ikon

Letter of Comment No:686 File Reference: 1102-100

From: S

Shane Marquis (cmarquis) [cmarquis@cisco.com]

Sent: Tues

Tuesday, April 20, 2004 4:58 PM

To: Director - FASB

Subject: File Reference No. 1102-100

Chairman Robert H. Herz,

My name is Shane Marquis, Account Manager for Cisco Systems, Inc. in Atlanta, GA. I am writing to urge you and the Financial Accounting Standards Board not to expense stock options, especially at an unrealistically high valuation. I was extremely fortunate to begin my working career in technology sales with Cisco Systems directly from college. I have been with Cisco Systems, for over four years now and I am looking forward to the opportunities that lie ahead within Cisco Systems.

The awarding of stock options was a key component that tipped the balance when analyzing the offers at hand when I graduated from college. I realized that stock options would add an additional layer of financial security in the years ahead and provide me a stronger sense of company ownership and empowerment. Currently, stock option grants play a more integral role in my compensation package when coupled with my salary and commissions. I view stock options as an incentive that raises the bar of my performance, creates innovation in my sales process, and influences quality work among my peers. For example, the more Cisco hardware I sell elevates me among my counterparts which at the end of a fiscal quarter or fiscal year could result in a substantial stock grant adding to my financial security.

Furthermore, I am now a husband with a stay at home wife who is expecting our second child in 10 weeks, a second time homeowner, and I contribute to my community financially. These stock option grants will help me and my family tremendously in years ahead when we begin to pay off my wife's student loans from law school, send our children to the best schooling available, and when we specifically outline our financial contributions to the community.

Lastly, stock option grants motivate me to be more productive and to work smarter and harder than the competition. The technology industry is shifting from traditional domestic competitors to overseas adversaries in China and Taiwan. Our tenacious work ethic, strong leadership, and an excellent product portfolio will dismantle our competition in the interim; however, we at Cisco Systems, Inc. and U.S. companies in general must have stock options to compete with other countries on a global basis.

Chairman Herz, please do not expense stock options.

Sincerely.

Shane Marquis Account Manager 500 Northridge Road, Suite 700 Atlanta, Georgia 30350

Direct: 678.352.2544
Cell: 404.502.5527
FAX: 678.352.2937
Email: cmarquis@cisco.com