October 12, 2009

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

File Reference: Exposure Draft Fair Value Measurements and Disclosures (Topic 820):
Improving Disclosures about Fair Value Measurements

Dear Mr. Golden:

Verizon Communications Inc. (Verizon) appreciates the opportunity to comment on the exposure draft. Verizon, one of the world’s leading providers of communications services, is a registrant with the SEC and classified as a Large Accelerated Filer.

While we support the Board’s efforts to provide additional guidance and clarification of the disclosure requirements related to fair value measurements, we are concerned with the Board’s proposal. We believe the proposed additional extended sensitivity disclosures would unnecessarily complicate financial statement disclosures without providing any meaningful benefit to financial statement users. We do not believe this proposal is consistent with the FASB/IASB disclosure framework project that aims to make financial statement disclosures more effective, coordinated and less redundant.

The proposed exposure draft requires that entities disclose the effect of potential changes in significant unobservable inputs to reasonably possible alternative inputs and the resulting significant impact to fair value measurement of all items classified as Level 3. Generally, Level 3 fair value measurements are associated with complex financial and nonfinancial assets and liabilities. These valuations are usually determined by applying discounted cash flow models that utilize multiple variables (inputs), which can be inter-dependent to various degrees with various implications. The proposed inclusion of reasonably possible alternatives would be unnecessarily complex and costly. In addition, in certain instances, the required extended sensitivity disclosures could potentially force companies to disclose information that could put them at a competitive disadvantage.

We understand and support the Board’s position to increase financial statement transparency; however, we believe the current disclosure requirements concerning inputs and valuation techniques, as well as sensitivity analysis, critical accounting estimates and guidance on goodwill impairments as required by current and proposed SEC regulations provide sufficient
transparency and meaningful information to financial statement users. Further, while the proposed extended sensitivity disclosures may be relevant to specific industries, such as financial institutions, they are less meaningful to many other industries.

In summary, we believe the proposed extended sensitivity disclosures would provide limited incremental value to financial statement users while imposing a significant burden on financial statement preparers both administratively and financially. We urge the Board to reconsider its proposal.

Thank you for the opportunity to comment. We would be pleased to discuss our comments in more detail with members of the Board or their staff.

Regards,

Michael W. Morrell