
From: Chris Ryan [CJRyan@lakeland.com]
Sent: Tuesday, March 21, 2006 10:50 AM
To: Rule-Comments
Subject: Comments on SOX (4-511) (sn# 17)(DK)

As a Micro-cap company with less than \$100 million in sales and a market capitalization of less than \$100 million, we find the expenses of complying with SOX an unparalleled burden , the expenses of which exceed the total of ALL our accounting and legal expenses to comply with the 33 and 34 Act reporting, tax accounting for the IRS, and other related administrative costs. We have had to hire 4 additional in-house accountants, 2 people in IT, re-write software programs, pay additional outside accounting fees, hire a consulting firm specializing in Sarbanes compliance and spend countless management and audit Committee hour dealing with SOX, thereby reducing our time to run the business efficiently, which has drastically REDUCED earning per share and our P/E of 13 x those lost EPS thereby reducing shareholder wealth drastically.

The cure is worse than the disease.

Because Sarbanes compliance drastically reduces earnings, this legislation has ROBBED shareholders of 5X the stockholder wealth than Enron, Worldcom, Tyco and the others did combined. Due to the TRILLIONS of Market cap ,and therefore shareholder wealth , removed by Sarbanes compliance costs, I have seriously considered moving our headquarters offshore and dropping our Exchange listing on the National NASDAQ , because of our extensive operations overseas, and re-listing on the London and Hong Kong Exchanges. If Microsoft and Apple were start up companies today they would never go public due to the fact that small companies cannot possibly comply with these regulations. We cannot compete with our foreign competitors, who are public, nor with our domestic competitors who are private, and venture capital will move off shore to avoid this costly compliance.

Formation of capital for new industries and technologies is being strangled. Small public companies are going private and selling out to Private equity firms at record rates.This results in dangerous leverage, which overtime will result in higher levels of bankruptcy filings and lost jobs when an inevitable recession appears.

Christopher J. Ryan
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Lakeland Industries, Inc.
Symbol: LAKE

3/27/2006