October 22, 2010

Technical Director
Financial Accounting Standards Board
File Reference No 1860-100
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: FASB’s Proposed Accounting Standards Update, Compensation – Retirement Plans – Multiemployer Plans (Subtopic 715-80) – File Reference No 1860-100

We appreciate the opportunity to respond to the Board’s proposed Accounting Standards Update (ASU), Compensation – Retirement Plans – Multiemployer Plans (Subtopic 715-80). Praxair, Inc. is a Fortune 300 public company that produces, sells and distributes atmospheric, process and specialty gases, and high-performance surface coatings with 2009 sales of $9 billion. About 60% of our sales are non-U.S. and we operate in over 40 countries.

We support the FASB’s goal of providing transparent information about an employer’s participation in multiemployer plans (e.g., pension or retiree healthcare). However, we believe that existing disclosure requirements are adequate and the proposed disclosures are: (i) not consistent with current IFRS proposals, (ii) too extensive and not meaningful, and (iii) not possible to comply with by year-end. Also, we believe most of the proposed new quantitative disclosures would not provide useful information to investors and may even be misleading. Additionally, much of the proposed quantitative disclosures would be a year old and outdated upon issuance.

Therefore, the ASU should not be issued, or it should only propose minor changes to existing requirements, as further described below.

Following is a summary of our recommendations and attached are our responses to the Boards’ specific questions.

Inconsistent with IFRS Proposal
As a general rule, we do not believe the FASB should issue any significant new accounting standard that has broad applicability without convergence with International Financial Reporting Standards (IFRS) - at least until such time as it may be decided that U.S. public companies will not be required to adopt IFRS.
The IASB’s recent proposal, *Defined Benefit Plans – Proposed amendments to IAS 19*, allows an entity a choice – either:

(a) Account for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan, or

(b) If sufficient information is not available to use defined benefit accounting, then account for the plan as if it were a defined contribution plan (paragraph 32). In this case, the IASB proposes the following disclosures:
   (i) the fact that the plan is a defined benefit plan.
   (ii) the reason why sufficient information is not available to enable the entity to account for the plan as a defined benefit plan.
   (iii) the expected contributions to the plan for the next five annual reporting periods, and a description of the contractual agreement or other basis used to determine the expected contributions.

We generally support the IASB approach as preferable to the FASB proposal because it allows a practical disclosure approach and does not require onerous disclosures that are misleading and not meaningful. However, we do not support the requirement in IAS 19 (in (b) (iii) above) for expected contributions to the plan for the next five annual reporting periods - instead we believe only one year should be required plus only significant changes expected beyond that. We recommend the two Boards try to work toward convergence – and avoid multiple implementations for constituents.

**Proposed Disclosures are Too Extensive**

We believe that most of the proposed disclosures are either not meaningful or are already appropriately required to be disclosed in accordance with current disclosure requirements.

ASC Topic 715-80-50-1 currently includes a requirement to disclose contributions to multiemployer plans for income statement periods presented and a description of changes that effect comparability. These disclosures should be retained. In addition, the Board could add requirements to disclose the amount of expected contributions for the next annual reporting period.

ASC Topic 715-80-50-2 currently includes a requirement for entities to comply with the accounting/measurement and disclosure requirements in ASC Topic 450, *Contingencies*, as it relates to multiemployer plans. This disclosure includes information relating to withdrawal liabilities and possible increased future contributions due to plan funding shortfalls, depending on the likelihood of occurrence and significance. We believe ASC Topic 450 provides for appropriate and reasonable framework to adequately account for and disclosure obligations relating to multiemployer plans.

Other disclosures proposed by the Board are not meaningful and, if required, would overemphasize matters that may not be that important. It is not useful to relate an entity’s participation/risk in a multiemployer plan by disclosing information for the plan as a whole or when the potential impacts are remote.
Effective Date – Timing

If the Board accepts our recommendations and eliminates the proposed excessive disclosures, we believe the proposed effective date can be achieved.

However, if the Board continues with its proposed disclosures, which we do not support, the proposed effective date will not provide enough time for entities to appropriately compile and review the required information. In most cases, preparers are dependent on information from multiemployer plan administrators and such administrators will have difficulties providing the required information before year end, with the increased demand. Also, this would likely result in more administrative costs at the plan level which would then be passed on to the participating companies. Additionally, once information is obtained, it would be very difficult for preparers to draft required disclosures that are not misleading to investors. For these reasons, we would recommend a one year delay in the effective date. This will also allow the Board more time to achieve greater convergence with the IASB proposal, which we believe is more in line with existing U.S. GAAP requirements.

If the Board continues to maintain the effective date as proposed and continues to require the additional quantitative disclosures, which we do not support, we recommend that at least any new quantitative disclosures be deferred for a year. It is just not practicable for an entity to obtain such information on such short notice. A year delay would give multiemployer plan administrators time to develop processes to efficiently comply with participating company requests for information and would provide preparers with time to properly accumulate and review the information before including it in the financial statements.

As an attachment to this letter, we are providing some additional comments on the questions included in the exposure draft. For ease of reading, we have also repeated the Board’s questions.

Thank you for the opportunity to express our comments. We would be pleased to discuss our views with members of the Board or with its staff. Please contact me at 203-837-2278 (jim_sawyer@praxair.com), Mark Murphy (VP & Controller 203-837-2453, mark_murphy@praxair.com), or Charles Jacobson (Assistant Controller 203-837-2158, chuck_jacobson@praxair.com) if you have any questions.

Very truly yours,

James S. Sawyer
Executive Vice President and Chief Financial Officer

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?

Comments: No. The proposed disclosures are generally not needed and are too extensive. See the attached letter for a more detailed response.

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?

Comments: No. As we noted in our response to the recent ASU, Disclosure of Certain Loss Contingencies, we do not believe it is meaningful to disclose information about remote contingencies. In that ASU, the Board proposed disclosure of remote contingencies only if it could have a severe impact, as defined. We did not support that proposal and certainly do not support this disclosure.

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?

Comments: There would be implementation costs (internal and/or external) to request, review, and prepare the required information and there would likely be additional costs from plan administrators related to the additional work requirements on their part.

We do not believe we have significant foreign multiemployer plans so the costs would not be much different for foreign plans.

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?

Comments: Yes. Refer to our comments in the attached letter.

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.

Comments: We do not support issuance of the ASU. However, if the Board continues with its proposal, the effective date should be deferred for ALL entities. Refer to our comments in the attached letter.
**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?

Comments: No additional comments.

**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.

Comments: We do not believe any additional quantitative disclosures should be required by this ASU, except potentially related to future contributions. Therefore, the proposed XBRL elements can be reduced considerably.