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Letter of Comment No: 5254
File Reference: 1102-100

From: Mac McIntyre [MJMc@austin.rr.com]

Sent: Wednesday, June 23, 2004 11:03 PM

To: Director - FASB

Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

To whom it may concern,

I am writing to express my strong opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). These plans are vital to the success of growth companies on the cutting edge of technology. They attract highly-skilled workers and give them the sense of ownership needed to foster innovation in a highly competitive environment.

At many companies, both stock options and ESPPs are used as incentives for employees at all levels in the organization. As a human resources professional, I see employees working on the manufacturing floor who are highly motivated to do their part towards the return on investment to our shareholders, themselves. They see their efforts pay off in the form of a better life for their families.

I have benefited from these programs in a very personal way. My son is intellectually gifted and we have been able to provide him with opportunities to expand his horizons which we would not have been able to do if not for the stock option program. In addition, the investments we have made in our ESPP will enable us to help our parents enjoy a worry-free retirement. I could not really begin to explain the benefits we have seen as a family from these programs and the trickle down effect they have had to our extended family.

The changes in the accounting treatment for these programs will adversely impact the average high tech worker as companies are forced to remove them from their incentive programs. It scares me to think of the trickle down effect this will have on my family specifically and the high tech industry in the United States in general.

I respectfully request that the FASB strongly reconsider their intentions to force all companies to expense stock option and employee stock purchase plans on their profit and loss statements. I do not want to see strong, well-managed and reputable companies like Applied Materials (which are in the majority) punished for the actions of the few corrupt companies that dominate the headlines. More importantly, I don't want to see the average worker of the reputable companies unfairly punished as the average worker at the corrupt companies have been.

Thank you for your consideration.

Michael J. McIntyre
Human Resources Manager
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