HUSER
CONSTRUCTION COMPANY, INC.

October 21, 2010

Technical Director
Financial Accounting Standards Board (also Via Electronic Mail)
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: File No. 1820-100

Dear Sir or Madam:

Thank you for the opportunity to respond to the exposure draft on *Revenue Recognition (Topic 605) – Revenue from Contracts with Customers* (Exposure Draft). I am an owner and CFO of a commercial general contracting construction company doing business in Texas. We have been operating for 15 years, steadily growing the company to approximately $27,000,000 in annual contract revenues. The primary external users of our financial statements are our surety/bonding company, our banks, and potential new customers. These users are provided annual independent CPA audited reports and internal quarterly reports. Management is dependent on timely, accurate monthly internal reports.

Accurate, consistent and timely revenue reporting has a tremendous impact on our continued growth and success. Our contracts, and the related reporting, extend over multiple monthly reporting periods and frequently cross annual reporting periods. The use of the percentage of completion method for revenue recognition provides accurate Work in Progress reporting that our management and our bonding, banking, architectural and customer partners can understand and rely on.

The vast majority of our construction contracts are executed on AIA documents. Change orders and monthly pay applications are also formally executed on AIA documents. Each of these documents requires the signed approvals of both the architect and owner. The monthly pay applications must include a Schedule of Values for the project and identify Percentage of Completion amounts. It would be impractical to coordinate recognizing and collecting revenue in the components the contractor will need to use (multiple performance obligations per new FASB) with a differing set of components required by the architect (contract percentage of completion).

I have read the exposure draft and discussed it with the partners of our independent audit and tax firm. My conclusions are that the proposed revenue recognition methods would be extremely costly to our company without providing any improvement in our internal or external reporting. There would be new software and hardware expenses required to identify costs and revenues for 5-10-20 times as many line items. We would definitely need to add accounting staff to maintain our reporting deadlines for management, sureties and banks. Our annual audit and tax costs will increase significantly. Discussion and reconciliation of revenues, costs and profits reported in previous periods would be constant.

I also believe there would be new challenges in the negotiating and bidding of new contracts. Some of our contracts are with repeat customers. Logical questions will arise concerning the difference in contract pricing. The somewhat subjective nature of the proposed revenue recognition could also lead to non-comparative pricing on proposed projects.

In summary, current accounting and audit standards work well for our construction company. I request that serious consideration be given to privately held, small-medium size construction companies continuing to recognize each contract's revenues as a single performance obligation. This is the actual manner in which they are estimated, contracted, and executed. Thank you for your consideration of my comments.

Sincerely,

SHuser

Shawnna L. Huser
Vice-President