

ikon

From: Poe, Bruce [BRUCEP@gentex.com]
Sent: Thursday, June 24, 2004 4:38 PM
To: Director - FASB
Subject: Expensing of Stock Options (File Ref. 1102-100)

Letter of Comment No: 5404
File Reference: 1102-100



InterScan_SafeSta
mp.txt (296 B...

June 24, 2004

Email: director@fasb.org

Re: Expensing of Stock Options (File Ref. 1102-100)

This letter is written to express my position against the expensing of stock options.

? There is no proof that broad-based stock options are responsible for market scandals. Expensing options of broad-based stock option programs will do nothing to eliminate future scandals. Plus no government agency actually receives any income from them.

? Entrepreneurship is the best chance the U.S. has to keep jobs from moving overseas. Expensing stock options will reduce entrepreneurship by eliminating option incentives. Millions of additional jobs will move to the Far East as a result of our inability to compete.

? The first options to be eliminated will be those of lower and middle management. This will do most damage to middle America, causing greater income inequality. Also less spending due to reduced income for the people who receive the options.

? Small companies create most jobs. Expensing options will hit small companies the hardest.

? It takes away employee ownership of the company which I think is the most powerful incentive for employees to do their best since they are part of the structure of the company and will "go the extra mile" to make the company successful.

? The FASB plan will produce grossly inaccurate financial reporting at sharp inflection points in our economy causing investors to sell or buy shares based on wrong information. The cost to investors will be staggering. Given our infamous tort system, who will be liable?

Sincerely,

G. Bruce Poe
Senior Design Engineer
Gentex Corporation
600 North Centennial Street
Zeeland, MI 49464
(616) 772-1590 ext. 366
<http://www.gentex.com>