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Letter of Comment No: 449/

File Reference: 1102-100

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**From:** Bill\_Blue@amat.com  
**Sent:** Friday, June 18, 2004 2:31 PM  
**To:** Director - FASB  
**Subject:** File Reference 1102-100: Accounting for Stock Options and ESPPs

Director,

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). If the current bill is passed I strongly believe it will have a very negative impact on my family and I personally, my company, and the economy as a whole.

Personally, my family and I have benefited from Stock Options and ESPPs in several ways. Our biggest benefit was when we sold numerous options at once (saved over a period of years) and invested the funds in a better home. This benefited us through a better standard of living, and by utilizing our home as a stable investment vehicle. That investment (and that of many people in similar situations I know of in my neighborhood) also helped the local and national home building business. This, of course, helps create jobs and benefits both blue collar and white collar workers in those businesses.

As a *front line* manager and a concerned citizen of the U.S.A., I am convinced that these incentives help my American based company retain world class employees, making us more competitive in the global marketplace. We cannot continue to despair about American jobs going overseas, yet continuously tie American businesses hands by making us uncompetitive with companies in other nations. We must attract and retain world class employees to American companies. (Countries like Taiwan and China obviously understand this, as they are increasing the ability of companies in their countries to utilize these means to attract workers, even as some of us in the U.S.A are contemplating going in the other direction.)

Last, adding a "guesstimate" to the P&Ls of corporations cannot possibly make their accounting more accurate. Options are already accounted for by companies due to the fact that they must compute how much dilution of the stockholder's interests is caused by current stock options. Furthermore, stockholders are fully informed of a company's position regarding employee stock options and ESPP shares, as they are contained in the footnotes in P&L reports.

Please stop this action and allow the accounting rules to remain as is, for my family, for my company, and for my country.

Regards,

William P. Blue

6/18/2004