

Saks Incorporated  
12 East 49th Street  
New York, NY 10017

December 6, 2011

Office of the Secretary  
Public Company Accounting Oversight Board  
1666 K Street, N.W.  
Washington, D.C. 20006-2803

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

To Whom It May Concern:

Saks Incorporated (“Saks” or “the Company”) would like to provide comments on the Public Company Accounting Oversight Board (“PCAOB”) Rulemaking Docket Matter No. 37 Concept Release on Auditor Independence and Audit Firm Rotation.

We support the PCAOB’s objective of ensuring auditor independence, objectivity and professional skepticism. However, we believe that mandatory audit firm rotation would not result in meaningful improvement in these areas and would come with significant cost and risk.

In our opinion, audit quality would be diminished, not improved, as a result of mandatory audit firm rotation. Institutional knowledge accumulated over a period of years puts an audit firm in a stronger position to apply professional skepticism and to understand any unique business practices or operations. By mandating auditor rotation, that institutional knowledge is lost and the learning curve that the new auditor will encounter increases the likelihood that audit quality would be negatively impacted.

The cost of auditor rotation would also be significant. The inefficiency in the audit process caused by the new audit firm’s lack of experience and knowledge of the Company’s business operations, accounting processes and critical financial reporting areas will increase the audit firm’s time commitment which will result in increased audit fees. The increased costs go right to the bottom line and reduce shareholder value while not producing any meaningful benefits.


We are confident that the existing safeguards put into place with the Sarbanes-Oxley Act are adequate to address the concerns raised in the PCAOB Concept Release regarding the independence and objectivity of audit firms. The rotation of audit partners ensures a new perspective is introduced and provides a high level of assurance regarding auditor

independence and the adequacy of the audit procedures without losing the full value of the aforementioned institutional knowledge acquired by the audit firm's other personnel.

Our auditors have unrestricted and direct access and communication with the Audit Committee of our Board of Directors. We believe that our auditors provide the Audit Committee with an independent and objective view of the Company's internal control environment and transparency regarding any matters of which they should be informed. The Audit Committee is in the best position to evaluate whether or not the auditors are independent, objective and exercising the appropriate level of professional skepticism.

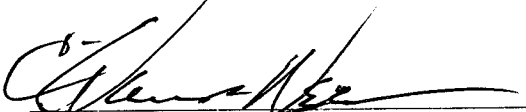
Thank you for the opportunity to comment on this proposal.

Regards,



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Kevin G. Wills  
Executive Vice President and  
Chief Financial Officer



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C. Warren Neel  
Chair of the Audit Committee