ikon Letter of Comment No: 982 File Reference: 1102-100

From: Wayne LeBlanc (leblancw) [leblancw@cisco.com]

Sent: Tuesday, April 20, 2004 12:28 PM

To: Director - FASB

Subject: Stock Option Accounting Methods

Re: File Reference No. 1101-100

Chairman Robert H. Herz:

I have been granted thousands of stock options by two different companies (Swedish and American), and have yet to make one penny from these grants. Yet, under the accounting proposals the FASB has recently proposed, my employer would be penalized tens of thousands of dollars for these grants. How can this be accurate accounting? I kindly ask the FASB to consider alternative methods of accounting for stock options that realistically account for real money transfers. Accounting methods should consider when the options are exercised, not when they're granted.

Although I have never profited from a stock option, I understand their importance in economics and the evolution of society. Henry Ford recognized he must pay his employees enough so they could afford the products they made. He lifted the standard of living of many Americans, and influenced other businessmen to recognize the importance of compensation and wages on the American economy. With a healthy wage, Americans were able to consume more goods and services, generating more jobs, and a healthier economy. Today, the American economy rides on the back of the American consumer. And the American consumer should not only have the opportunity to earn a healthy wage, but to strive for company ownership; the next step in the evolution of the American Worker.

To prevent America from becoming a two class society, corporate ownership must enter into the equation. Just as healthy wages were needed to spur the economy a century ago, broad based corporate ownership by the American consumer will fuel the American economy into the next century.

By using traditional methods of expensing stock options, companies will be forced to over value the options they grant. Hurting the company, and limiting the number of option grants. Executives will still get their options, but the broad employee base will not. The proposed accounting standards create an obstacle to wealth for the American Worker.

All Americans agree that compensation must be accounted for, I'm only asking that it be done in a manner that is most accurate and fair. A fair and reasonable accounting method for exercising stock options will allow companies to better compensate their employees, thus fueling the American economy, our standard of living, and help create equitable classes among American society.

Please consider accounting for stock options when they're exercised - not when they're granted.

Best Regards, Wayne LeBlanc Richardson, Texas