From: Ron DiMattia [mailto:ron@corporatevaluepartners.com]

Sent: Friday, August 02, 2013 3:34 PM

To: Director - FASB

Subject: File Reference Number PCC-13-01A

Thank you for the opportunity to comment on the exposure draft, "Business Combinations (Topic 805): Accounting for Identifiable Intangible Assets in a Business Combination; a Proposal of the Private Company Council." I have included, below, some general comments that I hope you would consider to be responsive to your request for comments.

- 1. If you really want to remove complexity from the process, please consider removing the exit price premise of value. If you presume that the purchase price is fair value in all circumstances then it becomes a matter of allocating purchase price, which is much more understandable than allocating fair value. If I understand the exposure draft correctly, it still requires an allocation of fair value and allows the recognition of a bargain purchase gain (which is completely irrelevant).
- 2. The exposure draft continues using the market participant construct which adds complexity. Please consider getting rid of that and having preparers look at things from management's reasonable and rational perspective.
- 3. Please consider making the financial statement disclosure one general acquisition intangible, with a footnote description for all the intangible assets within it whether they are contractual/legal or not. Then there would be no need to value separate intangible assets. That would seem to simplify things.
 - a. If you do carve out certain intangibles for financial statement presentation, please consider making their measurement more of an allocation of purchase price. You can value them at fair value, but their recognition would have to be constrained by the actual purchase price.

I hope that these comments are useful in your deliberations.

Take care, Ron

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