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Value of an External Audit Revisited

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VALUE OF AN EXTERNAL AUDIT REVISITED

by

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and

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ABSTRACT

A survey investigation of the value of an external audit was undertaken in the summer of 2004 that was based primarily on the same questions that were used in a similar survey completed in 1984. Because of changes in auditing and the new regulatory structure, the question arose about the perception of such changes among the sample from the Fortune 500 used in the survey. Four additional questions were added to those used in the original survey that sought opinions related to the implementation of the Sarbanes-Oxley Act of 2002.

Among the key conclusions were these:

1. There has persisted the opinion that the external audit does add value. The percentage in 2004 responding "yes" was 92.5; in 1984, the percentage was 95.
2. Key value of an audit in 2004 was "we believe the audit is required for credibility of our financial statements." (41.2 percent); key value in 1984 was "external audit imposes discipline on our financial reporting process." (74.0 percent)

The additional questions related to Sarbanes-Oxley Act of 2002 were in line with comments in the business press. The majority of respondents indicated uncertainty about the value and impact of the Act's new structure.

INTRODUCTION

On April 30,1984 a partner in one of the Big-8 accounting firms, during a luncheon speech to academic accountants, noted, that the audit "added no value." That conclusion did not seem correct and led to a survey designed to inquire of U. S. companies about the value of an audit. The response to that survey revealed that 95 percent checked that they would have an external audit even if not required by the Securities and Exchange Commission.

There have been dramatic changes in the intervening 20 years since that survey of the value of an audit. With the cluster of alleged audit failures in such entities as Waste Management, Sunbeam, Enron, WorldCom, Tyco, HealthSouth, and Adelphia, the U. S. government undertook to introduce changes in both rule making and oversight through the Sarbanes-Oxley Act of 2002. Furthermore, efforts, beginning in the final years of the last century to assure quality corporate governance, may have been influential both to boards of directors and to top management.

The question of the 2004 survey was: "How valuable is the audit perceived to be today?" This is the same question that guided the earlier survey investigation. In the following segments of this discussion, these topics will be presented: 1. The design of the survey; 2. Sample selection; 3. Responses of sample in 2004 compared with 1984; 4. Respondents and to whom they report; 5. Value of the external audit; 6. Relative quality of internal and external audit staffs; 7. Extent of participation in external audit by internal auditors; 8. Alternatives to an external audit; 9. View of the Sarbanes-Oxley Act of 2002; and 10. Some summary comments.

1. THE DESIGN OF THE SURVEY

The straightforward questionnaire that was used in 1984 was again the basis of the questionnaire in the 2004 survey. However, an additional three questions were added that dealt with opinions about the implementation of the Sarbanes-Oxley Act of 2002.

As in the case of the original survey, the first question listed was: "Would you have an annual audit by a public accounting firm if it were not required by the Securities and Exchange Act of 1934?" The first alternative listed was "no." A letter, together with the questionnaire, was addressed directly to the Chief Executive Officer of the randomly selected companies. The letter included a request to "forward the questionnaire to one of your staff, who can best report the opinion of your top executives as a group."

2. SAMPLE SELECTION

In selecting the sample of publicly-owned companies, the primary assumption guiding the choice of Fortune 500 companies as the population for sample selection was:

> Of all companies, the largest publicly-owned companies were most likely to have on staff the expertise both in accounting and auditing and might believe that an external audit was redundant.

A sample of 280 companies was selected at random from the *Fortune* April 5, 2004 listing of the largest U. S. corporations. Companies were assured of anonymity, with no questions asked that would reveal the company responding.

3. RESPONSES OF SAMPLE IN 2004 COMPARED WITH 1984

Of the 280 letters/questionnaires mailed, one was returned undelivered. Another seven recipients wrote letters indicating that they did not participate in survey studies. As one noted, which was typical of these responses:

> Although this appears to be a valuable, timely study, I'm afraid we are unable to take part. Due to the inordinate number of such requests we receive, we have decided to decline all of them in order to devote our resources to managing our business affairs.

Responses were received from 56 companies of the 272 that were assumed to have reached the recipients (21.6 percent). The response to the 1984 survey was 40 percent. Additionally, in the 1984 survey, there were 11 CEOs who returned the questionnaire with a letter noting how important the external audit was to them personally since they wanted evidence that their financial accounting system was functioning properly. These 11 letters, of course, identified the companies. They did not appear to care about anonymity!

