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**From:** Dave Pignatelli [davep@cisco.com]  
**Sent:** Wednesday, April 21, 2004 2:00 PM  
**To:** Director - FASB; savestockoptions@cisco.com  
**Subject:** File Reference No. 1102-100,

**Letter of Comment No: 1209**  
**File Reference: 1102-100**

Chairman Robert H. Herz,

I'm writing to you because I want the United States of America to remain a strong technical leadership entity on a global scale.

Technical innovation in this country has been driven, in my opinion, by only two things; national security and personal financial growth and stability. The prospect of a better quality of living.

Arriving in Silicon Valley in early 1983 I worked on very complex digital signal processors that enabled the US security and intelligence agencies to protect the interests of our country. The government invested in this technology to protect our constitution and the american dream. In the midst of this, I started at Argosystems on the day the company "went public" and I was immediately infected with an entrepreneurial spirit that motivated me to work hard, establish a career, so that one day, I could participate financially in such a corporate windfall.

In 1996, that opportunity arrived, and by taking a huge risk ( with no salary, paying for my own family health insurance, I began working with a team of motivated partners to develop a technology that will become commonplace among wireless services in the years to come. The purchase of our company by Cisco Systems, fulfilled, in part, my dreams of a better life for my family. Now, as part of Cisco, I still work hard, driven by the fact that as my company succeeds I will succeed since I am provided stock options. If I were to depend on financial gain through standard salary, there would be no opportunity to improve my family's quality of life and provide a good education for my children. The children of the United States need to be prepared to compete in the new world intellectual market. A stable, growth oriented financial footing is essential for today's family to provide for the huge expense of education.

Real estate expenses are high, state income and property taxes are high, costs for energy are high, costs of education are high and in this situation there needs to be an equalizing factor that keeps the economic machine of our communities, states, and the country at large, moving. Allowing corporations to give employees the opportunity to share in ownership sends all the right messages with the potential for employees to fulfill this dire financial need.

Please do NOT force US corporations to expense employee stock options in a manner that harms the symbiotic technical innovation and financial mechanisms currently in place. Other countries have learned from the success we've attained in the United States under these economic systems. Why give up what we've worked so hard for and risk worsening the global economic stature of the United States?

Thanks for listening,

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