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Letter of Comment No: 1114 File Reference: 1102-100

From: Ronald Wyckmans [rwyckman@cisco.com]

Sent: Wednesday, April 21, 2004 10:30 AM

To: Director - FASB

Subject: File Reference No. 1102-100

Dear Mr. Herz.

I am writing to you due to my concern over the draft FASB ruling regarding the expensing of stock options.

I am a 5-year employee of Cisco Systems and have a BS in Business Informations, and my belief is this ruling will have a very negative impact on our economy and my family. In addition, it will change the way Cisco is able to attract top employees with the work ethic that has allowed Cisco to be a world leader and be successful in globally.

I understand the concern about the abuse of stock options to the benefit of a few high level executives, but this should be the focus, not a broad based reaction that affects more than just senior executives. Cisco has always allocated its stock options across all employees with over 50% of options going to individual contributors. It has created a company of employee-owners who are highly committed, work long hours, and deliver the highest quality in the industry.

By having stock options, companies can create a sense of ownership, dedication, and commitment that cannot be duplicated by other methods. Expensing options will have the reverse effect. It will result in the lack of building employee ownership used to drive higher levels of commitment, work ethic, and loyalty. So instead of correcting potential abuse for a few executives, it will adversely impact many regular employees like myself.

The FASB is wrong to move ahead with this draft ruling because the impact goes beyond reporting. The ruling will lead to the elimination of stock options to create ownership among employees. It will lead to less commitment in a globally market and will create a less competitive United States. The FASB needs to realize the ripple effect of this action and the direct impact on our country's ability to compete in the global economy. The United States needs to remain dominant player in the high-tech sector. This decision by the FASB could end up being the single most important step in destroying America's position. Please, do not submit this draft ruling to expense stock options.

Thank you for your attention.

Sincerely,

Ron Wyckmans

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