



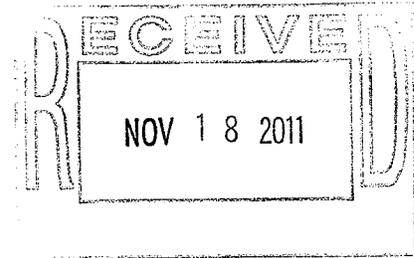
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November 14, 2011

Mr. J. Gordon Symour  
Office of the Secretary  
PCAOB  
1666 K Street, N.W.  
Washington, DC 20006-2803



Re: Rulemaking Docket No. 37: Concept Release on Auditor Independence and Audit Firm Rotation

Dear Mr. Secretary:

The audit committee of Adtran, Inc. appreciates the opportunity to provide comments to the Board related to the August 16<sup>th</sup> concept release on auditor independence and audit firm rotation. We support the Board's focus on auditor independence, objectivity and professional skepticism and feel the goals of the PCAOB in this regard mirror our own focus in the execution of our oversight responsibilities serving the audit committee functions of a public reporting company.

The focus on mandatory auditor rotation would appear to place too much emphasis on a close auditor/company relationship as the chief reason for the failure to detect accounting fraud and other irregularities in financial reporting. We would suggest that a multitude of factors have contributed to these reporting instances, and that requiring a new set of auditors on a recurring basis does little to address the root causes. We believe an auditor's lack of understanding regarding complex business transactions or financial instruments or lack of a thorough knowledge of client businesses' key drivers appear to be root causes in many cases. While mandatory audit firm rotation may increase the appearance of independence, the reduced tenure with a given company may reduce the auditor's command of these issues and reduce audit quality over time.

We believe it is the responsibility of the audit committee to seek out and retain the highest quality audit firm available to ensure an impartial, objective, thorough and consistent review of management's financial reporting processes and published results. We take this responsibility very seriously, communicate with our auditors regularly, and believe it is in the best interests of our shareholders to make this determination at the company governance level. We follow company events, review strategic goals and personnel assigned to key financial reporting tasks within the company and ensure appropriate resources are focused on new or evolving business and reporting issues. We believe our ability to determine the timing of auditor rotation, after appropriate evaluation that a change is needed, is important to avoid a potential disruption of the company's financial reporting process during major transactions.

Our evaluation of available audit firms focuses on their ability to provide independent high quality services, superior technical resources, broad experience with complex business transactions, relevant industry knowledge, international reach and consistent staffing levels. We are concerned that the logistical problems of mandatory auditor rotation across a broad number of companies, which have

been addressed in more detail by other respondents, will create an inefficient and costly process, lead to fewer high quality choices, and potentially reduce the long-term quality of the audit services we may be able to retain for our shareholders.

Current auditor rotations, which we experience with some frequency at staff levels and under the current rules for audit partner rotation, reduce the auditor's collective knowledge of our company and industry, which is important to the auditor's evaluation of the company financial statements and related processes. Requiring mandatory firm rotations will contribute to this problem, increase the commitment of company personnel to train new audit personnel on the company's accounting procedures, and result in higher fees due to reduced audit efficiency.

We believe the change in controls, documentation requirements and audit practice oversight initiated by Sarbanes-Oxley, the SEC and the recent rules established by the PCAOB have created significant improvement in auditor independence, objectivity and professional skepticism. While these changes have contributed to increased audit related costs, we believe it now provides the necessary framework to ensure high quality audits across a broad range of industries and risk environments. Mandatory partner rotation, internal quality review standards within firms, and the audit inspection process performed by the PCAOB provide a strong platform to facilitate identifying reporting deficiencies and incorrect or inconsistent application of financial reporting standards. We have seen the impact of these processes on our company's audit in the past few years, and feel the independence and overall quality of the audit has never been better.

The PCAOB's continued enhancement of their inspection process, including timely communication of audit inspection deficiency trends and appropriate rules development based on inspection findings, provide powerful tools to ensure broad, consistent financial reporting compliance. Simply put, if audit firms need better documentation to corroborate and assess major accounting positions taken by clients, the PCAOB has the tools required to ensure this occurs. We believe that mandatory audit firm rotation will reduce audit quality, increase cost and have limited impact on auditor independence for quality audit firms. Mandatory audit firm rotation will increase the burden on all reporting companies when only a segment of these companies reflect material financial reporting issues.

We respectfully request that the PCAOB take no further action to initiate mandatory audit firm rotation.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. Fenwick Huss', written in a cursive style.

H. Fenwick Huss  
Dean of J. Mack Robinson College, Georgia State University  
Board of Directors, ADTRAN, Inc.