Fogel-
Anderson
Construction Co.

October 18, 2010

Technical Director
File Reference No. 1820-100
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

RE: Comments on the FASB and IASB's Exposure Draft on Revenue Recognition from Contracts with Customers

Dear Sirs,

My name is Jerry Gronniger and I am writing this letter on behalf of Fogel-Anderson Construction Co. of whom I am the Chief Financial Officer. We are a medium sized general contractor located in the Midwest. As a financial executive of Fogel-Anderson Construction we are extremely interested in the Boards project on revenue recognition and the impact upon us if passed.

We are also a member of the Construction Financial Management Association. I concur with the objections that have been raised by them, mainly the current guidance in the Exposure Draft for recognizing revenue at the "performance obligation" level. There would be so much subjectivity involved in the process of identifying and allocating revenue to performance obligations that the end result could be outright manipulation of the facts. Not to mention the increased cost involved to try to track and maintain a consistent evaluation within our company as well as the company who is auditing our records. Their cost to us would increase and ours as well which in likelihood will get passed on to owners and eventually consumers. Not to mention it will be a hard sell to the owner, oh by the way we have to increase our costs because it is going to take longer for us to prepare our billings and our auditors will be charging us to make sure we have effectively and consistently recognized revenue using "performance obligation" levels. There is no value to the buyer.

All of our jobs are done on a contract basis with the owner. All of the activities for our projects are interrelated and inseparable making it very hard to find a basis for determining price for a "performance obligation".

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The proposed draft calls for financial reporting using performance obligation, but communications with customers, including billing arrangements, center around the entire contract. We would still manage our jobs on an overall contract basis, not a performance obligation basis. Therefore our interim financials would continue to follow "SOP 81-1", lenders and sureties would have difficulty reconciling interim information to year-end information and left unchecked, would result in more departures from GAAP or tax basis financial statements.

All in all, we see this exposure draft as a nightmare for CFO's and other company officials to implement and maintain while on the other hand job security for public accounting firms as they will have to beef up their staffs to make sure the standard is being properly handled.

Sincerely,

Jerome B Gronniger, CPA, CCIFP
Fogel-Anderson Construction Co.