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From: James Bryant [jbryant@cisco.com]
Sent: Wednesday, April 21, 2004 12:22 PM
To: Director - FASB
Subject: File Reference No. 1102-100,

Letter of Comment No: 1237
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Dear Mr. Herz,

I am writing to you regarding the current proposal for expensing stock options. I believe that this would be a grave mistake that would have severe consequences for thousands of ordinary white-collar workers. My opinion is that the public's perception of stock options are used to make rich CEO's and company executives even richer. And that FASB needs to require the expensing of stock options as a direct affect of the financial corruption as seen at company's such as Enron and Worldcom. Sir, I stress to you that following this perception would be a terrible way to fix the problems in the accounting world.

Let me give you a short example of how stock options have helped me. I am three years out of college. My wife and I both owe student loans and we have started a family together. I believe that we typically live a financially responsible lifestyle. In the last year we bought a house, and stock options/ESPP were one of the reasons we were able to accomplish that. Homes in the area I live in are expensive compared to the rest of Florida and it would have been very difficult to manage buying a home so soon out of college without using options. Just imagine though how difficult it would be for those living in California, who may come out of college making 60-70,000 per year. There is no way they could ever afford to live anywhere near Silicon Valley. They would be living in poverty.

Expensing the options is not the solution. If we look at the real problems that Enron or Worldcom had, it had nothing to do with stock options. The real issue lied with general accounting practices rules. That is were the FASB needs to do its cleanup. Expensing options will only hurt the little guys.

Sincerely,
James Bryant