

CHRISTOPHER J. BENJAMIN
Senior Vice President, Chief Financial Officer & Treasurer

1860-100 Comment Letter No. 110

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October 26, 2010

Technical Director
Financial Accounting Standards Board
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File Reference: 1860-100

Dear Sir or Madam:

The purpose of this letter is to express the views of Alexander & Baldwin, Inc. ("A&B") on the Exposure Draft of a proposed Accounting Standards Update, Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80): Disclosures about an Employer's Participation in a Multiemployer Plan. A&B (NYSE: ALEX) is engaged in ocean transportation and logistics services, through its wholly-owned subsidiaries, Matson Navigation Company, Inc. ("Matson") and Matson Integrated Logistics, Inc. Matson currently participates in nine multiemployer pension plans and nine multiemployer health and welfare plans in Hawaii and on the West Coast.

The Company is fully supportive of disclosures that provide transparency for shareholders into material financial matters and obligations, and has voluntarily been disclosing certain information related to multiemployer plans for years. However, as with all disclosures, we believe that any expansion of reporting requirements must consider the cost and effort associated with obtaining the data relative to the value of that information to investors. We respectfully submit that the costs associated with the proposed changes to disclosures related to an employer's participation in a multiemployer plan exceed the benefits, if any, to be realized by investors. Accordingly, we are opposed to the proposed changes in multiemployer-plan-related disclosures.

Our specific concerns are as follows:

- 1. We believe that the information currently provided in our financial statements regarding our withdrawal liabilities fully meets the needs of our investor base. We have not received requests from investors for the kind of information that is being proposed for disclosure.
- 2. There is significant cost in gathering the various required items for each of the nine pension plans and nine health and welfare plans, as well as in interpreting and summarizing the data for financial statement disclosure. The disclosure process would add a significant burden to our business with questionable benefits to our financial statement users. The incremental costs of the many

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compliance burdens described below would ultimately be borne by our investors, with immaterial, if any, benefit.

Among the compliance burdens are the following:

- Our Finance and Human Resources departments would be required to increase their workload during an already difficult time period, and we would also require the services of outside consultants to assist us in accurately preparing the required explanations.
- The required information would be voluminous, especially in the areas of narrative descriptions of how benefit levels are determined, contractual arrangements, and the funding improvement plan or rehabilitation plan that may exist for each pension plan and expected effects on the employer.
- Even if the information were to be disclosed, the information would not likely be interpreted correctly by financial statement users due to the complexities involved with each individual plan, thereby either resulting in greater confusion or requiring significant additional time to explain.
- More importantly, for each multiemployer plan to develop these procedures, the plan will incur additional expenses, and these expenses would be a nonproductive use of plan assets that would otherwise be used for the purpose of providing participants' benefits and reasonable plan administration expenses.
- 3. Current information is not readily available to the Company each year by the deadline for completing our annual financial statements. Generally, for those plans with a calendar-year plan year, the January 1 actuarial valuation is not completed until sometime in the mid-to-late summer. Therefore, the asset and accumulated benefit obligation information that would be available for our 2010 financial statements, for example, would be measured as of January 1, 2010, and therefore, would be more than one year out of date by the time the 2010 financial statements were filed in early 2011. The "stale" information could lead to misleading conclusions by readers of financial statements, especially in times of volatility in asset market values.

While we appreciate FASB's objective of increasing transparency to users of financial statements, we are concerned that the amount of cost and time we will incur is not justified by the questionable benefit associated with providing significant amounts of additional information, which may be outdated and potentially misleading.

While our hope is that these disclosure requirements will be reconsidered and significantly modified if not abandoned, at a minimum we believe that implementation of any new requirements must be delayed in order to avoid significant implementation challenges. If new disclosures are required, we believe the effective date should be delayed at least one year to allow for an orderly process by which employers can begin to coordinate with each of their multiemployer plans to begin compiling the data. Each plan's plan administrator must coordinate with the actuary, Board and participating employers in order for the information to be prepared and distributed to each

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participating employer in a multiemployer plan in a timely manner. With the comment period ending on November 1, a year-end implementation would create an unfair and impractical burden on employers and plans to meet a December 31 measurement date for employers with a calendar-year fiscal year.

We appreciate this opportunity to have our comments taken into consideration before any final changes are enacted by FASB, and we would be happy to address your relevant questions.

Sincerely,

Christopher J. Benjamin

Senior Vice President, Chief Financial

Officer & Treasurer

Alexander & Baldwin, Inc.