In contrast, the 2004 questionnaire did not elicit a single letter from any officer in the company. Furthermore, there were far fewer comments. There is no basis for drawing conclusions, beyond the obvious that interest in broad communication with two academics was at best far more indifferent in 2004 than it had been in 1984.

4. RESPONDENTS AND TO WHOM THEY REPORT

There was a range of titles among the respondents. Table 1 lists the titles of the respondents and Table 2 lists the title of the persons to whom respondents reported. Without more information about organizational structure in each company, it is not possible to assume that the same title is at the same level in different companies. The titles were summarized as provided, with no interpretation of level identified.

As noted in Table 1, controllers (33.9 percent) and chief accounting officials (28.5 percent) were the most common respondents. Over half (51.8 percent) of respondents report to the chief financial officer, while 19 report to the chief executive officer (35.2 percent) as shown in Table 2. While nine respondents were internal auditors, only one identified reporting to the audit committee of the board of directors.

Table 1

Titles of Respondents of the Questionnaire
N = 56

	Frequency	Percentage
Chief Executive Officer (CEO)	2	3.6
Chief Financial Officer (CFO)	10	17.9
Controller	19	33.9
Chief Accounting Officer or Vice President of Financial Reporting	16	28.5
Internal Auditor	9	16.1
Totals	56	100.0

Table 2

Titles of Persons to Whom Respondents Report
N = 54*

	Frequency	Percentage
Chief Executive Officer (CEO)	19	35.2
Chief Financial Officer (CFO)	28	51.8
Executive VP and CFO	2	3.7
Controller	2	3.7
General Auditor	2	3.7
Audit Committee (director of internal audit)	1	1.9
Totals	54	100.0

* The two CEOs who responded did not list anyone to whom they reported.

5. VALUE OF AN EXTERNAL AUDIT

In the 2004 survey there was again, as in 1984, an overwhelming "yes" response to the question: "Would you have an annual audit by a public accounting firm if it were not required by the Securities Exchange Act of 1934?"

Of the 56 respondents, 52 checked "yes"; only 4 checked "no." This "yes" response in 2004 (92.9 percent) is not materially different from the 95 percent who responded to the 1984 survey.

Three of the four who checked "no" in Question 2 checked: "We don't believe the credibility provided by the outside audit is needed by users of our financial statements." The fourth "no" respondent checked: "We think our internal auditors provide us with sufficient financial audits."

The 52 who chose "yes" to the question of undergoing an external audit even if not required by the SEC, were asked to check the "most important reason" for the value of an audit in the 2004 survey. Their responses are shown in Table 3. The respondents have accepted the credibility value, with 21 (41.2 percent of the 51 respondents) noting this value. The second most frequently stated reason: "An external audit imposes discipline on our financial reporting process" was checked by 19 (37.3 percent of respondents). In the 1984 survey, the most frequently stated reason was: "imposition of discipline," with 74 percent of the respondents noting this reason. In the 1984 survey, 68 percent noted the reason that is listed first in the 2004 survey. Comparisons are not relevant since, in 1984, respondents checked as many reasons as they believed were important, rather than only the "most important reason" as requested in 2004.

Table 3

The Value of an External Audit
(N = 51*)

Reason	Frequency	Percentage
We believe that an external audit is required for credibility of our financial statements.	21**	41.2
An external audit imposes discipline on our financial reporting process	19**	37.3
Our banks require external audits.	7	13.7
An external audit encourages adherence to GAAP.	4	7.8
An external audits results in valuable recommendations for our total operations.	2	3.9
An external audit helps us maintain high quality among our internal audit staff.	1	1.9

*Only 51 of the 52 who checked "yes" responded to this question.
**Three respondents checked both reasons.

6. RELATIVE QUALITY OF INTERNAL AND EXTERNAL AUDIT STAFFS

Fewer than half of the respondents in the 2004 survey (26, 46.4 percent) believed that the quality of their internal audit staff was approximately of the same quality as that of the external audit staff. The responses are shown in Table 4. However, as noted, approximately 40 percent (22, 39.3 percent) judged the external auditors to be of higher quality than their own internal audit staffs. In the 1984 survey, 63.8 percent felt the two staffs were approximately of the same quality, while 25.7 percent judged the external auditors to be of higher quality than their internal audit staffs.

