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Letter of Comment No: 2570 File Reference: 1102-100

From:

jason.mitchell@radisys.com

Sent:

Tuesday, May 18, 2004 7:39 PM Director - FASB

To: Subject:

File Reference No. 1102-100, Comment on FASB Stock Option Proposal



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Dear Mr. Robert Herz:

I am writing in reference to FASB's invitation to comment on its exposure draft, "Share-Based Payment," an amendment of Statements No. 123 and 95. It is my personal opinion that ESPP and stock options should not be considered as an expense. Attempting to expense such options in no way adds better insight to the financial statements and or health of a company. But rather it eliminates the benefit that individual employees can earn for their efforts for the company

The estimated value of options is already disclosed. Companies already disclose in their financial statements the estimated value of options, either as an expense or in a footnote to the income statement. This is appropriate treatment. Most companies that treat options as an expense do not have broad-based stock option programs and the impact of such an expense usually is very small. For companies that have broad-based programs, the expense would be material, and the current footnote disclosure gives investors the opportunity to determine what impact options grants might have on a company's financial performance.

Sincerely,

Jason Mitchell 5445 NE Dawson Creek Drive Hillsboro, OR 97124