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From: Bradley_Taylor@amat.com
Sent: Monday, June 28, 2004 1:42 PM
To: Director - FASB
Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

Letter of Comment No: 5568
File Reference: 1102-100

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). I am urging the Financial Accounting Standards Board to reconsider its position on the expensing of employee stock options. The impact this change will have on me and my family is significant. In addition to the personal benefits my family and I have seen from ESSP and company stock options, I feel the overall impact it will have on employee moral could far outweigh any one individuals sacrifices. A drop in employee moral will lead to a drop in productivity ultimately leading to a decline in company performance. A drop in company performance will not benefit our share holders and will jeopardize the companys competitive global position. In order for the company to remain competitive will require further action to reduce costs. This potential means moving manufacturing overseas putting many high paid US jobs at risk.

Our shareholders have control over the issuing of stock options and ESPP shares. They have overwhelmingly approved these shares each and every time. This sends a solid message that they are in 100% agreement with these programs. Therefore agreeing that taking care of the company's number one assets, its employees. The shareholders feel this act has a significant upside since the employees play a very critical role in the overall performance of the company and ultimately the stocks performance.

Again, I can't express strongly enough my opposition to your proposal. If FASB moves forward with their plan, there will be personal sacrifices made that include children's educations at risk, home purchases, increased debt, the replacement of tired old automobiles, and savings for future expenses and retirement. Each of these items ultimately advocates a healthy and stronger economy. If FASB's objective is to stall the recovery of our already fragile economy, changing stock options and ESPP accounting practices will contribute to this. Is this really FASB's intent?

Regards,
Bradley Taylor

6/28/2004