

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
September 13, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-12795

In the Matter of

**SCHUHALTER, COUGHLIN &
SUOZZO PC, and EDWARD J.
SUOZZO, CPA,**

Respondents.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 4C OF THE
SECURITIES EXCHANGE ACT OF 1934
AND RULE 102(e) OF THE
COMMISSION'S RULES OF
PRACTICE, AND NOTICE OF
HEARING**

I.

The Securities and Exchange Commission ("Commission") deems it appropriate that public administrative proceedings be, and hereby are, instituted pursuant to Section 4C of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 102(e) of the Commission's Rules of Practice against Schuhalter, Coughlin & Suozzo, PC and Edward J. Suozzo, CPA ("Suozzo") (collectively "Respondents").

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENTS

1. **Schuhalter, Coughlin & Suozzo PC** is a New Jersey professional corporation and public accounting firm headquartered in Raritan, New Jersey. Schuhalter, Coughlin & Suozzo PC prepared and issued an audit report dated December 15, 2003, in connection with its audit of Earthworks Entertainment, Inc ("Earthworks").

2. **Edward J. Suozzo, CPA**, 47, of Hillsborough, New Jersey, is a certified public accountant licensed in New Jersey and New York since 1986. As engagement partner on the Earthworks engagement, Suozzo participated in the preparation and issuance of the December 15, 2003 Earthworks audit report.

B. OTHER RELEVANT ENTITIES

1. Earthworks is a Delaware corporation based in West Palm Beach, Florida. During the relevant period, Earthworks's common stock traded on the OTC Bulletin Board. Its common stock is registered with the Commission pursuant to Section 12(g) of the Exchange Act. Earthworks reported no revenue and total assets of \$98,046 for its fiscal year ended September 30, 2003. Earthworks has at all relevant times been an issuer as defined by the Sarbanes-Oxley Act of 2002 (the "Act").

C. FAILURE TO REGISTER WITH THE PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD

1. Section 102(a) of the Act prohibits any person that is not a registered public accounting firm with the Public Company Accounting Oversight Board ("PCAOB") from preparing or issuing, or participating in the preparation or issuance of, any audit report with respect to any public reporting company after October 22, 2003.

2. Though Respondents were aware of the PCAOB registration requirement, at no point did Schuhalter, Coughlin & Suozzo register with the PCAOB as a public accounting firm.

3. Schuhalter, Coughlin & Suozzo audited the financial statements included in Earthworks's annual report for fiscal year 2003 on Form 10-KSB, filed with the Commission on January 6, 2004.

4. Schuhalter, Coughlin & Suozzo prepared and issued an audit report dated December 15, 2003, which was included in Earthworks's Form 10-KSB.

5. Suozzo participated in auditing the financial statements included in Earthworks's annual report for fiscal year 2003 on Form 10-KSB, filed with the Commission on January 6, 2004.

6. Suozzo participated in the preparation and issuance of an audit report dated December 15, 2003, which was included in Earthworks's Form 10-KSB.

7. Respondents were aware of the registration requirement and the October 22, 2003 deadline for registration with the PCAOB when Schuhalter, Coughlin & Suozzo PC issued the December 15, 2003 audit report.

8. Schuhalter, Coughlin & Suozzo received \$7,500 for conducting an audit of Earthworks's financial statements for its fiscal year 2003 and for issuing an audit report on those financial statements.

D. VIOLATIONS

1. Section 4C(a) of the Exchange Act provides, in relevant part, that the Commission "may censure any person, or deny, temporarily or permanently, to any person the privilege of appearing or practicing before the Commission in any way, if that person is found by the

Commission ... (1) not to possess the requisite qualifications to represent others ... or (3) to have willfully violated, or willfully aided and abetted the violation of, any provision of the securities laws or the rules and regulations issued thereunder.”

2. Rule 102(e)(1) of the Commission’s Rules of Practice provides that the Commission “may censure a person or deny, temporarily or permanently, the privilege of appearing or practicing before it in any way to any person who is found by the Commission ... (i) not to possess the requisite qualifications to represent others ... or (iii) to have willfully violated ... any provision of the Federal securities laws or the rules and regulations thereunder.”

3. Section 102(a) of the Act provides that “it shall be unlawful for any person that is not a registered public accounting firm to prepare or issue, or to participate in the preparation or issuance of, any audit report with respect to any issuer.”

4. Because Schuhalter, Coughlin & Suozzo had not registered with the PCAOB, it lacked “the requisite qualifications” to issue an audit report dated February 27, 2004.

5. By participating in the preparation or issuance of an audit report after October 22, 2003 by an audit firm that was not registered with the PCAOB, Suozzo lacked “the requisite qualifications to represent others.”

6. In violation of Section 102(a) of the Act, Schuhalter, Coughlin & Suozzo prepared and issued an audit report on the financial statements of a reporting company after October 22, 2003, without first registering with the PCAOB, Schuhalter, Coughlin & Suozzo thus also willfully violated the federal securities laws.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondents an opportunity to establish any defenses to such allegations; and

B. Whether, pursuant to Sections 4C(a)(1) and 4C(a)(3) of the Exchange Act and Rules 102(e)(1)(i) and 102(e)(1)(iii) of the Commission’s Rules of Practice, Schuhalter, Coughlin & Suozzo should be censured by the Commission or temporarily or permanently denied the privilege of appearing or practicing before the Commission.

C. Whether, pursuant to Section 4C(a)(1) of the Exchange Act and Rule 102(e)(1)(i) of the Commission’s Rules of Practice, Suozzo should be censured by the Commission or temporarily or permanently denied the privilege of appearing or practicing before the Commission.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondents shall file an Answer to the allegations contained in this Order within ten (10) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondents fail to file the directed answer, or fail to appear at a hearing after being duly notified, the Respondents may be deemed in default and the proceedings may be determined against them upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondents personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 300 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Nancy M. Morris
Secretary