

Stacey Sutay

Letter of Comment No: 205
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From: Felicia Trammell [trammell@cisco.com]
Sent: Monday, April 19, 2004 5:44 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: Do NOT Expense stock options



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Hi!

My name is Felicia Trammell, and I work for Cisco Systems. I have been here 8 years now, and I work as an executive assistant for one of our SVP's. I love my job and I love Cisco. As you know with the downturn in the economy Cisco had a layoff a couple of years ago and let go of a few thousand employees. I fortunately was spared. Since the downturn in the economy Cisco has not been giving annual salary increases. It's been several years since I've had an increase in my salary. But, one thing Cisco has done and is very generous about doing is rewarding employees with stock options. This has helped me since I have not been getting salary increases. I live in the very expensive Silicon Valley where the average home price is around \$400,000 (for a fixer upper!) or higher. Before I got married, about 7 years ago I purchased my own home, by myself. I used my Cisco stock options to purchase this home and being single it meant a great deal to me to be able to invest in property, especially in Silicon Valley. I also, used Cisco stock options to purchase my car, which I have owned now for 5 years. At most companies in the bay area administrative assistants or executive administrative assistants are not eligible to receive stock options. I think in terms of competition, Cisco is a leader, because not only does it give stock options to employees, it gives every employee stock options. Working at Cisco it is now a reality to me that I could quite conceivably be able to retire from this great company in a few short years using my stock options. I have been able to remodel my current home and travel around the world and do things that I never thought I'd be able to do with the earnings from my options. Please, I ask you to really think about how expensing stock options would really hurt the "average" person or the "little guy" if you will. You're not going to hurt the company executives, but you will punish those of us that barely making ends meet, especially in this expensive area. If I had not had stock options I never would have been able to buy my own home, or buy my dream car or remodel my house, and maybe not even be able to retire at a young age. I think all employees should be treated equally and I think at Cisco, stock options help the company make that statement to it's employees. Please don't take this away from us, if you do this could potentially hurt or damage the economy even more.

Sincerely,
Felicia Trammell
Executive Assistant
Cisco Systems