

Stacey Sutay

Letter of Comment No: 455
File Reference: 1102-100

From: Michael Mitchell (mmitchel) [mmitchel@cisco.com]
Sent: Monday, April 19, 2004 7:01 PM
To: Director - FASB
Subject: File Reference No. 1102-100 - Saving Stock Options

Dear Chairman Herz,

I would like to urge you to reconsider the current plan to force companies to expense stock options at artificially high valuations.

Here in Silicon Valley, the biggest threats to individual workers are unemployment and jobs going overseas. I am afraid that the current proposal will amplify both of these concerns by driving jobs overseas and alienating individual employees from any success their company might achieve from outsourcing.

I believe the aim of the current stock option expensing proposal is to lessen the chance of corporate malfeasance. I am afraid the current proposal will do nothing of the sort. Top executives will still get stock options, it is only the individual employees that will be cut out. If you want to better monitor stock activity for top officers, please do that and ONLY that.

In today's global economy we have to think of new ways to allow individuals to benefit from activities that may be best for the company, but occur outside the US. All the current proposal will do is drive those jobs overseas and limit the financial benefits from outsourcing to the top executives in a company. Why would we do something so harmful to individuals? We should be REQUIRING all US-based companies to offer stock options to individual contributors, not punishing the few that are doing the right thing.

Sincerely,
Michael Mitchell