

July 6, 1935.

Haskins & Sells,
15 Broad Street,
New York, N. Y.

Gentlemen:

I beg to acknowledge your letter setting forth the reasons for your estimate as to the cost of an examination of the accounts of The E. W. Scripps Company and its Controlled Companies such as would enable you to certify to the financial statements and supplemental schedules to be contained in a Form A-2 registration statement.

I wonder if you could set forth what examination and re-casting of these accounts, such as is detailed by you in Items (1), (2), and (3) of your letter, is in your judgment an unnecessary prerequisite to a security issue to be offered to the public, independent of any requirements of the Securities Act of 1933. In other words, I am trying to get your judgment as to the type of examination considered adequate by you preliminary to the issuance of securities and the type of examination you feel is impelled by the requirements under the Securities Act. Furthermore, I wish that you would assume for the purposes of this judgment that the same degree of care would underlie both types of examination.

The second judgment or estimate that I wish you would supply me with is an estimate as to how much additional cost is entailed by your belief that the standards of the Securities Act require you to use certain additional precautions in your accounting work. Again, in other words, I wonder if you could estimate how much of the expense of \$75,000 is entailed by the additional work you feel required to do, as set forth in Items (4) and (5) of your letter.

You will, of course, understand the spirit in which these inquiries are made, inasmuch as, as was illustrated by the conference held the other day in Washington, the necessary accounting cost preparatory to the issuance of securities under the Securities Act is a natural concern of this Commission.

Very truly yours,

Joseph P. Kennedy
Chairman.

JPLandis:st

Robert E. Kennedy, JPL
16 June 1935