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Letter of Comment No: 5347
File Reference: 1102-100

From: Thomas_Gabel@amat.com
Sent: Thursday, June 24, 2004 9:41 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).

Over the past 5 years I have worked within Applied Materials and have found it to a very demanding occupation. During which time I have spent nearly twice the amount of time working on products that affect the global economy by allowing companies such as Intel, TSMC, AMD, Micron, Texas Instruments (to name a few) change the world through technological advancements that you and I use daily. These countless hours enable our worldwide operations to meet our customer expectations in an expedient, unrelenting manner. These efforts are not without sacrifice. Day in and day out we sacrifice our time from our personal lives to meet these expectations with the full knowledge our sacrifices are not without reward.

Company stock options and ESPP purchases are our reward for going above and beyond our normal duties. I and countless other employees have come to depend on these rewards as income; bonuses. Bonuses when the company as a whole succeeds. The stock option and ESPP programs are mechanisms to create drive and perseverance to excel and innovate. Innovation is key to the success or failure of high-technology, cutting-edge developments in the information age. From innovation to "first-to-market" takes dedication. Dedication should have its rewards. Options and ESPP programs are our rewards. My family and wife have sacrificed; my family and wife have been rewarded too. I rewarded them for supporting my long stays away from home, weekend work, and long hours by using my options and ESPPs to purchase a wonderful house we call home. Without these benefits I would have not worked in such in industry and not have stimulated the economy over the period of 5 years without its rewards nor purchased such a great place to live. We work hard, we deserve these benefits which help afford us pay for the things we need and want for a better life.

It is unfortunate that scandal, dishonesty, and greed have plagued several corporate executives using options to steal money away from investors like ourselves. Furthermore, the "dot.com" scammers who optioned themselves thousands upon thousands of shares just before an IPO and became instant millionaires should be ashamed and prosecuted too. However, these actions are not the norm and the majority should not be punished for the actions of an elite few.

Please keep these words in mind when you make your decisions. Decisions that will affect millions of American workers competing in a global economy to innovate and succeed for organizations who help them pay for the things they need and want for their families to be better in an ever increasingly demanding world.

Regards,

Tom Gabel
Engineering Technican Senior
Applied Materials, Inc.

6/25/2004