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November 1, 2010

Mr. Russell G. Golden
Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

File Reference: 1860-100

Re: Proposed Accounting Standards Update, *Disclosure About an Employer's Participation in a Multiemployer Plan*

Dear Mr. Golden:

Deloitte & Touche LLP is pleased to comment on the FASB's proposed Accounting Standards Update, *Disclosure About an Employer's Participation in a Multiemployer Plan*.

We support the Board's efforts to increase transparency about an employer's participation in multiemployer plans by requiring employers to provide additional qualitative and quantitative disclosures. We believe this area of financial reporting warrants incremental, meaningful disclosure to help financial statements users obtain a complete and comprehensive understanding of a company's unfunded commitments and obligations. However, we believe that the proposal, as exposed, does not achieve its intended purpose of providing users of the financial statements with the most relevant, reliable, and transparent information about a company's participation in multiemployer plans and could result in a lack of consistency and comparability between employers.

As noted in the appendix below, we have significant concerns about (1) the volume of proposed quantitative and qualitative disclosures; (2) whether preparers can obtain information to support some of the proposed disclosures (e.g., whether they are operational); (3) whether companies will receive timely, consistent, and reliable information from the plans' administrators; (4) use of the withdrawal liability as a proxy for measuring an employer's unfunded obligation with respect to disclosure of its involvement with multiemployer plans; and (5) the timing of the proposed effective date.

The appendix also contains our responses to the specific matters on which comment was requested by the FASB.

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We appreciate the opportunity to comment on the proposed ASU. If you have any questions concerning our comments, please contact Robin Kramer at (203) 761-3079.

Yours truly,

Deloitte & Touche LLP

cc: Robert Uhl

Appendix
Deloitte & Touche LLP
Responses to the Proposed ASU's Questions for Respondents

Question 1: Do you agree that the proposed quantitative and qualitative disclosures will result in a more useful and transparent disclosure of an employer's obligations arising from its participation in a multiemployer plan? Why or why not? If not, what changes would you suggest to the proposed amendments?

As discussed in the cover letter, we support the Board's efforts to increase transparency about an employer's participation in multiemployer plans by requiring employers to provide additional qualitative and quantitative disclosures. However, we have significant concerns about (1) the volume of proposed quantitative and qualitative disclosures; (2) whether preparers can obtain information to support some of the proposed disclosures (e.g., whether they are operational); (3) whether companies will receive timely, consistent, and reliable information from the plans' administrators; and (4) use of the withdrawal liability as a proxy for measuring an employer's unfunded obligation with respect to disclosure of its involvement with multiemployer plans.

We recommend that to help users, preparers, and auditors better understand the financial statements, the Board state additional objectives for the disclosures a company would be required to make about its participation in multiemployer plans. We also recommend that in establishing such objectives, the staff conduct further outreach and field studies with users, preparers, plan administrators, and other interested parties to better determine what disclosures are desired by users and can be provided by preparers.

We believe that the volume of disclosures required by the current proposal is potentially onerous, in particular for companies that participate in a number of multiemployer plans. Accordingly, we recommend that the Board consider narrowing the list of required disclosures on the basis of the outcome of the final stated objectives and the suggested additional outreach performed.

We question whether preparers can obtain information to support some of the proposed disclosures (e.g., whether they are operational). We believe that ASC 715-80-50-1B(h), which requires disclosure of the percentage of the employer's employees covered by multiemployer plans, requires further clarification about how and as of what date the disclosure should be applied. Many companies that participate in multiemployer plans are in seasonal industries. Measuring the number of employees as of a point in time (such as year-end) could be misleading. The Board might consider amending this disclosure requirement and instead require the measurement to be based on an average number of employees during the reporting period. In addition, ASC 715-80-50-1B(i), which requires that quantitative information about the employer's participation in the multiemployer plan be disaggregated between active and retired participants, may not be operational. Given the mobile nature of the workforce that is typically covered by multiemployer plans, participating employers may find it difficult to implement this element of the

proposal because it is not clear how an employer would determine which retiree participants to attribute to it.

We also recommend that the disclosures of a subsidiary participating in a plan sponsored by its parent be limited to (1) those currently required by ASC 715-80-50-1 (i.e., a description of the plan and the cost recognized during the current period) and (2) the disclosures required by ASC 850-10 due to the related-party nature of the arrangement and the parent's ultimate responsibility for the benefit obligation.

For our views on disclosure of the withdrawal liability, please see our response to Question 2.

Question 2: Do you believe that disclosing the estimated amount of the withdrawal liability, even when withdrawal is not at least reasonably possible, will provide users of financial statements with decision-useful information? Why or why not?