Approximately 10 percent of the respondents believed that their internal audit staffs were superior to the external auditors. In the 1984 survey, 9.5 percent of the respondents also believed that their internal auditors were superior to the external auditors. In the 2004 survey, two respondents who believed that the external auditors were superior in quality noted that "we are catching up with the quality of external auditors."

Table 4

Perceptions of Quality of External and Internal Auditing Staffs

(N = 56)

Perception	Frequency	Percentages
The two staffs are approximately of the same quality	26	46.4
We would judge the external auditors to be of higher quality than our audit staff.	22	39.3
We would judge our internal auditors to be of higher quality than the external audit staff.	6	10.7
The two staffs have different skill sets (an added response)	2	3.6
Total	56	100.0

7. EXTENT OF PARTICIPATION IN EXTERNAL AUDIT BY INTERNAL AUDITORS

Internal auditors participate in external audits. That is the perception of the respondents in the 2004 survey. As noted in Table 5, while 53.6 percent participated no more than 10 percent, there were 25 percent of the respondents who indicated that between 11 and 20 percent of the staff's time during the period of the audit was spent in assisting external auditors. However, almost 20 percent indicate that there was no participation of their audit staff as assistants to the external auditors.

When these percentages are compared to the responses of 1984, it is interesting to note several significant differences. In 1984, 5.7 percent of the respondents indicated zero participation and, as noted in the preceding paragraph, the 2004 survey revealed that 20 percent had zero participation. If the responses for "no more than 10 percent" and between 11 percent and 20 percent" are added together, the result for 1984 is 77.1 percent; for 2004, 78.6 percent. However, in 1984, there was a 40.0 percent for "no more than 10 percent" and a 37.1 percent for "between 11 and 20 percent." Overall, the perception is that internal auditors are providing less assistance than was the case 20 years earlier.

Table 5

INTERNAL AUDITORS' PARTICIPATION IN EXTERNAL AUDITS
(N = 56)

Extent of Participation	Frequency	Percentage
Zero percent	11	19.6
Some time, but no more than 10 percent	30	53.6
Between 11 and 20 percent	14	25.0
Approximately 35 percent (added)	1	1.8
Total	56	100.0

8. ALTERNATIVES TO AN EXTERNAL AUDIT

An open-ended question was asked: "Is there an alternative to the annual audit by an outside accounting firm that you think should be allowed by the SEC?" Fifty of the 56 responded "no." Six didn't respond to the question. Additionally, several who responded "no" added comments, which did not hint at alternatives to the external audit. Typical comments were:

> "Sarbanes-Oxley Act will cause companies and auditors to re-engineer auditing outputs."

> "There is likely to be attention to innovative strategies with higher level of effectiveness relative to fraud discovery."

9. IMPACT OF SARBANES-OXLEY ACT OF 2002

As noted previously, three additional questions that were added to the 2004 survey related to Sarbanes-Oxley Act implementation. The first additional question was:

> "What is your assessment of the impact of the Sarbanes-Oxley Act at this point (Check as many as apply)?"

In Table 6, the alternatives listed are shown in the order in which they were presented following the above question. Note that while 30.4 percent believe that the new requirements will enhance the credibility of the auditor's report, there were 69.6 percent who didn't think there would be much difference in the credibility of the auditor's report.

Also, while 25.0 percent thought the cost of additional requirements "is justified," there were 71.4 percent who thought the cost of additional requirements "is not justified."

Table 6

ASSESSMENT OF IMPACT OF SARBANES-OXLEY ACT
(N = 56)*

Opinion	Frequency	Percentage
1. We think the new requirements will enhance credibility of auditor's report	17	30.4
2. We don't think there will be much difference in credibility of auditor's report	39	69.6
3. We think the cost of additional requirements is justified	14	25.0
4. We think the cost of additional requirements is not justified	40	71.4
5. We think some degree of participating in rule-setting and regulation should have continued to be delegated to the public	8	14.3
6. We don't believe there is a problem with stripping public accounting of all rule-making and regulation.	3	5.4
7. (Other) Please explain:	5	8.9
a. Sarbanes-Oxley has gone beyond its initial intention; SOX was intended to avoid future Enrons and WorldComs, yet none of the standards would have prevented an Enron or a WorldCom. (VP of financial reporting)		
b. Section 404 is complete overkill, counterproductive, and a drain on corporate America. (Chief Accounting Officer)		
c. Most rule making should continue by the profession. (SeniorVP, Internal Audit)		
d. SOX 404 is costly. (Controller)		
e.There is some value to 404, but there may be some overkill in how it is being implemented. (CFO)		

*Respondents were to check as many as apply.

