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**From:** Frank Viggiano [fviggian@cisco.com]  
**Sent:** Wednesday, April 21, 2004 2:02 AM  
**To:** Director - FASB  
**Subject:** Please, no expensing of stock options

**Letter of Comment No:** 310  
**File Reference:** 1102-100

I urge you not to adopt expensing of stock options. To do so would strongly discourage companies from distributing stock options to employees on a widespread basis. I am an employee of Cisco Systems and have seen how awarding stock options to every employee in the company gives every employee a feeling of ownership and a motivation for company success which is quite different from anywhere else I have worked or seen. This is clearly beneficial to America's competitiveness, and clearly beneficial to shareholders.

If companies are forced to expense options up front using the methods proposed, it would cause them to take a large charge against earnings up front, for something that may never be worth a cent to the employee. This would not make much sense for the company to do, and thus it would likely kill stock options as they are currently used at a company like Cisco. They would return to being a perk only of the top executives.

Please keep stock option accounting as it is now.

Sincerely,  
Francis P. Viggiano