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From: Short, Keith [kshort@AUSTIN.Polycom.com]
Sent: Wednesday, June 16, 2004 11:21 PM
To: Director - FASB
Subject: File Reference No. 1102-100

Letter of Comment No: 4174
File Reference: 1102-100

Dear Chairman Robert H. Herz,

I am writing this letter to express my opposition to your board's proposal to expense stock options. I have worked for 5 years at a high tech company called Polycom. We make Communication products. Prior to working for Polycom, I worked for IBM. At IBM, I primarily worked for just a salary. We had no stock options grants so other than doing a good job to get a slightly better than average pay raise, I had no other incentive.

Since working at Polycom, I have regularly received stock options. They have provided me a great incentive to work long and hard in hopes that our company grows and I will profit as the stock grows. Two years ago I was able to purchase a new vehicle with cash by exercising some vested stock options. I could never have done this while at IBM.

Your proposal, in my opinion, will eliminate stock options and the incentive they provide for individual employees to work hard. As you are aware, the U.S. worker is also competing with workers in low cost regions of the world. One of the ways that American employers are keeping salaries down and keeping us employed is by offering lower salaries, but giving stock options as an incentive to work hard. We all here about the "outsourcing" of U.S. Jobs. Well, your proposal will onlly help to hasten this exodus especially amongst smaller high tech companies.

I strongly urge you to reconsider your board's position on this topic...

Respectfully,

Keith Short
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