There were eight of the 56 (14.3 percent) who believed that some degree of participation in rule-setting and regulation should have been continued to be delegated to the public accounting profession, while three (5.4 percent) do not see a problem with stripping public accounting of all rule-making and regulation. With the shifting of both rule-making and regulation to the Public Company Accounting Oversight Board, there is a question about regulation to the Public Company the

status of public accounting: Is it technically a "profession?"

Attestation Related to Internal Control

Respondents were asked to make a judgment about the value of the attestation related to internal control required under Section 404 of the Public Company Accounting Oversight Board regulations. Table 7 provides the responses. Twenty-five percent of respondents believed the requirement is an excellent one. Another 33.9 percent were "uncertain that this requirement will add much value." There were 35.7 percent who questioned the value of this requirement.

A number added notes that expressed continuing uncertainty of the ultimate value. The three who checked, "other," commented:

a. "appears to be an excellent requirement, but there may be some overkill in implementation."
b. "believe it will add value, but unsure if costs will exceed value."
c. "in the end, enhancement may be excellent, but not likely in early years of adoption."

Table 7

Value of Internal Control Attestation
(N = 56)

Opinion of Value	Frequency	Percentage
An excellent requirement	14	25.0
Uncertain that this requirement will add much value	19	33.9
We question the value of this requirement	20	35.7
Other (Uncertainty conveyed by the three)	3	5.4
Total	56	100.0

The Cost of An Audit

The overwhelming majority of respondents indicated that the cost of the next external audit would be higher because of the introduction of an attestation examination, which is equivalent to an audit and results in the expression of an opinion by the external audits. Only two of the 56 respondents noted that they thought the cost will be essentially the same as in the prior year. (Responses were provided in the summer of 2004, so for most entities the next audit was likely to be year end of 2004.)

The 54 respondents who felt the costs would be higher estimated increases that ranged from no more than 10 percent to over 50 percent higher. The estimates are provided in Table 8. While 42.6 percent estimated that costs would be no more than 20 percent higher, there were another 42.6 percent who estimated costs would be between 31 percent and somewhere over 50 percent.

Table 8

Additional Cost for Next External Audit
(N = 54)

Estimated Additional Cost	Frequency	Percentage
Not more than 10 percent	9	16.7
Between 11 and 20 percent	14	25.9
Between 21 and 30 percent	8	14.8
Between 31 and 40 percent	12	22.2
Between 41 and 50 percent	8	14.8
Over 50 percent	3	5.6
Total	54	100.0

A number of additional comments were made relative to their estimates. Illustrative comments included:

> "Our audit will be about 5 percent higher, but that doesn't include what is now required by Sarbanes-Oxley."
>
> "If we include requirements for 404, our audit will be 60 percent higher than last year."
>
> "The new internal control audit will add 60 percent to our costs."

10. SOME SUMMARY COMMENTS

In a general, overall review of the survey of 1984 and that of 2004, the simple conclusion is that there is a strong, persisting belief that an external audit is a positive engagement. While there were some differences, there were amazing similarities.

The Audit Continues to Be Considered to Have Value

Notwithstanding the recent spotlight on external audits, there were no recommendations for alternatives to the annual audit. As noted earlier, the level of response or the nature of response in 2004 did not match that in the 1984 survey. Has the turmoil in auditing over the years since

Enron shifted attention to dealing with new regulations and away from the reflection of value noted, for example, in unsolicited letters received in response to the 1984 survey? Or, has the letter been replaced by emails and a letter is not a natural response to a questionnaire?

The Uncertainty of the Value of PCAOB Rules and Regulations

The added questions elicited responses that are not different from comments in the business press about the implementation of the Sarbanes-Oxley Act of 2002. While there are strong supporters for the value of the new structure and the consolidation of rule-making for auditing and oversight in the PCAOB, it is not yet clear what opinions will be after some experience with implementation of new rulings, especially those related to attestation of internal control. The overwhelming conclusion from the responses in this 2004 survey is uncertainty – hesitation – to predict success.

