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December 15, 2010

Via email: director@fasb.org

Technical Director  
Financial Accounting Standards Board  
401 Merritt 7  
PO Box 5116  
Norwalk, CT 06856-5116

**RE: File Reference No. 1850-100, Proposed Accounting Standards Update- Leases (Topic 840) Leases**

Dear Sir or Madam:

**tw telecom inc.** appreciates the opportunity to respond to the Financial Accounting Standards Board regarding the Proposed Accounting Standards Update, Leases (Topic 840) (the "Exposure Draft"). **tw telecom inc.** is a leading national provider of managed network services, specializing in Ethernet and data networking, Internet access, local and long distance voice, virtual private network, voice over Internet protocol and network security services to enterprise organizations and communications services companies throughout the U.S. and, for IP-VPN services, to their global locations. We are a publicly traded company listed on the Nasdaq Global Select Stock Market under the symbol TWTC.

Overall we believe that the Exposure Draft as currently written is not operational and the benefits do not outweigh the costs. We have thousands of leases to which we would need to apply the proposed guidance upon finalization of a new standard. Our primary concerns are set forth below:

**1) *The benefits do not outweigh the costs***

We do not believe that the benefits outweigh the costs. The Exposure Draft as currently written would create a significant administrative burden to apply all aspects of the proposed model to the sheer volume of leases that we have. The burden on other companies of similar or greater size is likely to equal or exceed our burden. Furthermore, the proposed model requires the use of significant estimates and judgments, reassessment of estimates and judgments each reporting period and significant and complex disclosures, further compounding the administrative burden.

With the relatively basic accounting and disclosure requirements under the existing guidance, companies are able to use less sophisticated methods such as Excel spreadsheets or Access databases to collect and calculate the data needed meet the current accounting and disclosure requirements. We believe that many companies will need more sophisticated methods to meet the requirements of the proposed guidance that would likely result in the incurrence of significant systems and applications costs. Even with the use of these more sophisticated tools,

companies would not be able to systemize the significant estimates and judgments that would be required under the Exposure Draft.

We believe that the accounting and disclosure requirements as they exist today are adequate because users of the financial statements are able to obtain the expected cash flows from leases through the existing disclosures. Under these circumstances the potential benefit of bringing the leases on the balance sheet and expanded disclosure does not justify the additional costs.

**2) Measurement of assets and liabilities may not be reliably made**

Measurement of assets and liabilities recognized for leases under the Exposure Draft is not operational for companies with a significant number of leases. The proposed guidance would require a significant number of estimates some of which may not be reliably made (e.g., estimates of exercise of renewal options). Many of these estimates would be made for periods which extend beyond a company's long range forecast plans. The assets and liabilities recognized on the basis of such unreliable estimates would be of dubious value to the users of financial statements.

**3) Application guidance for distinguishing leases from other contracts is needed**

While the definition under the existing guidance is similar to the definition in the Exposure Draft, further application guidance and clarification of criterion would be beneficial because the proposed guidance for contracts determined to be leases results in significantly different accounting than contracts that are not determined to be leases.

**4) The Exposure Draft currently does not specifically address lease incentives.**

We believe the Board should clarify these accounting requirements in the final standard to ensure consistency in practice across all companies.

**5) An effective date for the Exposure Draft should be relatively long**

We recognize that the Board has issued a separate Exposure Draft and request for views on the effective date for converged standards. In respect of this Exposure Draft, we believe that the effective date should be relatively long to reflect the complexity and cost that implementation would require.

Thank you for your consideration.

Sincerely,

/s/ Jill R. Stuart

Jill R. Stuart  
Senior Vice President,  
Accounting and Finance and Chief Accounting Officer