We believe that the entity has an obligation for its portion of the unfunded obligation associated with its participation in multiemployer plans. The entity has little or no discretion to avoid the obligation, and such obligation warrants transparent disclosure in the entity's financial statements. However, we have significant concerns about the use of a company's withdrawal liability as a proxy for the measurement of this obligation as described in ASC 715-80-50-1B(m)(2) of the proposed ASU.

We believe that the withdrawal liability may not be most representative of the employer's existing obligation under the plan. We recommend that the staff conduct outreach and field studies with users, preparers, plan administrators, and other interested parties to determine what the best proxy is for measuring an employer's unfunded obligation for disclosure purposes.

We question whether companies will receive timely information from the plans' administrators to estimate a potential withdrawal liability. Under current regulations the multiemployer plan administrator has 180 days or more to respond to requests related to an estimate of the potential withdrawal liability. As a result, the withdrawal liability amount provided to employers may not be the most current representation of the employer's obligation to the plan, particularly for companies with a fiscal year-end that is different from the plan's year-end.

We also question whether companies will receive consistent and reliable information from the plans' administrators. We understand that multiemployer plan actuaries use a significant amount of demographic data (including data for all participating employers in the multiemployer plan) and a wide range of assumptions and methods over which the participating employer has no influence or control. Employers may be challenged in their ability to assess the gathering, processing, and reporting of the withdrawal liability amounts obtained from plan administrators under their internal controls over financial

reporting. As a result, we believe that it may be difficult for preparers to obtain a reasonable level of assurance for the disclosures that are derived from the multiemployer plan without undue cost and effort, particularly in circumstances where the company has involvements with numerous multiemployer plans. In addition, public entities may have difficulty certifying the withdrawal liability disclosure under the Sarbanes-Oxley Act, particularly with respect to this calendar year-end.

We agree that the proposed amendments should not change an employer's existing requirement under U.S. GAAP in ASC 450 to disclose an obligation for withdrawal from a multiemployer plan when the contingency is either probable or reasonably possible.

Question 3: What implementation costs, if any, will an employer face in applying the proposed disclosures? Are these costs significantly different when applying the proposed disclosure requirements to foreign plans?

The implementation cost and ongoing costs to comply with the disclosures will depend, in part, on the number of plans in which an employer is participating. We suggest that the Board consider the feedback it receives from financial statement preparers and plan administrators about the cost of implementation.

Question 4: The Board plans to require that the amendments in the final Update be effective for public entities for fiscal years ending after December 15, 2010. Are there any significant operational issues that the Board should consider in determining the appropriate effective date for the final amendments?

We believe that the proposed ASU does not allow many companies enough time to obtain or appropriately review the information required to comply with the disclosures. Many participating employers will require more time to properly plan and execute the timing of their limited right to request information from plan administrators. By the time a final standard is issued, the plan administrator may not be required contractually or under Department of Labor regulations to comply with a company's request for information because in most cases the advance notice period will have elapsed. The plan administrator generally has 30 days to respond to a request for documents; however, a plan does not have to provide information that has been in their possession for less than 30 days.

Before the Board establishes an effective date, it should amend the proposed ASU to eliminate the operational challenges noted herein. As noted in our response to Question 2, a participating employer should be provided sufficient time to ensure that appropriate controls and procedures are in place to allow it to accurately disclose its involvement with multiemployer plans.

We recommend that the effective date of the proposed ASU be no earlier than fiscal years ending after December 15, 2011. If the Board finalizes the proposed ASU in the fourth quarter of 2010, entities would have approximately one year to implement procedures necessary to adopt the guidance in a final ASU. We also encourage the FASB to seek input from preparers about an appropriate effective date.

Question 5: The Board intends to defer the effective date for nonpublic entities, as defined in transition paragraph 715-80-65-1, for one year. Do you agree with the proposed deferral? If not, please explain why.

See our response to Question 4. Given the challenges that public entities would face in complying with the proposal's transition guidance in ASC 715-80-65-1, we believe that a final ASU should reflect a single effective date of no earlier than fiscal years ending after December 15, 2011, for both public and nonpublic entities.

Question 6: In addition to the deferral for nonpublic entities, should any of the provisions in this proposed Update be different for nonpublic entities (private companies and not-for-profit organizations)? If so, which provision(s) and why?

No. We recommend that all provisions of the final proposed ASU be the same for both public and nonpublic entities.

Question 7: Do you believe that the proposed and existing XBRL elements are sufficient to meet the Securities and Exchange Commission's (SEC) requirements to provide financial statement information in the XBRL interactive data format? If not, please explain why.

We suggest that the Board consider the feedback it receives from financial statement preparers about the sufficiency of the XBRL elements.