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From: Jr Fuller (jrfuller) [jrfuller@cisco.com]
Sent: Monday, April 26, 2004 7:44 AM
To: Director - FASB
Subject: File Reference No. 1102-100

Chairman Robert H. Herz,

Stock Options are my families ONLY way of achieving financial self-sufficiency. Without them, we will never be able to pay off our home, do investments or send our kids to college. Please don't force companies to expense options.

Additionally, there are other issues:

Accounting Issues:

- The artificially high valuation for a stock option required by FASB will eliminate stock options as a tool which has driven innovation and productivity.
- Stock options do not meet the definition of an expense because they do not use company assets.
- The true cost of a stock option is dilution of earnings per share (EPS) and is already accounted for when options are exercised.

Competition:

- 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.)
- Expensing stock options 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'.

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