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December 7, 2011

Mr. James R. Doty, Chairman
Public Company Accounting Oversight Board
1666 K Street NW
Washington, D.C. 20006

Rulemaking Docket Matter No. 37 – Concepts Release on Mandatory Audit Firm Rotation

Dear Sir,

I am writing as Chairman, and on behalf of, the Audit Committee of Emerson Electric Co., a global manufacturing company with sales in excess of \$24 billion. In summary, the committee and I oppose mandatory auditor rotation. We believe this change would weaken corporate governance by limiting the committee's ability to exercise its fiduciary responsibilities to assist the Board of Directors in providing oversight of the Company's systems of internal controls and independent audit of the financial statements. We do not believe mandatory rotation would enhance auditor independence.

The Sarbanes-Oxley Act assigns the audit committee the responsibility for oversight of the independent auditor which includes monitoring auditor independence, objectivity and professional skepticism. The committee builds a relationship and establishes and reinforces a clear understanding of its expectations through continuous, direct and frank dialogue with the independent auditor. Through this interaction, the committee is best able to evaluate the performance and independence of the independent auditor. Mandating auditor rotation would undermine the audit committee's authority to make a decision to retain the independent auditor based on its judgments.

Replacing all of Emerson's 160 global audit partners and their teams simultaneously would be a very significant challenge in a geographically diversified and complex organization. Our committee requires all audits, including local statutory audits, to be performed by a single audit firm wherever possible in order that the committee can hold one firm accountable for timely execution and high quality performance. A new set of global audit teams would need several years to acquire the company-specific knowledge to be as effective as the incumbent auditor. We believe this would diminish the quality of the independent audit.

We note that PCAOB acknowledges the root causes of audit failures are complex, and has found no evidence that auditor judgment is affected by tenure. We see no real evidence or support for mandatory rotation, either from independent studies or from those with extensive knowledge in the field (for example, the clearly divided views of former SEC Chairs cited in the Release).

With only four independent public accounting firms capable of auditing complex global organizations, maintaining auditor independence is already a difficult task. Tax planning, internal audit, and other services prohibited to the audit firm are performed by the other three firms. The measures required to "cure" one of these three firms of independence issues in order to succeed to the audit role could be enormous if not impossible to achieve. It seems to us that after one cycle of mandatory audit rotation the "musical chairs"

nature of the proposal, conducted globally, also carries the very real risk of audit failure across America's entire corporate landscape.

In summary, the selection (and retention) of the independent auditor should remain the purview of the board of directors and audit committee with approval by shareholders. We believe removing this responsibility will diminish the audit committee's oversight role and is contrary to the shareholders' best interests.

We appreciate the opportunity to respond and trust our comments will be taken seriously in future deliberations on this issue.

Sincerely,



August A. Busch III
Chairman, Emerson Electric Co. Audit Committee

C: Mary L. Schapiro
Chairman, U.S. Securities and Exchange Commission