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**Letter of Comment No: 4533**  
**File Reference: 1102-100**

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**From:** Ian\_Vosper@amat.com  
**Sent:** Thursday, June 17, 2004 5:30 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).

I joined a British branch of Applied Materials ten years ago and one of the primary elements in my decision to move to the USA when offered a position here was the difference in the way the granting of stock options were viewed.

In Europe, the practice of granting stock options to general staff is very limited and many engineers, technologists, managers and other valuable experts, look with envy upon their counterparts in the USA. Having worked on both sides of the Atlantic, I can say with certainty that anything which forces US companies away from their ability to attract and retain staff from all over the globe with options will only hinder this country's already reduced capacity for competition in a global market.

At this time, other directly competitive nations such as China and Taiwan are actually driving the increased use of stock options to differentiate themselves as employers. They are using this to retain people who would otherwise come to work in the USA.

Employment, development and innovation in US companies are already suffering under the impact of global political opinion, visa restrictions and security concerns. Making it harder for US companies to attract people by making stock options less palatable will only add to this problem.

I know from conversations with my staff that they consider stock options as an extremely strong incentive to strive to ensure the company is successful and to remain with the company. "Empowerment" is somewhat of an outdated concept, but "ownership" is a very real and strongly held belief. Your proposal would make this harder to achieve, and would do so at the risk of disenfranchising a very large number of important contributors to this country's financial wellbeing. In the face of these negative impacts to people, companies and the US competitive stance, what tangible benefits would your proposal bring?

Regards

Ian Vosper

6/18/2004