

From: [Lisa Vandergriff](#)
To: [Director - FASB](#)
Subject: Comment Letter - File Reference No. 1820-100 Attn: Technical Director
Date: Thursday, October 21, 2010 5:36:07 PM

To: Financial Accounting Standards Board
401 Merritt 7
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As the Accounting Supervisor for The Superior Group, Inc. I manage the accounting systems for 6 construction companies and have observations about the proposed FASB revenue recognition changes. We are concerned that the new standard can not be applied fairly or accurately as individual performance obligations and carries the risk of adverse economic effects to our company. The inability to subjectively identify and allocate revenue to performance obligations will create less consistency in our financial reports. This will lead to inaccurate recognition of revenue which will misstate our profits which can materially affect our relationship with our surety, banker and users of our financial statements. We are receiving feed back from the banking and surety industry that they will not accept this reporting method and we will be forced to process our financial statements outside of GAAP which is not something we want to do.

We feel that it is not possible to adequately segregate a construction project into separate components. That a project is so interrelated in the overall profits and risks that to break it down into distinct profit margin cannot be met.

Regarding consideration of bonuses we strongly request that inclusion of these calculations prior to the realization that they are reasonably assured be excluded. Our users of the financial statements will not want to have those amounts included in revenue prior to the realization of it actually happening.

We appreciate the Boards hard work and efforts to a create a single standard but without efforts to preserve key elements of SOP 81-1 the Boards are setting us up to create inferior accounting rules for the construction industry.

One last consideration, we ask that private companies be allowed an additional year to comply once the new rules are complete.

Thank you for your consideration of our views,

Lisa A. Vandergriff,
Corporate Accounting Supervisor

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