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Letter of Comment No: 2327  
File Reference: 1102-100

**From:** Chris N. White [cnwhite@cisco.com]  
**Sent:** Wednesday, May 12, 2004 2:23 PM  
**To:** Director - FASB  
**Cc:** savestockoptions@cisco.com  
**Subject:** File Reference No. 1102-100

Dear Chairman Robert H. Herz,

I am a Vice President at Cisco Systems Inc, (CSCO) and have been with the company for coming on 10 years. I have been here through the bubble and the burst, before Cisco I worked at various other technology start ups as well as other larger companies both here in the USA but also in Europe.

I'd like to share a few views that I feel are very relevant to why we in the USA need to allow companies not to expense stock options:

- this drives entrepreneurialism across large and small companies
- its drives long term success not short term results
- I believe if companies have to expense options, more shares stay in the hands of senior executives and potentially encourage poor behavior from a small nos of employees versus allowing and encouraging the freedom of speech and employee ownership that more widely held stock options promotes. It assists policing the system because more people are watching, brought into the long term success of share holders not the exceptional short term gains of a few executives.
- I'm concerned that this will drive entrepreneurialism off shore, following other jobs, and loosing a competitive edge in High Tech to Asian & European competitors.
- its great to see our executive team and management teams work in unison acting with the best interests of share holders not dictatorial management, they save money, acting with honesty and integrity and also have a voice, that without widely held options could easily not get alignment to shareholder value.
- the best example of this is the front line administrators we have at this company, due to them being share holders they keep us focused on spending the company/shareholders money wisely, simple things like booking events at fiscally responsible locations, booking the most cost effective travel options, etc. etc.

I am a strong believer in the American dream, promoting and encouraging employee ownership and driving this countries success, rather than making the rich richer and driving to a divided class system like so many other countries. Thank you for listening.

Chris White.

Chris N. White,  
Vice President & General Manager, Western US Area.

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