



TA & I Director
File Reference Number 1082-300
Financial Accounting Standard Board of
the Financial Accounting Foundation
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

November 24, 2003

Letter of Comment No: 63
File Reference: 1082-300
Date Received: 11/24/03

RE: FIN 46

Dear Director:

I am very concerned about the current draft of FIN 46, as it will have a negative impact on my franchised business as well as other franchised businesses in Alaska and across the country. Bottom line, FIN 46 could have serious negative economic impacts to the franchise business community, which is a major contributor to the economy.

If FIN 46 is implemented as currently written, all franchisees in a system could be required to use the same outside auditor, adhere to accounting principles dictated by the franchisor, forced to provide fully audited financial statements information to the franchisor, and adhere to internal control dictates of the franchisor. These are all costly hardships that would be unfairly borne by franchisees, as it will be a much larger engagement for each franchisee as most have only Reviewed financial statements completed at this time.

I am very much in favor of FASB's efforts to improve the quality of financial reporting by enterprises involved with Variable Interest Entities but FIN 46 does not address the issue properly as it causes more harm than good. Please review and take into account the concerns I and many in the franchise industry have by implementing the immediate suspension of FIN 46 to franchise relationships (until fiscal years beginning after December 15, 2004) pending the issuance of clarifying statements by FASB.

Sincerely,


Jay W. Sutherland
President
North-Wend Foods Inc.