

## Stacey Sutay

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**From:** Frank Juliano (fjuliano) [fjuliano@cisco.com]  
**Sent:** Monday, April 19, 2004 3:52 PM  
**To:** Director - FASB  
**Subject:** File Reference No. 1102-100

Letter of Comment No: 391 -  
File Reference: 1102-100

Dear Chairman Herz,

I am writing to you concerning the draft plan to treat stock options as an expense. I have been working in the engineering field for about 15 years. I have been fortunate enough to keep employed over most of that time but I cannot say that for many of my colleagues. Especially over the last 5 years it has been getting more and more difficult to find and keep a job in this field. The reason is that many companies are being forced to shift work overseas resulting in fewer openings here. These companies are pointing at the increased competition due to cheaper labor forces overseas. I am finding that my colleagues are being forced to change careers which is a huge loss of high quality engineering talent in our country. The sad thing is many of these products that are being designed and sold overseas are the brain child of American engineering. At this rate American engineering will be a thing of the past and WILL weaken our country. We need all the help we can get especially in these current economically challenged times. We need to keep the playing field level with our foreign competitors that routinely provide non-expensed stock options to their employees. Stock options are a huge incentive to keep highly talented engineers motivated and on our soil creating the best products in the world. Please do not hurt the great state of engineering in this country by forcing companies to treat stock options as an expense. We have already lost too many industries to undercutting, cheap, foreign labor. Do your part to keep America strong and the undisputed leader in technology.

Thank you for your time,

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