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From: thio@brocade.com
Sent: Monday, June 21, 2004 3:56 PM
To: Director - FASB
Subject: File Reference No. 1102-100, Comment on FASB Stock

Letter of Comment No: 5145
File Reference: 1102-100



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Dear Mr. Robert Herz:

I am writing in reference to FASB's invitation to comment on its exposure draft, "Share-Based Payment," an amendment of Statements No. 123 and 95.

One of the unique things about tech companies is the stock options of recent years. It allows the average Joe engineer to share in the financial pie which were previously accessible only to top managers and tech architects.

IMHO the explosive growth of tech (in terms of innovation, etc) is due to this sharing of the pie - where everyone from top to bottom drives himself/herself to the limits to get things done better and quicker. It also eliminates the implicit management vs labor barrier/friction (present even in tech companies). If everyone feels that he/she's making him/herself richer which is the American way/dream instead of just making management richer, then this is the best form of catalyst and motivator.

The value of stock options is also recognized by companies in other countries like China & India to spur innovation & growth in order to compete with US firms. Why do we take this step which will cripple our competitiveness?

Without stock options, small & growing companies will be at a disadvantage and we'll go back to the bad old days of management rewarding only management. We have too big a gap between the pay of a CEO vs an average engineer as it is already.

Enriching the middle class is what we need to drive the US economy.

IMHO creating one thousand "well off" middle class has a better effect on the US economy than creating one millionaire.

In conclusion: please retain & allow the average Joe engineer to share in this pie.

Sincerely,

H.G. Thio
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