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From: Lorraine Sharon (lsharon) [lsharon@cisco.com]
Sent: Monday, April 26, 2004 9:37 AM
To: Director - FASB
Cc: savestockoptions@cisco.com; lsharon@cisco.com
Subject: Do NOT expense stock options!

I am a U.S. based Cisco employee. I urge you NOT to expense stock options, especially at an unrealistically high valuation. Cisco stock options are absolutely a key portion of my retirement portfolio. Stock option grants motivate me because I feel I have a personal stake in Cisco's success, therefore the stock options incent met to improve my own and my team's productivity.

U. S. companies are already suffering because we have lost jobs to companies overseas. 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.) Why do something which could have further negative impact on this job loss situation? Expensing stock options could have a dramatic impact on American high tech leadership, innovation and job creation.

Your plan hurts workers like me. In today's economic environment, the number one rule should be 'first, do no harm' and I sincerely hope that you will consider this.

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