory.

7/ Address by Donald J. Kirk, "Standards and Other Requisites of Professionalism" (April 26, 1984).

8/ Wall St. J., November 8, 1984, at 4, col. 2.

At this point, I will acknowledge that the Commission may be partly responsible for contradictory public perceptions about professionalism. Commission enforcement actions involving financial reporting over the past two years have been widely publicized and represent a major priority of the Commission. In the interest of full disclosure, I should add that our backlog of financial reporting cases is larger than ever. My focus today is not on the enforcement area, but a few recent cases deserve brief comment because of their effect -- direct or indirect -- on professionalism. They also suggest how fragile all those good perceptions about professionalism may be.

Opinion Shopping. First, let's spend a few minutes on "opinion shopping." The mere fact that opinion shopping occurs encourages to some extent a belief among issuers and disgruntled executives that this form of pressure is an effective, legal, and acceptable way to bludgeon accountants into submission on disputed accounting issues. In other words, it's an effective way to undermine professionalism.

But if the public were even to perceive that opinion shopping is widespread -- regardless of whether it achieves the end result sought by those who engage in such activity -- public confidence would be severely damaged. Think back to the Arthur Young decision, which also said:

It is therefore not enough that financial statements be accurate; the public must also perceive them as being accurate. Public faith in the reliability of a corporation's financial statements depends upon the public perception of the outside auditor as an independent professional. 9/

In June, 1984, the Commission instituted a Rule 2(e) proceeding against three individual accountants 10/ who were partners in an accounting firm which was the successor auditor for two North Carolina savings and loan associations. 11/ The Commission's order concluding this proceeding focused upon the accounting

9/ United States v. Arthur Young & Co., No. 82-687, slip op. at 13 n.15.

10/ In the Matter of Stephen O. Wade, Ralph H. Newton, Jr., and Clark C. Burritt, Jr., Securities Exchange Act Release No. 21095 (June 25, 1984). The defendants consented to the entry of the order without admitting or denying the Commission's allegations.

11/ See In the Matter of Accounting for Gains and Losses Incurred in Connection with Certain Securities Transactions, Securities Exchange Act Release No. 20266 (Oct. 6, 1983). The Commission first instituted an enforcement proceeding against the two associations. For its fiscal year ended December 31, 1982 one association reported net income of \$248,149; if it had recognized its full losses rather than deferring them, it would have reported a net loss of \$1,934,940. The other
(continued)

treatment for certain transactions claimed to involve hedging and found that the three partners involved had engaged in improper professional conduct and censured all three. The order also effectively bars two of the individual accountants from being involved, for three years, in any audit engagement of any company whose financial statements are reasonably expected to be filed with the Commission.

Without going into the details of the allegations, let's go to the conclusion. The Commission's order stressed an accountant's obligation to maintain integrity, objectivity, and independence -- the "cornerstones" of professionalism. The Commission stated:

It is even more important that these fundamental qualities be maintained with respect to prospective clients to avoid the appearance of "opinion shopping." Before being engaged, and knowing that two other firms of independent auditors had been replaced when they failed to accept the savings and loans' futures accounting treatment, the partners informed the savings and loans that they would support the proposal of the savings and loans to defer the futures losses. Once retained, the partners caused the issuance of the unqualified opinion and review report on financial statements which improperly deferred material futures losses and thus were not presented in accordance with GAAP. Knowingly rendering an unqualified opinion on such financial statements constitutes improper professional conduct under any circumstances.

And then there is this final sentence:

Such conduct is especially egregious when it occurs in the context of a change in independent auditors.

This is not the first, and certainly will not be the last, case of shopping. The accounting profession cannot prevent an audit client from seeking a second opinion, nor can the Commission. Yet, the profession can influence the "shopping" phenomenon by refusing to allow themselves to be "shopped." I ask for your reflection and suggestions on shopping, noting in par-

Footnote (continued)

11/ association, in its quarterly reports for the three and six months ended December 31, 1982, reported net income of \$166,522 and \$193,450, respectively; if it had recognized its full losses rather than deferring them, it would have reported net losses of \$1,179,134 and \$1,152,206, respectively. The Commission obtained a restatement of the financial statements which immediately recognized the full losses.

ticularly that I appeared on a panel earlier today where I heard a senior partner of a Big Eight accounting firm say that opinion shopping is on the rise and that the requirement that a successor firm consult with the prior firm is being honored mainly in the breach.

So I ask: Are current regulatory requirements -- Form 8-K filing and disclosure requirements and the threat of after-the-fact enforcement proceedings against both registrant and accounting firms -- adequate? Have the disclosures become so stylized that they are not truly informative? Have accounting firms being replaced opted for the mildest forms of disclosure about disputes and disagreements for fear of subsequent litigation with a disenchanted, perhaps vindictive client? Have financially distressed audit clients overcome the discipline of the current system, adopting the attitude: "I don't care what the rules are. The alternative is bankruptcy. Get me a firm that will agree."

