Letter of Comment No: 1496 File Reference: 1102-100

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From:

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Sent:

Thursday, April 22, 2004 11:01 AM

To:

Director - FASB

Cc:

savestockoptions@cisco.com

Subject: File Reference No. 1102-100: Please Do Not Expense Stock Options - Personal Story

Chairman Robert H. Herz-

I am writing this letter as a four-year employee of Cisco Systems, in reference to the recent FASB draft on treating stock options as an expense.

I wanted to share a personal story on how the motivation of stock options affects me personally in my work and for my family's future.

I am a typical middle-class worker with two children, ages five and seven. My wife stays at home, by choice, to raise our children and I drive a fourteen year old truck with 117,000 miles on it to allow this financially. So - I don't want options for a new BMW or massive new home. In other words I'm not looking to get rich on stock options, or to live an extravagant life style.

I want stock options to help send my kids to college. I can tell you if stock options are expensed, and the mass "worker-bee" population of many companies such as me has this anticipated benefit taken away, that I predict an even further erosion of the American work-force existence and general day-to-day purchasing empowerment in the current changing and outsourced global economy. No options means we first need to shift day-to-day spending for "necessities" such as trips to K-Mart/Target; further live on less (and help the economy less by spending), and chip in more for our children's college account.

A person such as me needs to be putting away \$400-\$500 a month to send two children to college later in life. If the FASB draft is passed, and options are expensed, and we want to keep our current very realistic level of day-to-day "necessity" spending, my wife will be going back to work to help pay for the college fund; and we'll place our kids in daycare for part of the day and the summer. I have been working very hard over the past seven years, since they were born, to avoid outsourcing the care of my children for my wife to work. The FASB draft could cause that.

There are tons of people, just like me in Apex, NC, that work very hard day-to-day, hoping that some day, for example, the options will help pay for their children to go to college. I have worked hard with getting an education, including Active Duty Air Force service to this country, to get to this point in my life where I can finally provide for a family and plan for their future.

Taking stock options away from the "Average Joe" due to expensing will cause many workers such as me to re-evaluate their year-to-year work plans.

Please, please, please do not go forward on this draft. Please reconsider.

Regards,

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