Merck & Co., Inc.
One Merck Drive
P.O. Box 100
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October 18, 2001

Mr. Timothy S. Lucas
Director of Research and Technical Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Dear Mr. Lucas:

Merck & Co., Inc. is a New Jersey based corporation with its principal place of business at One Merck Drive, P.O. Box 100, Whitehouse Station, New Jersey 08889-0100. The Company is a global research-driven pharmaceutical organization that discovers, develops, manufactures and markets products and provides pharmaceutical benefit services. We read with great interest the Board's proposal for a new agenda item, *"Reporting Information About the Financial Performance of Business Enterprises: Focusing on the Form and Content of Financial Statements"*. Specifically, pro forma reporting, whereby certain companies adjust historical results to exclude not only the effects of unusual or nonrecurring events but also certain discretionary items, is an issue that demands further review. The proliferation of alternative and inconsistent financial performance measures undermines high quality financial reporting which is essential to well-informed investment decisions and efficient capital markets. Because many of these problematic reporting practices appear in companies' earnings releases, this topic should be pursued as a collaborative effort among all relevant regulatory bodies to ensure that all potential areas of abuse are appropriately addressed. Additionally, any proposed guidance should consider the suggestions made by FEI/NIRI on reconciling pro forma amounts reported in earnings releases to GAAP. We look forward to following the deliberations surrounding this relevant and timely issue.

With respect to the proposed agenda item, *"Disclosure of Information About Intangible Assets Not Recognized in Financial Statements"*, we believe that if the Board elects to pursue the complex and controversial topic of unrecognized intangible assets, it should do so in the context of a broader project encompassing measurement as well as disclosure issues.

Thank you for the opportunity to provide comments on the proposed agenda items. We would be pleased to discuss our views with you at your convenience.

Sincerely,

/s/ Richard C. Henriques

Richard C. Henriques
Vice President/Controller
Merck & Co., Inc.