All-Pro Transport Inc.

PO Box 3078 Ashtabula, OH 44005-3078

Letter of Comment No: 2289 File Reference: 1102-100

April 29, 2004

Robert H. Herz, Chairman Director of Major Projects—File Reference No. 1102-100 Order Department, Financial Accounting Standards Board 401 Merritt 7, P.O. Box 5116 Norwalk, CT 06856-5116

Dear Chairman Herz:

Stock options really do work! As a small business owner, I can attest to the fact that my ability to offer my employees stock options has helped my company get off the ground and taken us to where we are today. It is through the use of stock options that I have been able to offer valuable incentives to my employees. By giving my employees a stake in the company, it motivates them to strive for the best and ensure the company is running at peak efficiency. That is why I am opposed to the FASB's proposal to mandate expensing of stock options.

Surely the FASB understands no one can know how much a stock option costs a company until somebody actually exercises that option? This is a fundamental principle of accounting. Mandatory expensing of stock options would force U.S. companies into a wasteful guessing game and that is what has already created a great deal of grief for some well publicized companies over the last few years. In its zeal for corporate reform, the FASB seems to be leaving logic behind. They need to closely examine all of the facts before they do some serious harm to our overall economy.

I am confident that you will see the disadvantages of the mandatory expensing of stock options as small business owners across America see them. Expensing stock options would hamper economic growth and halt the emergence of hot new technologies and businesses. You would be infringing on how a business owner and employees agree on compensation, which is beneficial to both sides. Therefore, I urge you to help oppose these unnecessary and burdensome measures.

Robert McNany

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