## Len Tatore

From: Sent:

Anna Charny [acharny@cisco.com] Wednesday, April 21, 2004 9:00 PM Letter of Comment No: 1314

File Reference: 1102-100

To:

Director - FASB

Subject:

RE: File Reference No. 1102-100:

Dear Chairman Herz.

I am writing to express my opposition to expensing stock options.

As a research scientist and engineer working in the high tech industry for many years, I strongly appreciate the value of stock options in stimulating innovation and productivity in the industry. I am concerned that valuation for a stock option required by FASB will eliminate this powerful incentive, especially at artificially high evaluation. U.S. companies must compete with fast growing industry in the rest of the world, and to be successful in this global competition they need to increase, rather than decrease incentive for innovation.

I believe that expensing stock options could have a dramatic negative impact on the high tech industry, stifling innovation and job creation. This would be especially traumatic as the industry is recovering from a painful downturn.

Sincerely, Anna Charny, Ph.D.