

Stacey Sutay

Letter of Comment No: 32
File Reference: 1102-100

From: Fujita-Yuhas, Tim [timfy@cisco.com]
Sent: Monday, April 19, 2004 7:04 PM
To: Director - FASB
Subject: Expensing stock options: File Reference No. 1102-100



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Dear Mr. Chairman,

I am taking the time to write to you to express my concern regarding the recently proposed FASB rules for expensing stock options. I am a high tech worker and am in this business because I love what I do. However I am also a family provider with two young kids ages 5 and 8 and a wife who works part time so that she can spend time with our kids as well. Despite the downturn in the economy, I was fortunate enough to work for a company that survived it, and I believe will actually grow stronger as the economy grows stronger.

One of the primary motivators for myself and many of my co-workers is knowing that part of our financial compensation is tied to our company's stock via the company's stock option plan. We feel a sense of ownership and drive to not only do a good job but to innovate and thus create new jobs and markets for products and services that don't exist today. This is part of what makes our country a great place to live and is one of the qualities that is admired by other emerging rival countries like China and India in the high tech marketplace. These rivals understand the value of stock options as a form of incentive to workers in the global economy.

I firmly believe that in our country's haste to address the fiscal mismanagement by a relatively small percentage of US companies, we'd be hurting our country's future competitiveness by FASB requiring accounting changes that would place artificially high valuation for stock options such that many companies would no longer offer be able to offer these kinds of incentives to their workers.

For me and my family, this change would directly affect our ability to save for our retirement and fund our kids college education. I ask you to reconsider your approach on this issue to create a fair and reasonable method or to not expense stock options at all since they benefit not only the Senior Executives, but the average worker in the high technology environment. Until a single standard accurate method for expensing such options can be determined, this issue should be put on the back burner especially given the difficulty our economy has in recovering for this recent downturn. We need your board to assist the economy not hurt our workers.

Sincerely,
Tim Fujita-Yuhas