May 27, 2011

Financial Accounting Standards Board
Attn: Technical Director—File Reference No. 2011-180
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116
Via e-mail to director@fasb.org

Re: File Reference No. 2011-180
Proposed Accounting Standards Update,
Intangibles – Goodwill and Other (Topic 350)

Dear Technical Director, Board Members and Staff:

The Accounting and Auditing Committee of The Ohio Society of Certified Public Accountants is pleased to express its views on the Proposed Accounting Standards Update, *Intangibles – Goodwill and Other (Topic 350)*.

We believe that this standard will be beneficial to the FASB stakeholders in that it eases the current burden on financial statement preparers and auditors without compromising the integrity of financial reporting or the usefulness of financial statements.

We have responded to the questions that that Board has sought comment on however we have no concerns that need to be addressed by revisions to the exposure draft.

Question 1: *Please describe the entity or individual responding to this request.*

The Accounting and Auditing Committee of The Ohio Society of Certified Public Accountants represents a broad spectrum of Ohio CPAs with members in public practice, industry (both public and private) and academia.

Question 2: *For preparers, do you believe that the proposed amendments will reduce overall costs and complexity compared with existing guidance? If not, please explain why.*

Yes, we find the qualitative option to be very beneficial, particularly in situations where entities have historically had no impairments of goodwill and/or those entities that have substantial differences between the fair value and carrying value of the reporting units that support the entities' goodwill.

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Question 3: *For preparers, do you expect your entity will choose to perform the qualitative assessment proposed in the amendments, or will your entity choose to proceed directly to performing the first step of the two-step impairment test? Please explain.*

We would expect that most preparers will take advantage of the standard's early adoption provision and utilize a qualitative assessment during fiscal year 2011.

Question 4: *For auditors, do you believe that the proposed amendments will reduce overall costs and complexity compared with existing guidance? If not, please explain why. Does your response differ based on whether the entity is public or nonpublic?*

It is our opinion that auditors will also find this standard to provide reductions in cost and complexity; we do not believe this differs based on the entity being public or private. We do note that without a bright-line test, auditors may see an increase in client relationship complexity, if there is a difference of opinion on the qualitative assessment. We do not believe that this concern warrants a change in the standard as written.

Question 5: *For users, do you believe that the qualitative approach for testing goodwill for impairment will delay the recognition of goodwill impairment losses or affect how you evaluate goodwill reported in the financial statements? If yes, please explain.*

We believe that many users discount such "non-cash" impairment charges in their analysis of an entity's periodic performance and therefore, this standard should not impact the manner that a user evaluates the goodwill reported in financial statements. We do believe that the standard's provisions could potentially allow a reporting entity to delay the recognition of an impairment loss, however we do not believe that delay would exceed one year.

Question 6: *Do you agree that the proposed examples of events and circumstances to be assessed are adequate? If not, what changes do you suggest?*

We agree that the list is adequate for purposes of a financial standard. We appreciate that the Board has been very clear in stating the list is not all inclusive. We believe that each entity will have to develop its own set of events and circumstances that it determines to be appropriate given the environment in which it operates.

Question 7: *Do you agree that the guidance in the proposed amendments about how an entity should assess relevant events or circumstances is clear? If not, how can the guidance be improved?*

We recognize that this is a very difficult concept to write in detail. The guidance, as written, appears sufficient to provide preparers and auditors with the spirit of what the

Board is attempting to accomplish and we trust that those two parties can concur on the conclusion of the assessment in light of the relevant facts and circumstances.

Question 8: *Do you agree with the Board's decision to make the proposed amendments applicable to both public entities and nonpublic entities? If not, please explain why.*

Yes, while some are in favor of separate standards for private entities, the board should first address standards without regard to an entity's capital structure. If the treatment of the issue in question is meaningful to all, then it should be applied to all who prepare financial statements. This standard is a good example of addressing an issue that provides a more cost effective approach for all preparers.

Question 9: *Do you agree with the proposed effective date provisions? If not, please explain why.*

Yes, we expect that a substantial number of preparers will take advantage of the early adoption provisions. Doing so will provide immediate cost savings to financial statement preparers and auditors.

We appreciate the opportunity to provide feedback to the proposed Accounting Standards Update and welcome any additional opportunities to further discuss or otherwise support the efforts of the Financial Accounting Standards Board in this area. We expect that this standard will be welcomed by the FASB constituency as a positive step in making the process of financial reporting easier and more cost effective for both financial statement preparers and auditors.

Respectfully,

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