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From: Brad Kranda [brad.kranda@dmsghg.com]
Sent: Monday, June 28, 2004 10:08 AM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Letter of Comment No: 5320
File Reference: 1102-100

Brad Kranda
502 18th ave east
West Fargo, ND 58107

June 28, 2004

Ms. Suzanne Bielstein
Financial Accounting Standards Board
401 Merrit 7
Norwalk, CT 06856-5116

Dear Ms. Bielstein:

Re: Share-Based Payment Exposure Draft

I work for a company that allows employees to purchase my employer's stock at a discount through an Employee Stock Purchase Plan (ESPP). I understand that the Financial Accounting Standards Board (FASB) has proposed a change to accounting standards that would require my company to count this discount as an expense against its earnings (Share-Based Payment exposure draft). I respectfully request that you reconsider this proposal and not require expensing of the discount allowed in ESPPs.

I am concerned that required expensing of the discount in the ESPP may make this valuable benefit plan less attractive to my employer, potentially causing my employer to either discontinue the plan, or reduce or eliminate the current discount. If the discount is greatly reduced or eliminated, buying company stock through the ESPP would no longer be much of a benefit. Unlike benefits aimed only at high-paid executives, this is a valuable benefit for employees across the company.

The ESPP is a very important benefit to me. Being able to participate in an ESPP has enabled me to invest in my financial future and experience a sense of ownership in my company. This benefit helped attract me to and serves as an incentive for me to remain with my employer. I could even say I continuously strive to perform to the best of my ability because I am an owner of the company.

With all the scandals in the news these days it really is giving corporate America a bad name. This is a program for the average worker that allows them to do several things. First it is a very attractive means of building for retirement, second it gives everyone an opportunity to participate in the company's success. If this proposed change takes place it will most assuredly put a halt to this type of plan. It will only be seen as a maneuver on behalf of Corporate America to keep the "profit sharing" and "perk plans" to the executives. Company Stock purchase plans are truly seen as a very valuable benefit with our employees across the board. I am asking you to help restore confidence in corporate business and not drive employees to further distrust and resent the corporate structure. Changing the current laws to force businesses to account for the discounted stock purchases will do just one thing - kill the program. Thank you for your help.

Brad D. Kranda

Vice President - Service
DMS Health Group

Millions of workers like me in companies across the country are able to purchase their employer's stock through ESPPs. This builds company loyalty and helps to promote high standards of work when employees have a sense of ownership.

I strongly urge FASB to consider the negative impact the proposed rule would have on the nearly 16 million workers like me and eliminate the expensing requirement for ESPP discounts in the final rule.

CC:
SEC, Chairman, William Donaldson
SEC, Chief Accountant, Donald Nicolaisen
Employee Ownership Coalition (eoc@vennstrategies.com)

Sincerely,

Brad D. Kranda