10 Longs Peak Drive
Broomfield, Colorado

September 30, 2010

VIA EMAIL
Mr. Russell G. Golden
Technical Director
File Reference No. 1810-100
Financial Accounting Standards Board of
The Financial Accounting Foundation
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Dear Mr. Golden:

Thank you for the opportunity to respond to the Exposure Draft: *Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities* ("Proposed Guidance"). Ball Corporation ("the company", "we" or "our") is a U.S.-based Fortune 500, multi-national manufacturer of metal packaging products and of aerospace and other technologies. While we do have significant number of concerns regarding the Proposed Guidance, we have elected to focus on the two specific, significant issues with regard to the utilization of financial instruments that have the most impact the manner in which we conduct our business. Your consideration of our comments with respect to the Proposed Guidance is greatly appreciated.

The first issue we would ask the Board to consider is the lack of any proposed change to the current guidance on the bifurcation of nonfinancial risks (e.g. commodity risks). Our business model relies on the ability through derivative contracts to match the purchase cost of specific commodities (e.g. aluminum) with the related cost/price of those same commodities included in the sales prices of our products (e.g. many of our sales contracts specify that the sales price is comprised of the cost of the aluminum, plus a premium for freight and insurance, plus a conversion price). This ability to match is never absolute, but is greatly enhanced by the use of derivative instruments that hedge specific commodity risks. The current accounting model in ASC 815 (formally SFAS 133) does not permit the bifurcation of nonfinancial risks even when the sales price clearly includes a contractually-specified price for those nonfinancial risks, and the commodity component can be clearly identified in the finished product. In addition to this impact on our business model, the lack of flexibility in the current and Proposed Guidance also appears to be inconsistent with ASC 815, which allows financial risks (e.g. interest rate risk) to be bifurcated from other risks inherent in the underlying transaction. We would ask the Financial Accounting Standards Board (the Board) to reconsider and revise the current provisions to allow nonfinancial risks to be bifurcated if it can be clearly identified in the end product and the price for that nonfinancial risk is specified in the sales contract. This would allow many more end users the option to hedge viable economic risks using financial derivatives.

The second issue that we would like to bring to the Board's attention is the lack of convergence of the Proposed Guidance with the International Accounting Standard Board's (the IASB) issued and proposed standards on financial instruments. It seems contrary to the Board's goal of convergence with international accounting standards to issue Proposed Guidance that materially differs in the accounting treatment for similar financial instruments and transactions. We understand that there are various factors that contribute to these differences; however, on a topic as important and complex as the accounting for financial instruments, we would expect a high level of consistency between the Board and the IASB on any proposed guidance. Please consider revising your Proposed Guidance to align with the financial instruments guidance of the IASB prior to issuance of the final standard.

Please consider our comments and contract us if you have any further questions regarding our comments on the Proposed Guidance.

Sincerely,

Shawn M. Barker
Vice President and Controller