## Information Mapping's Formatting Solutions (version 1.4)

ikon

Letter of Comment No: 5033 File Reference: 1102-100

From: Craig Brown [CBrown@serologicals.com]

Sent:

Friday, June 18, 2004 4:45 PM

To:

Director - FASB

Subject: Stock Options

I am writing to express my views on the proposed new accounting rules related to the expensing of stock options, and other broad based stock plans (i.e. employee stock purchase plans which provide for purchase of shares at a discount). I have tried to justify the FASB's position in my own mind for the last several years (since this issue arose again) and have not been able to rationalize the FASB's position. Stock options are an excellent tool for recruiting and retaining key talent across many industries in the country. They clearly align the interests of the employee's with the shareholders. Although options are widely thought by many to be a source of "quick wealth gain" to many, I can assure you that not many people have become rich as a result of stock option awards. This is not a cash expense to the company—the health of any company at the end of the day really comes down to the ability of the company to generate cash, and to generate more than it spends. Stock options are a non-cash item that do create some soft economic effect, but only one that should be disclosed in the footnotes to the financials as they are today. Additionally, I believe that the consideration of requiring companies to take a charge for the discount amount on employee stock purchase plans is a significant mistake. Many rank and file workers have no other way of obtaining ownership positions in their employer without this plan. If passed, I believe many companies will eliminate this investment opportunity for its employees, which at the end of the day will be a lose/lose situation for both the employer and the employee.

I seriously hope that you will consider my thoughts as well as the thousands of others who have written regarding this topic--if passed, these rules will do much more harm than good to companies.

Regards,

Craig Brown

Craig L. Brown
Director, Finance
Serologicals Corporation
5655 Spalding Drive
Norcross, GA 30092
Phone: (678) 728-2117
cbrown@serologicals.com
www.serologicals.com

The information in this email is confidential and may be legally privileged. Access to this emaby anyone other than the intended addressee is unauthorized. If you are not the intended recipi of this message, any review, disclosure, copying, distribution, retention, or any action taken of than notification to sender and deletion is prohibited and may be unlawful. If you are not the recipient, please reply to or forward a copy of this message to the sender and delete the message attachments, and any copies from your system.

\*