Message

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Letter of Comment No: 4347
File Reference: 1102-100

From:

Mark Savoldi [msavoldi@cisco.com]

Sent:

Tuesday, June 15, 2004 9:37 AM

To:

Stacey Sutay

Subject: opposition to FAS 123

To Whom It May Concern,

I am an employee of Cisco Systems, Inc., and one who directly benefits from a broad-based employee stock options program. This program has not only motivated me to work harder and more efficiently, but also benefit shareholders by better aligning employee and shareholder interests. With stock options, I benefit only when the shareholders benefit, thus making this a very advantageous program for both sides.

Because of such, I am opposed to the stock option exposure draft released on FAS 123. If implemented, FAS 123 will likely bring an end to our program, and will definitely impact my job and the future of my industry. Furthermore, employee stock options are impossible to value, since they have no definite, measurable market value. Under the proposed draft, the FASB will somehow come up with a value - however inaccurate - and force companies like mine to put such inaccurate information on it's financial statements. This will make such financial statements even less useful to the individual investor, as it will not accurately reflect a company's financial position.

Please reconsider and rescind this exposure draft.

Sincerely,

Mark Savoldi