



January 15, 2008

Russell G. Golden
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

File Reference: Proposed FSP FAS 142-f

Dear Mr. Golden:

The Accounting Principles Committee of the Illinois CPA Society (Committee) appreciates the opportunity to provide our perspective on the proposed FASB Staff Position, Determination of the Useful Life of Intangible Assets. The organization and operating procedures of the Committee are reflected in Appendix A to this letter. These comments represent the position of the Illinois CPA Society rather than any members of the Committee or of the organizations with which the members are associated.

#### **Committee Supports Proposal**

The Committee supports the amendment to the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under Statement No. 142, Goodwill and Other Intangible Assets.

## **Feedback on Specific Questions**

1. What costs would be incurred to implement this proposed FSP?

The Committee does not envision any significant costs will be incurred to implement the proposed FSP. For most entities, the information to determine the renewal or extension assumptions is readily accessible and determinable based on historical company information. While the Committee acknowledges that in some instances costs to obtain market participant data may be higher, the cost benefit justifies the means. Proposed FSP FAS 142-f Page 2 January 15, 2008

2. Are the transition provisions of this proposed FSP appropriate?

The Committee believes the transition provisions are appropriate.

3. Given this document's comment period, the Board expects to finalize this proposed FSP in first quarter 2008. Does this issuance date provide sufficient time for affected entities to understand and apply the requirements of this FSP, which is effective for fiscal years beginning after June 15, 2008?

The Committee believes the first quarter 2008 issuance date of the FSP will provide ample time for affected entities to understand and apply the requirements of the FSP. However, the Committee believes that additional examples should be added to the FSP in order to provide the reader with a stronger conceptual understanding of the material. Lastly, the Committee recommends adding additional information in an appendix to assist the reader in obtaining the most relevant market participant data, where historical company information isn't available.

We appreciate the opportunity to offer our comments.

Sincerely,

John A. Hepp, Chair Accounting Principles Committee

# APPENDIX A ILLINOIS CPA SOCIETY

## ACCOUNTING PRINCIPLES COMMITTEE ORGANIZATION AND OPERATING PROCEDURES 2007-2008

The Accounting Principles Committee of the Illinois CPA Society (Committee) is composed of the following technically qualified, experienced members appointed from industry, education and public accounting. These members have Committee service ranging from newly appointed to more than 20 years. The Committee is an appointed senior technical committee of the Society and has been delegated the authority to issue written positions representing the Society on matters regarding the setting of accounting standards. The Committee's comments reflect solely the views of the Committee, and do not purport to represent the views of their business affiliations.

The Committee usually operates by assigning Subcommittees of its members to study and discuss fully exposure documents proposing additions to or revisions of accounting standards. The Subcommittee ordinarily develops a proposed response that is considered, discussed and voted on by the full Committee. Support by the full Committee then results in the issuance of a formal response, which at times, includes a minority viewpoint.

Current members of the Committee and their business affiliations are as follows:

### **Public Accounting Firms:**

Large: (national & regional)

John A. Hepp, CPA Alvin W. Herbert, Jr., CPA Steven C. Johnson, CPA Matthew G. Mitzen, CPA

Laura T. Naddy, CPA Reva B. Steinberg, CPA Jeffery P. Watson, CPA

Medium: (more than 40 employees)

Barbara Dennison, CPA

Marvin A. Gordon, CPA Ronald R. Knakmuhs, CPA

Laurence A. Sophian, CPA

Small: (less than 40 employees) Walter J. Jagiello, CPA

Kathleen A. Musial, CPA Industry:

John M. Becerril, CPA Melinda S. Henbest, CPA James B. Lindsey, CPA Anthony Peters, CPA

Educators:

James L. Fuehrmeyer, Jr. CPA David L. Senteney, CPA Leonard C. Soffer, CPA

Staff Representative:

Paul E. Pierson, CPA

Grant Thornton LLP

Retired/Clifton Gunderson LLP McGladrey & Pullen LLP

Virchow Krause & Company, LLP Crowe Chizek and Company LLC

BDO Seidman LLP

Blackman Kallick Bartelstein LLP

Selden Fox, Ltd.

Frost, Ruttenberg & Rothblatt, P.C.

Miller, Cooper & Co. Ltd.

Ostrow, Reisin, Berk & Abrams, Ltd.

Walter J. Jagiello, CPA BIK & Co., LLP

Cabot Microelectronics
The Boeing Co.

TTX Company

McDonald's Corporation

Notre Dame University Ohio University University of Chicago

Illinois CPA Society