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Letter of Comment No: 4478
File Reference: 1102-100

From: Peter_Borden@amat.com
Sent: Thursday, June 17, 2004 4:17 PM
To: Director - FASB
Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs).

I realize that stock options have been abused, and have been a vehicle to award absurd compensation to executives.

Conversely, they have been a very effective motivator for the common employees of companies with limited cash but significant potential - the companies we want to help succeed so our economy can remain competitive in world markets.

Expensing stock options is a blunt-edged solution that eliminates the incentive in order to eliminate the abuse. I urge you to find a solution that enables companies to continue use of this tool for the purpose employee motivation.

Sincerely,
Peter Borden
Distinguished MTS
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