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From: sbakos@xicor.com

Sent: Monday, June 07, 2004 6:38 PM

To: Director - FASB

Subject: File Reference No. 1102-100

To Whom it may concern -

I would like to voice my strong opposition to the exposure draft from your organization on the expensing of stock options and the reduction of Employee Stock Purchase Plan benefits.

Letter of Comment No: 3201 File Reference: 1102-100

These actions will severely dampen the entrepreneurial environment of arguably one of the most important sectors of our economy. This sector depends on intense innovation which is accompanied by considerable risk. It requires a very particular skill set and personality. The types of individuals that have driven this industry to where it is today, and the individuals that are poised to take this industry to the next level (which requires MORE innovation and hence even MORE risk), are fueled by the prospect of high reward - the kind that your legislation intends to mute.

I understand that there is a concern to adequately present to the outside world how a public company performs, but there must be alternative methods of doing this without diluting the driving force behind our sector.

Regards,

Steven R. Bakos Vice President of Sales Xicor, Inc. 408-546-3457