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From:

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Letter of Comment No: 3890 File Reference: 1102-100

Sent:

Tuesday, June 15, 2004 5:12 PM

Director - FASB To:

Subject:

File Reference No. 1102-100

Chairman Robert H. Herz,

I wanted to comment and voice my opinion on the topic of stock options and the way they are accounted for in quaterly results of the company issuing them.

First, I would like to say how beneficial I think this incentive has proven to be for the american economy. It has driven innovation and motivated workers to put out products for years with great success. Expensing them would be an arbitrary way to handle them and would most likely end up in overpricing them. They would then loose their interest for a company and would most likely be removed from the benefits. A lot of more classic companies give pensions to their employees and big matches on their 401k plans. The young and dynamic companies that chose to give stock options to their employees usually do not give that kind of perks and compensate their employees with this kind of program. That's why the argument of shareholders complaining about the cost of stock options on their stock is a little short sighted. Please, keep the stock options alive. Thank you,

Stephane Muszynski