

ikon**Letter of Comment No: 5379**
File Reference: 1102-100

From: Mallun Yen [myen@cisco.com]
Sent: Thursday, June 24, 2004 5:49 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100 - Stock Option Expensing

Dear Chairman Robert H. Herz,

Having worked with technology companies in the Silicon Valley for the past 10+ years, I have observed that stock option programs are crucial to help drive innovation and productivity. I urge you and FASB to not require the expensing of stock options, as this would have a highly detrimental effect on the ability of U.S. companies to compete in today's global marketplace. Many companies based in foreign countries, such as China, use stock options and they do not treat them as an expense.

Expensing stock options would have a dramatic impact on American high tech leadership, innovation and job creation. I urge you to not require the expensing of stock options.

Thank you.

Sincerely,

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