You may react by asking if I'm trying to shift to the profession more of a burden for policing shopping. Some of you may be muttering, "If the SEC would only do what it's supposed to do...." My problem is that I am not confident the current deterrents to "bad shopping" are as effective as they should. If not, your entire profession suffers in the public's eyes.

Among some tentative ideas for discussion I would offer -- and I emphasize that they are nothing more than my personal ruminations -- are the following:

- Is earlier disclosure of the activity of shopping appropriate? Should, for example, an issuer intending to seek a second opinion be required to notify the Commission in advance on a confidential basis?
- Should either the Commission or the profession have more extensive requirements for the steps a possible successor firm must take before acting as successor auditor?
- Should approval, or at least non-objection, to the change in auditors be required of some body -- e.g., the SEC Practice Section of the AICPA, or a State Board of Accountancy?
- In contrast to the current Form 8-K requirements, should greater Audit Committee involvement and/or approval be required, perhaps even before the shopping occurs? E.g., should the Audit Committee be required not only to approve the initial decision to shop, plus be required to make separate disclosure of the background and reasons for seeking an alternative opinion and the factors which the Audit Committee found persuasive? If there is no Audit Committee, should the full Board of Directors so act?

You may reject all of this as simply unnecessary and tell me that shopping is not that big a problem. But if members of the profession believe they have lost the ability to deal with this activity -- and I frequently hear comments to that effect, such as those I heard this morning -- speak up. That is the only way we at the Commission who want to see your professionalism preserved and enhanced -- not undercut and diminished -- have a basis for trying to improve the situation.

Third Party Collusion. Let's talk now about another activity that undermines professionalism -- or at least the public perception of it -- which may be even harder to deal with than shopping -- third party collusion. In June, 1984, the Commission sued The Barden Corporation and one of its vice-presidents for numerous violations of the Exchange Act. 12/

The Commission alleged that during 1981 and 1982, Barden, a supplier to Surgical, 13/ and Barden's vice-president, acting on instructions from Surgical

- ° caused Barden to submit false invoices to Surgical [that falsely stated that over \$1 million of stapling instruments was instead attributable to the cost of certain capital equipment, namely dies];
- ° provided false information to Surgical's auditors about the invoices; and
- ° falsely confirmed in writing to Surgical's auditors that charges for stapling instruments were, as Surgical falsely claimed, charges for capital items.

All of this assisted Surgical in overstating its earnings and financial position. 14/

12/ SEC v. The Barden Corporation and Robert P. More, Litigation Release No. 10433 (June 26, 1984).

13/ Barden manufactured surgical staples and dies for Surgical. The Commission alleged that during 1980, 1981 and 1982 Surgical accounted for approximately 40% of the revenues of one Barden division and a greater percentage of the division's profits. During the same period, the division accounted for approximately 15% of Barden's revenue.

14/ SEC v. United States Surgical Corporation, Civil Action No. 84-0589 (D.D.L. 1984), Litigation Release No. 10293 (February 27, 1984).

At first blush, some might view it as harsh for the Commission to bring an enforcement action against a third party whose own financial statements were accurate and who did not profit from the misdeeds. To the contrary -- given the particularly devastating impact of collusion and deception by a supposedly independent third party, such as a supplier -- the Commission should proceed quickly and decisively. The auditor of one company cannot be a guarantor of the honesty of third parties with whom the audit client deals; it is sufficiently difficult for auditors to detect skillful, deliberate fraud by their own audit clients. Enforcement proceedings against all who participate in such activity is wholly warranted.

As in the case of shopping, however, I urge the profession to consider whether there is a better way than after-the-fact Commission enforcement actions to deal with this particularly insidious activity. For now, I have no ideas to put on the table even for discussion -- I can only ask for your consideration and advice.

Sham Transactions. One additional activity merits brief discussion, again because of the potential adverse impact on public perceptions about accountants' professionalism. Here again, it's not necessarily wrong-doing by the profession, but by a third party, with a potential spill-over effect on the accountants. I refer to sham transactions, particularly those engaged in by companies in a distressed industry which cloak a rapidly deteriorating condition -- a transaction generates dramatic profits or avoids the recognition of huge losses and all is reported well -- yet total collapse shortly follows.

Without going into specific cases, let me urge you to be alert to this type of activity. Everytime it occurs, it has an adverse impact on the public's perception of your professionalism. And the argument that audits do not guarantee against business failures will not necessarily overcome that perception. I have no specific solution to offer, other than "be aware, be aware, be aware."

Some Suggestions For Enhanced Professionalism

That is enough about specific enforcement problems. This is not an enforcement speech, but rather an effort to philosophize about professionalism. I began by talking about Don Kirk's basic proposition -- the ultimate answer to many problems is professionalism, which he defines as a voluntary commitment to achieve excellence and as objectivity and integrity -- and the problem of defining professionalism.