Illustrative of Comments From the Final Months of 2004 Follow:

Jenkins, in his column in *The Wall Street Journal,* "Thinking Outside the Sarbox*,"* reflected skepticism that the problems in the auditing scandals are being resolved in the implementation:

> Nor does any legislative solution for the inherent risks and foibles of market capitalism suggest itself.
>
> Better ideas are bouncing around on how to make the audit play a decent and useful role, usually by releasing companies from the peculiar role of paying someone to say nice things about them. Auditors might be sent to work for the SEC, which was responsible to uncover fraud. Or auditors could be hired by the stock exchanges, which might take on greater duty to insure that listed companies are on the up and up.

McDonnell, who is the former vice-chairman of business assurance at Coopers and Lybrand and partner and global director of assurance services at PricewaterhouseCoopers, commented:

> The objective of the Sarbanes-Oxley Act of 2002 was to make registrant audit committees, corporate management and the auditing profession work together to mitigate the risk of catastrophic auditing failures. But as an experienced auditor, I fear the current business and regulatory environment may hinder achieving that objective.
>
> If audit firms are to survive, the PCAOB must adopt a broader, more effective approach to oversight. Auditors therefore must persuade the PCAOB of the need to adopt a strategy that anticipates and prevents audit failures.

The U. S. Treasury Secretary, John Snow, pleaded for balance in the enforcing of the Sarbanes-Oxley Law. His opinions, noted in a *New York Times* article, included:

> Mr. Snow said the corporate-accountability law, passed in July 2002 in response to a series of corporate scandals, remains 'absolutely essential' for maintaining investor confidence after recent corporate scandals. He also said he sees no need for 'major modifications' to the statute.
>
> He added that the Securities and Exchange Commission, other regulators,…'need to think about' business leaders' perception that the regulatory system 'is not in as good balance as it should be,' he said.

The article also noted that Donaldson, the chairman of the SEC, acknowledged the costs and criticisms of Sarbanes-Oxley and announced the creation of an advisory committee to examine its [the 2002 Act] impact on smaller public companies. Donaldson said the SEC had no plans for now to study the effects of Sarbanes-Oxley on larger companies.

A Role for the Academic Community

A wise, comprehensive study of the impact of PCAOB would be a worthy effort by academic accounting researchers. The partial views of those in the field, reporters, politicians, heads of agencies, and others are not adequate. To date, there appears to have been limited assessment of why the scandals occurred or why the auditors were not sufficiently diligent in meeting anticipated level of professional behavior.

Among the questions that need serious exploration are:

1. Is there impairment of professional behavior by practitioners as the field of public accounting may no longer technically meet the criteria for professional status?

   The use of "industry" instead of "profession" in referring to public accounting by careful writers/ speakers appears not to have been internalized, so that there continues to be reference to "profession" by firm leaders and writers in such publications as *The Journal of Accountancy* and the *CPA Journals.*

2. What are the reasons for the failure of publicly-owned companies to heed the statutory requirements for an adequate system of internal control?

   With the passage of the Foreign Corrupt Practices Act of 1977, there was an amendment to the Securities Act of 1934 that required internal control. Yet, 27 years later, there are many publicly-owned companies who are encountering difficulty in preparing for an attestation of internal control as required under Section 404.

3. What are the strategies accepted by auditors, and their firms, that reduce the incidence of bowing to the client's demand that an auditor's perceived violation of GAAP must be accepted?

4. What are the ongoing measures of assessment of an auditor's work in-progress

that actually reduce detection risk?

5. What are innovative strategies for the performance of an audit that provide a high probability of fraud detection?

6. What are the skills and knowledge of auditors who have an exceptional ability to identify fraud possibilities and to access such possibilities effectively?

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APPENDIX

Letter to CEO

Questionnaire: Value of the External Audit

(*Each letter was addressed personally to the CEO of the selected Fortune 500 companies)*

Date

Name and Address

Salutation: Dear Mr. (Ms.)_____

Twenty years ago we did a survey to answer the question: "Is there no value to an entity's worth as a result of the external audit?"

Our question at that time was motivated by what a partner in a major public accounting firm had stated at an accounting convention on April 30, 1984. His comment was: "The audit by external auditors adds no value to an entity's worth."

