

ikon

From: Stacey Sutay
Sent: Thursday, June 17, 2004 1:51 PM
To: ikon; Karen Salmansohn
Subject: FW: FAS 123 - please rescind!

Letter of Comment No: 3903
File Reference: 1102-100

-----Original Message-----

From: Jen Bishop [mailto:jenbisho@cisco.com]
Sent: Thursday, June 17, 2004 1:51 PM
To: Stacey Sutay
Subject: FAS 123 - please rescind!

Dear Financial Accounting Standards Board,

I am writing to ask you reconsider FAS 123. Here are the reasons I am asking this:

- 1) I am a regular (non-management) employee at Cisco. Today, every employee at Cisco gets stock options. I have worked for a number of companies with stock options, but this was only a benefit for upper management in those companies.
- 2) If implemented, FAS 123 will likely bring an end to broad-based employee stock option plans. It would remain a benefit limited to upper management.
- 3) Broad-based employee stock option plans have not only motivated me to work harder and more efficiently, but also benefit shareholders by better aligning employee and shareholder interests. With stock options, I benefit only when the shareholders benefit. Given the downturn in the tech sector, many tech companies aren't providing raises or even cost of living increases. Stock options allow employees to look longer term and stick it out through these tough times.
- 4) Employee stock options are not freely trade-able and are subject to forfeiture if I leave the company and are impossible to value. How can you value something that has no market value? Under this exposure draft, FASB will somehow come up with a value and force companies, like mine, to put inaccurate information on the financial statement. Indeed, financial statements will become less to the individual investor. Since I have been at Cisco, my options have fluctuated in value to a very large negative number, to a few thousand dollars. They change daily, and aren't worth anything until I actually act upon them.

Please reconsider and rescind this exposure draft.

Thanks for your consideration!

Jennifer Bishop

Jennifer Bishop
Cisco Systems, Inc.
IT Project Manager
Phone: 919-392-4080
Pager: 800-365-4578

6/17/2004