

Letter of Comment No: 96
File Reference: 1082-300
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Stacey Sutay

From: Bobby Knell [golfrman@ev1.net]
Sent: Monday, December 01, 2003 6:59 PM
To: Director - FASB
Cc: johng@franchise.org
Subject: File Reference No. 1082-300

Dear Sir/Madam,

As a small business owner and franchisee I am extremely concerned about the ramifications of FIN 46.

Small businesses are already struggling to make a profit, with the way the economy is, and now you want us to spend more money providing you with figures that are going to be meaningless to anyone other than me. Do you have any idea how much of my precious free time I will now have to take away from my family so that I can change my business to accommodate this new proposal. I do not have the staff to do it so I will be stuck doing it myself. And then you want me to pay some auditor to audit the numbers!

What about the fact that my financial information is not for everyone's eyes to see. Just because we live in the information era does not mean that I now have to divulge my companies financial information to whomever wants to see it.

When I purchased my franchise it was under the express condition that I, as an individual, own and operate the business without having to tell the franchisor anything about my finances, other than what is required for the payment of royalties, and I do not intend to start now.

And if you think I am the only one who thinks this way, you are very mistaken. Just within our franchise system there is very few franchisees that are willing to tell the franchisor anything about their finances, even when it is to the benefit of the system as a whole. Just recently, at our annual convention, we had an entire region that refused to divulge some very basic statistics that would allow the franchisor to create certain benchmarks. I'd like to see you get them to provide their financials.

I urge you to find another way to get the information that you really need, from the companies you really need it from. of which I am not one.

Sincerely,
Robert R. Knell