Twenty years ago we sought cooperation of approximately 300 public companies, selected at random from the Fortune 500 companies. We had approximately a 40 percent return from our anonymous survey. The results were informative and a number of respondents added letters with additional details.

We are repeating that investigative survey of two decades ago. As you know well, auditors are functioning in a different environment. The Sarbanes-Oxley Act of 2002 as implemented by the PCAOB introduces requirements that change both the tasks of the reporting entity and of the external auditor.

We seek your cooperation in getting a candid, straight-forward assessment of the external audit.
Would you forward the enclosed questionnaire to one of your staff, who can best report the opinion of your top executive group on this matter.

In addition to using the same questions that we used in July 1984, we have added four questions. Any other comments are welcomed, especially any of your perceptions of the impact of the role of the new Public Company Accounting Oversight Board. If you prefer, we would be happy to arrange a telephone conversation. If by telephone, no identification of the respondent or the company represented will be necessary.

This request is being sent to a random sample of U. S. major companies. We shall be grateful for your cooperation.

Sincerely yours

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Enclosure: Questionnaire

Value of the External Audit

We seek an assessment of the contribution of external auditors. Candid, straight-forward responses will be appreciated.

1. Would you have an annual audit by a public accounting firm if it were not required by the Securities and Exchange Act of 1934?

_____No (if you check this line, the next question is 2)
_____Yes (if you check this line, the next question is 3)

2. If no, why not?

_____we don't believe the credibility provided by the outside audit is needed by users of our financial statements.
_____we think our internal auditors provide us with sufficient financial audits.
_____other (please explain)_____
_____
_____

3. If yes, why? (*Please check just one, which is most important)*

_____We believe that an external audit is required for credibility of our financial statements.
_____Our banks require external audits.
_____An external audit imposes discipline on our entire financial statements.
_____An external audit encourages our adherence to GAAP.
_____An external audit results in valuable recommendations for our total operations.
_____An external audit helps us maintain high quality among our internal audit staff.
_____An external audit encourages us to improve our accounting information system.
_____(Other) Please specify:_____
_____
_____

4. As you consider the quality of your external auditing staff (for the last fiscal year audit) in relation to that of your internal audit staff, what is your assessment?

_____The two staffs are approximately of the same quality, we believe.
_____We would judge the external auditors to be of higher quality than our staff.
_____We would judge our internal auditors to be of higher quality than the external audit staff.

5. For the last annual audit, how much time did your internal audit staff devote to assisting the external auditors?

_____Zero percent
_____Some time, but no more than 10 percent of the staff's time during the period of the audit.
_____Between 11 percent and 20 percent of the staff's time during the period of the audit.
_____(Other) Please specify:

6. Is there an alternative to the annual audit by an outside accounting firm that you think should be allowed by the SEC?

ADDED QUESTIONS:

1. **What is your assessment of the impact of the Sarbanes-Oxley Act at this point? (Check as many as apply)**

   _____we think the new requirements will enhance the credibility of the auditor's report.
   _____we don't think there will be much difference in the credibility of the report.
   _____we think the cost of additional requirements is justified.
   _____we think the cost of additional requirements is not justified.
   _____we believe some degree of participation in rule setting and regulation should have been continued to be delegated to the public accounting profession.
   _____we don't believe there is a problem with stripping public accounting of all rule making and regulation.
   _____(Other) Please explain:

2. **What is your current judgment about the value of the attestation related to internal control?**
   _____an excellent requirement.
   _____uncertain that this requirement will add much value.
   _____we question the value of this requirement.
   _____(Other) Please explain:

3. **As you think of your next annual external audit, what is your current judgment about what this audit will cost?**
   _____we think the cost will be essentially the same as the prior year's.
   _____we think the cost will be higher by (please insert)_____percent.
   _____we think the cost will be lower by (please insert) _____percent.
   _____(Other) Please explain:

4. **Any other comments about your assessment of what is provided by your external auditor?**

The <u>title</u> of the person filling in this questionnaire is:_____

The <u>title</u> of the person to whom the above person reports is: _____

Thank you for responding to this questionnaire. Please return in the enclosed envelope to:
(by July 23, if possible)

B. H. Newman and Mary Ellen Oliverio
Pace University
Pace Plaza 212-346-1815 (bhn)
New York, NY 10038 212-346-1819 (meo)