

ikon

Letter of Comment No: 5358
File Reference: 1102-100

From: Bruce_Willing@amat.com
Sent: Friday, June 25, 2004 2:21 PM
To: Director - FASB
Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). I have worked in the semiconductor and technology business in both Texas and California over the past 10 years. The changes you propose would ultimately jeopardize the financial positions and well being of thousands of skilled workers in this field and many others. On several occasions our family has been forced to utilize the benefits of stock options and my company's stock purchase plan to merely survive financially, in order to augment the lack of direct monetary compensation through my regular salary, or the disbenefits of a poor economy and high cost of living. My family has exercised this benefit on three occasions--once, last winter to help put a partial payment on a failed roof system on our house and prior to that, on two other occasions, to help pay off both our Federal and State taxes. Quite frankly without the benefits offered under these programs, to us as employees and our families, it is doubtful I would even try to stay in this particular line of work. Our family looks at these benefits as a hedge against the horrific up and down business cycles that occur within the semiconductor business. If you kick in the fact we live in California--a place where the housing is so unaffordable I commute every single day 78 miles each way--I think you can see how this decision will adversely affect many of us. I made that decision many years ago to work in this career field with a great deal of consideration to the fact that these benefits were and would always be available to us to help us out financially, if we should need it. This proposed change will only end up hurting the "little guy" again--just like everything else--the programs will either be eliminated, or the "costs" will be ultimately passed on to us down the pipe. I ask you to reconsider this decision and don't change the accounting rules for stock options and Employee Stock Purchase Plans. In the end--it is right thing to do. Thank you for your time and consideration.

6/28/2004