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Letter of Comment No: 4508

File Reference: 1102-100

From:

Gerald_Gross@amat.com

Sent:

Thursday, June 17, 2004 6:22 PM

To:

Director - FASB

Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs).

Stock options are a key part of my compensation. If you make this change, Applied cannot make up the difference and still be competitive globally - so my compensation will drop significantly. If this happens, I will most definitely leave this very cyclic and high-stress industry.

If enough other people do the same, the high-tech industry's move to Asia will be accelerated.

You need to be focused on doing everything that you can do to retain this important industry (which America created), and not on making us less competitive.

Go tinker with something that is broken and leave this alone.

Jerry Gross 10602 marbury Court Austin, Texas 78726