



Corporate Finance
Pfizer Inc.
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Loretta Cangialosi
Vice President and Controller

April 21, 2005

Letter of Comment No: 5
File Reference: FSPFAS143A
Date Received: 4/22/05

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Subject: Proposed FASB Staff Position on the Accounting for Obligations associated with Directive 2002/96/EC on Waste Electrical and Electronic Equipment issued by the European Union: FSP FAS 143-a

Dear Sir/Madam:

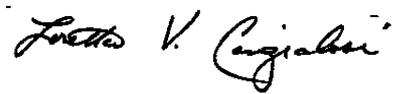
Pfizer is a research-based, global pharmaceutical company with its principal place of business in New York. We discover, develop, manufacture and market leading prescription medicines for humans and animals and many of the world's best-known consumer products. The Company's 2004 total revenues were \$52.5 billion and its assets were \$123.7 billion. We appreciate the opportunity to respond to the Proposed FASB Staff Position on the Accounting for Obligations associated with Directive 2002/96/EC on Waste Electrical and Electronic Equipment (the "Directive") issued by the European Union on February 13, 2003.

While we appreciate the FASB's initiative in trying to prevent potential diversity in accounting practice with respect to this Directive, we do not believe such guidance is necessary nor would the impact of this Directive be significant enough to warrant issuance of such guidance. In our opinion, the scope section of Statement 143 should be sufficient for registrants to assess the applicability of SFAS 143 to this directive or any other law that might be enacted. (In contrast, the question as to whether or not non-friable asbestos would be covered by SFAS 143 was unique in that a contingency was involved in the assessment.)

Attached are our comments, which include responses to the issues included in the "Notice to Recipients of This Proposed FASB Staff Position."

Once again, we appreciate this opportunity to comment and encourage the FASB to continue to engage its constituents. If requested, we would be pleased to discuss our observations with you at any time.

Very truly yours,

A handwritten signature in black ink that reads "Loretta V. Cangialosi". The signature is written in a cursive style with a large, prominent initial "L".

Loretta V. Cangialosi

cc: Alan Levin
Senior Vice President and Chief Financial Officer

Attachment

Proposed FASB Staff Position on the Accounting for Obligations associated with Directive 2002/96/EC on Waste Electrical and Electronic Equipment issued by the European Union: FSP FAS 143-a

Issue 1

Do you agree that guidance is necessary to address the accounting for electronic equipment waste obligations associated with historical waste held by commercial users and private households?

No. We do not believe that this draft FSP is a necessary supplement to the scope section of Statement of Financial Accounting Standards No. 143, Accounting for Asset Retirement Obligations (Statement 143). Much of the FSP describes the EU Directive and the balance seems to reiterate elements of SFAS 143. The *new* guidance provided appears to be the assessment that the EU Directive is within the intended scope of SFAS 143. If the Board believes that this clarity is necessary, the FSP then should just limit itself to that conclusion.

By issuing this FSP with such a high degree of specificity on one Directive, it sets a precedent such that every time legislation is enacted somewhere in the world that regulates asset retirements, detailed guidance from the FASB would be forthcoming. It is obviously neither practical nor feasible for the FASB to get involved in such detail.

However, if there is something *unique* about the qualities of this particular EU Directive (for example, the contingency element made the asbestos issue unique), the FSP doesn't clarify that aspect.

In an environment where concerns have repeatedly been expressed on the increasingly level of detail and complexity in accounting standards today, we need to continue to strike the appropriate balance between principles-based accounting standards vs. rules-based accounting standards. In situations such as these, reliance should be placed on registrants to assess the impact of new laws and regulations on their business since they are in the best position to perform that assessment and subsequently account for its impact. If after implementation, significant diversity in practice results, then guidance should be considered addressing those unique facts and circumstances.

Issue 2

Do you believe that the liability for obligations associated with historical waste held by commercial users and private households within the EU-member countries will be of such significance to entities preparing financial statements in accordance with U.S. GAAP that authoritative guidance should be provided by the Board?

Based upon our preliminary assessment of the EU Directive to Pfizer, we do not expect a material impact under SFAS 143.