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From: allison.taylor@Sun.COM on behalf of Allison Taylor [al]
Sent: Tuesday, June 01, 2004 1:29 PM
To: Director - FASB
Subject: File Reference No. 1102-100

It is amazing to me that an average, hard-working American like myself must be distracted from productive workdays to fight for the core, critical, and essential compensation right that is the employee stock option. Let me illuminate some dependencies on this compensation that you might not be aware of, in hopes you will recognize that your proposed elimination of employee stock options would be an irreparable wound to workers like myself as well as a poison to interlinked economic ecosystems. I urge you to carefully consider these realities and change your policy to allow stock options to continue as a non-expense to companies:

-Atrocious housing costs keep workers like myself on edge in terms of the ability to reside in Silicon Valley. There is absolutely no question that stock options are the core dependency for home buying and that without them, I would be tipped financially and have to leave this engine of growth area. Should I and others like me be forced to flee, there would be serious negative impact on numerous industries including mortgage brokering (we refinance), education sectors (high-tech workers pay for schools and are highly engaged in schools), tax revenues (when we buy homes, we pay the new property taxes which are major), consumer goods (from grocery shopping to leased or bought cars to dry cleaning)...the list goes on and on.

-The job market, among many other things in America today, is precarious. The particular risk of working in the volatile high-tech market requires some kind of pay-off or potential long-term benefit to attract educated workers. Stock options and their potential for pay-off, however risky, provide a critical rationale for making the investment in this particular industry compared to others. Should I and others like me no longer have the stock options, the decision to work in high-tech would become almost idiotic and financially suicidal. We would simply have to choose other careers and leave the future of innovation to other countries and their workers. Believe me, many high-tech workers tally the "what sector to work in" decision on a daily basis because of its high stakes, and removing stock options drastically alters the score.

-The financial market has collapsed in many sectors, leaving less and less opportunity for careful retirement planning. Especially in this environment, financial diversification is essential, and stock options provide one element in the important investment mix. For many workers, they provide the most transparent option, since we know the inner workings of our companies and know how much we invest in skills and hard work. Eliminating stock options takes away an important planning tool for our financial future and creates a more significant dependency on the broader stock market and its related mutual funds.

-Brain drain may be a cliché, but it is 100% true should factors like the above two points come into play and force us to leave. We help our neighbors choose effective strategic plans for their paying children's college tuition, we effectively communicate to better our towns and cities, and we use the many, many skills learned through stellar companies like Sun to improve life around us. Once we, as leaders in all dimensions of our world, depart the valley, the valley simply cannot be the same. Ask anyone NOT in high-tech if they have been positively impacted by a high-tech worker. Chances are, they have. (Especially if they are local charities like Second Harvest Food Bank).

-The American dream promises that hard work and ingenuity pay off in the end. Why toil the late nights and intense pace of high-tech if America doesn't care anymore about us? This move to end options would pile on the difficulties facing America's workers -- we already face the era that practically requires two working parents, sees families dispersed and thus offering no support structure, watches gas prices and housing prices soar, endures competition from out-of-work new graduates and burgeoning immigrant populations. If we don't invest in the American worker and American corporations, what happens to America? What becomes of the American dream?

Your decision has serious consequences not only for us workers as individuals, but for the

future of our nation. I urge you again to reconsider your approach and by all means DO NOT change stock options for American workers.

Thank you for your consideration.

-Allison J. Taylor
Sun Microsystems,