

Letter of Comment No: 72 File Reference: 1025-200 Date Received:/0/27/03

October 27, 2003

VIA e-mail to: director@fasb.org

Financial Accounting Standards Board
Director of Technical Application & Implementation Activities
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FedEx Corporation has recently reviewed the Proposed Statement of Financial Accounting Standards Exposure Draft, *Employers' Disclosures about Pensions and Other Postretirement Benefits*, issued September 12, 2003.

We concur with the need for more transparency in pension disclosure and we are supportive of the majority of additional disclosures contemplated under the Exposure Draft. However, some provisions of the Exposure Draft suggest the elimination of disclosure items that we feel enhance pension analysis while other proposals would provide the reader will little useful information. Our specific comments to certain of the proposals deliberated in the Exposure Draft follow.

Issue 3 (b): Disclosure of contributions expected to be paid to the plan during the next fiscal year. We believe that only statutorily or contractually required minimum contributions, to the extent known or determinable, should be required disclosure under the proposed statement. These amounts are typically determinable as of the end of a fiscal year and we believe this information provides useful data to investors. However, we believe expected discretionary contributions should not be required disclosure. Changing circumstances may alter a company's plans from the time that the annual financial statements are prepared, and requiring a forecast of total expected contributions in excess of those minimum contributions statutorily or contractually required may have unintended consequences. We believe that disclosing the required minimum contribution for the following fiscal year and actual contribution made each quarter, separated between minimum statutorily or contractually required payments and other payments is a better disclosure proposal.

Issue 6: Disclosure of sensitivity information. We believe the discussion of sensitivity information should not be included in the final Statement. We believe this information should be addressed in the MD&A section of a company's Annual Report in cases where pension assumptions are deemed to be a part of a company's critical accounting policies. We agree with the Board's concern that disclosure of hypothetical changes in pension assumptions would not provide useful information because an analysis that varied only one assumption at a time, holding others constant, could be misleading or misinterpreted.

Issue 7: Disclosure of pension plan measurement date. We believe disclosure of the measurement date enhances comparability of pension assumptions between companies and should be a required disclosure in annual financial statements.

Issue 8: Elimination of the reconciliation of plan assets and benefit obligations. It is our position that Issue 8 of this proposal should be eliminated because the reconciliations of plan assets and benefit obligations are too complex for other than the most sophisticated reader to understand, and analysts and others often misinterpret the reconciliations that are presented. We support the development of a more abbreviated presentation of the key drivers that affect the changes in projected benefits obligations, plan assets and the overall funded status of pension plans.

Issue 9 (f): Decision to not require disclosure of number of pension plan participants by group. We disagree with Issue 9(f) of the Exposure Draft and believe that the number of pension plan participants by group (active, terminated, and retired) should be disclosed. We believe this disclosure is important in understanding the future payout of the projected benefit obligation and enhances the quality of the overall pension disclosure.

Issue 9 (j): Decision not to require a description of participation in multi employer plans. We object to the Board's decision not to require a description of participation of multi employer plans as proposed in Issue 9(j). Omitting this would exclude the potential disclosure of materially under funded plans where the employer has an implied association. We suggest the Board consider requiring employers that participate in "large" multi employer plans disclose at least the total funded status of the plan along with the key assumptions and methods used in the underlying calculations of the funded status.

Issue 10: Interim Pension disclosures. We believe that disclosing, on an interim basis, the amount of net periodic pension and OPEB costs recognized (showing separately the service costs, interest costs, expected return on plan assets and any amoritization and gains and losses) provides no measurable value to the financial statement user. These expense components are developed on an annualized basis and we believe disclosing total net periodic expense recognized in the income statement each quarter would be sufficient disclosure.

We appreciate the opportunity to comment on these proposed rule changes.

Sincerely,

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