

ikon

Letter of Comment No: 2507
File Reference: 1102-100

From: Director - FASB
Sent: Tuesday, May 18, 2004 9:59 AM
To: ikon; Karen Salmansohn
Subject: FW: File Reference No. 1102-100

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

From: Dan Doty [mailto:DDOTY@mobius.com]
Sent: Tuesday, May 18, 2004 9:51 AM
To: Director - FASB
Subject: File Reference No. 1102-100

I am writing to you to ask that you leave the rules for accounting for stock options as they are until a reasonable, rational and logical proposal is made. I am not an upper manager with a huge stock option plan in fact I do not become eligible for my plan till next year. However, I would like the plan to be there when I become eligible.

The current proposal for expensing options is far too arbitrary and would, in many cases, drastically overstate the value of options on the books of the issuing companies. This will cause many companies to stop offering options to their employees. That is not good for those companies, their employees or the economy as a whole.

Please consider the value of options as a motivational and compensational tool for the issuing companies before you make any changes to the rules. In a great majority of cases options are not used in the highly negative way in which they have been portrayed in the press of late. Sure, there are some legitimate misuses, but we should not all be punished for the misuses of those few. Granted some changes may be necessary in the accounting for options, but again I respectfully request that you wait for a reasonable solution to this problem

Sincerely,

Daniel Doty
Revenue Recognition Accountant
Mobius Management Systems, Inc.