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From: John_Fessenden@amat.com

Sent: Thursday, June 17, 2004 3:23 PM

To: Director - FASB

Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

Letter of Comment No: 4607
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I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs).

The ESPP plan at Applied Materials has provided a substantial benefit to my family, allowing us to purchase our cars, our house, and pay for surprise medical bills for my mother-in-law (who later died). I expect this benefit to contribute substantially to sending our twin daughters to college.

The Stock Option plan is what has motivated me to go above and beyond to ensure my companies' success. This is best method I have ever seen to link my performance and my pay.

Please do not change the accounting plan. **Companies would still give stock options to executives, but lower-level employees would get nothing.**

Thanks for your time,

-John

6/18/2004