Stacey Sutay

From: Sent: Dan Teeter [dteeter@cisco.com] Monday, April 19, 2004 7:43 PM Director - FASB Letter of Comment No: 410

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Chairman Robert H. Herz,

RE: File Reference No. 1102-100

The US tech industry is under enough pressure from the slow economy and foreign competition. As an individual contributor/employee, I value my stock options, but I certainly know that the amount I will ultimately receive when I cash them in is unknowable. It seems then, unrealistic in the extreme to propose that any mathematical formula can predict the actual cost or expense of stock options to a company. Dilution of shares caused by stock options is already taken into effect by the market. Why add some arbitrary stock option expense formula to muddy the waters of company valuation? The unintended consequences of this regulatory effort could be very large and damaging. Please do not make a shaky situation worse by using some cooked-up mathematical formula to inflict arbitrary expenses on the companies that drive our economic growth.

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