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Letter of Comment No: 622 File Reference: 1102-100

From:

Chad Yates [chyates@cisco.com]

Sent:

Tuesday, April 20, 2004 10:37 AM

To:

Director - FASB

Cc:

savestockoptions@cisco.com

Subject: File Reference No. 1102-100

Dear,

Chairman Robert H. Herz,

Please vote against treating stock options as an expense. The artificially high valuation for a stock option required by FASB will eliminate stock options as a tool which has driven innovation and productivity. The true cost of a stock option is dilution of earnings per share (EPS) and is already accounted for when options are exercised.

The true cost of changing the way we expense options will be more US based jobs, and moving the technology leadership offshore were stock options still exist.

You must defeat this draft to continue the American dream.

Chad Yates Strategic Alliances Cisco Systems IP Phone: 773-695-8130 Mobile: 630-842-3010 Page Chad Yates