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Letter of Comment No: 767
File Reference: 1102-100

From: Lang Tibbils [ltibbils@cisco.com]
Sent: Tuesday, April 20, 2004 9:05 PM
To: Director - FASB
Subject: Chairman Robert H. Herz (File Reference No. 1102-100)

Importance: High

Dear Chairman Herz-

It has come to my attention that the FASB has a plan in place to treat stock options as an expense. I will not pretend to understand the rationale behind this move, but understand it will impact my company's (Cisco Systems) ability to offer me stock options. As middle-level manager I am proud to say that my company gives me the opportunity to become an owner in our company and doesn't treat stock options as an elitist program. As a father of two young children under the age of 3, I can also tell you that the stock options granted to me by Cisco have been ear marked to help pay for their future education. Why would we as a country want to take away the financial program that is enabling me to do this for my children?

As a proud owner of Cisco, I am motivated daily by the simple fact that Cisco success means future success for me and my family. Expensing these options and putting companies (like Cisco) in a position to potentially stop offering broad-based employee stock option plans will impact motivation to succeed and is a slap in the face of middle-management often the heart and soul of American companies. I wonder...in light of today's global competitive landscape (China, India, etc...) why would we want to remove a key competitive motivator?

Finally, most Americans are just now starting to feel good about the economy. Why would we want to stop this long awaited momentum by removing one of the primary motivations of the largest segment of this countries population, middle-level managers?

In closing, I respectfully ask that you reconsider this plan to protect the future of my children and the economic health of this country.

Sincerely,
Lang Tibbils
Employee # 64328
Cisco Systems

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