

Tyco International Ltd. 9 Roszel Road Princeton, New Jersey 08540

June 6, 2011

Technical Director
Financial Accounting Standards Board of
The Financial Accounting Foundation
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2011-180, Comment Letter on the Proposed Accounting Standards Update: Intangibles – Goodwill and Other (Topic 350), Testing Goodwill for Impairment.

Tyco International Ltd. ("Tyco") appreciates the opportunity to respond to the proposed Accounting Standards Update, *Intangibles – Goodwill and Other (Topic 350)*, *Testing Goodwill for Impairment* ("Proposed ASU"). Overall, Tyco is supportive of the proposed improvements to the goodwill impairment testing process. We believe that the inclusion of the option for a qualitative assessment as an initial step in the impairment testing process for goodwill is an effective means in simplifying the overall process as intended by the Financial Accounting Standards Board ("FASB" or "the Board"), while still meeting the needs of investors. We ask, however, that the Board reconsider expanding the scope of this amendment to include indefinite-lived intangible assets in addition to goodwill. Our specific responses to the questions included in the proposed ASU are included below.

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

Tyco is a diversified publicly traded company that provides vital products and services to residential and commercial customers around the world. We are a leading provider of security products and services, fire protection and detection products and services, valves and controls, and other industrial products. Tyco had fiscal 2010 revenue of more than \$17 Billion and has more than 100,000 employees worldwide.

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

As a large diversified global Company we have grown through acquisition. Accordingly, our current goodwill balance as of our most recent Form 10-Q as of March 25, 2011 comprises approximately \$9.7 Billion of our total \$27 Billion asset balance. As required under ASC 350, we test annually, in the fourth quarter, and more frequently if a triggering event occurs, the fair value of each reporting unit. To perform this process we use a combination of both internal resources, as well as the assistance of 3rd party specialists to determine the fair value of each reporting unit to which the goodwill is ascribed. As a result, we incur significant costs to quantitatively test each reporting unit even when qualitative factors (as described under the Proposed ASU) indicate significant coverage. Therefore, we believe that the

Proposed ASU will succeed in reducing unnecessary work and increasing the efficiency of the annual testing process, while at the same time reducing overall costs of compliance.

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.

Tyco would plan to perform the qualitative assessment as proposed. We believe that by first utilizing a qualitative assessment, prior to performing the first step of a two step impairment test, will eliminate unnecessary work and save costs for those reporting units in which there is a less than fifty percent likelihood of a goodwill impairment.

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 whetted the entity is public or nonpublic?

Not applicable.

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

Not applicable.

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 believe that the proposed examples of events and circumstances to be assessed are largely adequate, but we would recommend that item "e" in the proposed listing regarding entity-specific events be amended to also include "regulatory action or assessment, as well as significant restructuring actions (i.e. significant facility closures, or layoffs)". We believe that proposed paragraph ASC 350-20-35-3F is clear in denoting that the examples provided are "not all-inclusive, and an entity shall consider other relevant events and circumstances" as necessary.

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 believe that the guidance provided in the Proposed ASU is clear. However, as noted above, we believe that the scope of the Proposed ASU should be expanded to include the testing for indefinite lived intangibles. The Basis of Conclusions, paragraph 17 of the Proposed ASU states that the scope was not inclusive of indefinite-lived intangibles only because the Board "had not received similar concerns from preparers of financial statements about the cost and complexity of testing" these items. We think that while the same level of concerns may not have been expressed for indefinite lived intangibles versus goodwill, the proposed change in the goodwill testing process will result in similar benefits for intangible indefinite lived assets. Any reduction in costs while still retaining the integrity of the process provides value to our shareholders.

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

Yes. We agree with the Board's decision to make the proposed amendment applicable to both public and nonpublic entities.

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

We support the proposed effective date provision including the permitted option of early adoption.

Thank you for your consideration of our responses.

Sincerely,

Sam Eldessouky

Vice President, Finance & Assistant Controller

for Eldersonly