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Letter of Comment No: 611
File Reference: 1102-100

From:

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Sent:

Tuesday, April 20, 2004 10:26 AM

To:

Director - FASB

Subject: File Reference No. 1102-100

Dear Chairman Robert H. Herz,

I'm writing you today to urge you not to treat stock options as an expense. I've worked in the high tech sector for 6 years and stock options have provided a great incentive for my family's financial future. Stock options have motivated me to strive for higher goals and I feel that treating them as an expense could have a dramatic impact on American high tech leadership, innovation and job creation. In today's economic environment, the number one rule should be 'first, do no harm'.

The artificially high valuation for a stock option required by FASB will eliminate stock options as a tool which has driven innovation and productivity. Furthermore, stock options do not meet the definition of an expense because they do not use company assets.

Job losses due to global competition is always a concern for those of us in the high tech sector and U.S. companies need stock options to compete with other countries on a global basis. (Example: Chinese companies use stock options and they do not treat them as an expense.)

Thanks in advance for your support on this extremely important issue.

Best Regards.

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