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From: Sent:

Bob Loeber [rloeber@cisco.com] Thursday, June 24, 2004 8:42 PM

To: Director - FASB

Subject:

File Reference No. 1102-100

Letter of Comment No: 5381 File Reference: 1102-100

Dear Chairman Robert H. Herz,

I am writing you to express my concern regarding the FASB's plan to treat broad based employee stock options as an expense.

Broad based stock options provides the incentives that fuels the technology industry. It fuels innovation. If companies are forced to treat broad based employee stock options as expenses many of the high tech start ups will simply not be able to attract and retain the talent they need to be successful. It will it put US companies at a competitive disadvantage to similar companies in countries that don't require the expensing of stock options (such as China).

I am an individual contributor. My employee stock options have enabled me to establish a down payment for my home and establish college funds for my two children. Stock options continue to be a major performance incentive throughout the industry.

It is with the concern of the US economy, our leadership and innovation that I request that you do not follow this plan to treat stock options as an expense.

Sincerely,

Bob Loeber - CISSP Security Architect - Cisco Systems Inc.