So far I have not come up anything better than the Kirk definition, or the Supreme Court's characterizations in Arthur Young, or Mr. Webster's even easier but decidedly circular defini-

tion that professionalism is the characteristic of a profession. Yet, I nonetheless must reject any notion that because we cannot precisely define "professionalism" to everyone's satisfaction, it is not meaningful to talk about professionalism. Since I have failed to add much to the definition, what suggestions or observations can I offer today as ways both to enhance professionalism and to avoid public perception that professionalism is readily comprised?

1. My first suggestion is that we recognize that one of the easiest traps to fall into is the repetitive parroting of an appealing and, on the surface, simple answer which becomes an end in itself. That suggestion sounds almost self-evident, but we can not allow ourselves to get wrapped up in rhetoric. Whatever problems we may encounter in defining professionalism, and as imprecise and variable as possible definitions may be, repetitive assertions that professionalism is the answer is not enough alone -- specific implementation is required. Professionalism is like self-regulation -- it is not automatically self-justifying, but must be constantly self-proving. And by no means do I suggest that Don Kirk ignored specific implementation. To the contrary, he offered some very specific proposals.

2. My second suggestion is that it would be useful if we could agree on what the debate about professionalism is not. In particular, it strikes me that it is not a debate about broad vs. narrow standards -- each has its place -- it's not even a debate about the favorite whipping boy of many, the Conceptual Framework.

3. Having said that both broad and narrow standards have their place, my third suggestion is that we collectively now focus on real time responses to emerging, specific issues. In saying that, I recognize that some may say I am actually favoring narrow standards, but I think not. Complex transactions have proliferated; time schedules have been condensed; dollars at risk have skyrocketed. Real-time answers are, I suggest, a most productive contribution to professionalism. One project already underway -- the FASB Task Force on Timely Guidance on Emerging Issues -- strikes me as having the potential for a valuable, positive contribution to enhanced professionalism. I commend the FASB for this initiative and urge the profession to commit the time and resources required to support and further this project.

4. My next suggestion is more regulatory in nature. Membership in the AICPA SEC Practice Section should be mandatory for all firms that audit publicly-owned companies. Voluntarism is noble, and I am familiar with the statistics reflecting the number and percentage of audits conducted by firms that are members of the section. But, in my view, this hole is too large. The recent report of the Public Oversight Board calls the 1977 creation of the Division for CPA Firms as "a milestone in this history of regulation." I do not differ. I only suggest that regulatory structures must evolve. In the Commission's 1983

Report to Congress, we said that we "strongly encourage all accounting firms that audit publicly-held companies to participate in this self-regulatory program." I expect the 1984 Annual Report will say the same thing. The philosophical underpinnings of Arthur Young strengthen that conclusion, in my view.

5. My fifth and final suggestion for today is also regulatory in nature, and I do not expect it to be received with universal enthusiasm. There must be a recognition that the self-regulatory mechanism of the profession must include something that has more of an enforcement focus, demonstrates a willingness to apply sanctions, and is more open to public scrutiny, at least after the fact. I know the arguments for a contrary approach -- particularly those that focus upon the existing multiple layers and forms of regulation. These arguments are not totally lacking in logic, nor do I believe they have been offered in a conscious effort to undermine effective self-regulation or to "shield the members of the guild."

At the same time, public perceptions as to whether a profession is living up to expectations is fragile at best and is constantly open to question. "Self-regulation" which really means an exclusive focus on systems, or on broad institutional quality, or which is bottomed on an aspirational approach is hardly bad. But those limitations do not, I suggest, square with the common perception of the duties and obligations self-regulation implies -- a case by case enforcement focus, with sanctions. Those limitations leave a void, and that inevitably means that pressure will exist for something to come along to fill it.

Going beyond the problem of the common perception, I believe the Supreme Court may have compounded your problem. Try as I may, I cannot take the language of Arthur Young --

- public responsibility...
- ultimate allegiance to the investing public...
- public watchdog...
- complete fidelity to the public trust...
- disinterested analyst...
- charged with public obligations...

and square it with the current process. Such language, with all of its emphasis on public duties, may well have removed options that previously existed.

If I think about our friends in the securities business -- firms, individual registered representatives, and the self-regulatory organizations -- I have heard them frequently described as having obligations of trust and quasi-public duties. But I have never heard them described in anything approaching the Arthur Young terms. Yet, it is inconceivable that they could, or would even claim to be, effective self-regulators if they were subject to all the constraints imposed on the accounting profession's "SRO." In my view, because of your involvement in the public capital-raising process, that is the profession and regulatory structure to which you are most likely to be compared -- not that governing doctors or lawyers.

Conclusion

Your professionalism is simply too valuable to the disclosure process -- and therefore to the integrity of our securities markets -- for any of us to sit idly while your professionalism -- even its perception -- is undermined or diminished. To the contrary, our common goal should be to enhance your professionalism. To paraphrase Don Kirk, professionalism may be the only answer.

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