

Subject: File No. PCAOB-2004-01
From: Daniel R. McCall

July 1, 2004

It appears that this rule would require our firm to register. For years, we have performed audits of auto dealerships that are subsidiaries of either Ford or Daimler/Chrysler. I am sure that they are immaterial to the financial statements of the parent but the audit is required because of the minority shareholders annual bonus and/or purchase of stock of the subsidiary. If my interpretation is correct, I would suggest some exception be built into the rule. We are a small firm with expertise in the industry and do not publicly held companies and it would seem that monitoring of our activities can very easily be done thru peer review rather than a process that arose because of circumstances totally unrelated to this type of services.