AMSTED Industries is a diversified manufacturer of industrial components serving primarily the railroad, vehicular, and construction and building markets. AMSTED Industries is also the sponsor of defined benefit and retiree welfare benefit plans that are accounted for under FASB Statements No. 87, 88, 106 and 132(R). For measuring our obligations under these plans, we currently use a measurement date that is three months earlier than our fiscal year-end, and based on a participant census as of the first day of our fiscal year. Based on this measurement, our actuary determines our year-end footnote disclosure information and our net periodic cost for the next fiscal year.

We are writing you to urge that the FASB not eliminate the option of measuring obligations up to three months before fiscal year-end. AMSTED Industries receives the following benefits from the early measurement obligations:

* AMSTED Industries shifts year-end pension and retiree welfare benefit accounting work to the fourth quarter of its fiscal year rather than to the first quarter of the next fiscal year. The workload for our financial accounting staff peaks during the first quarter, AMSTED Industries gains benefits by completing virtually all of the financial accounting for our plans before our fiscal year-end. This early completion benefits our employees by leveling their work load; and the corporation, in improved quality of financial reporting (since our staff can devote more time to this matter).

* Absent an event during the fiscal year that requires a remeasurement, AMSTED Industries can establish its net periodic cost for the fiscal year before the fiscal year begins, or very shortly thereafter. This is of great benefit to AMSTED Industries in the development of its budgets and financial plans.

By this proposed change, we understand the FASB is seeking to improve the comparability of financial statements. But the improvement in comparability is minimal at best. Since material shifts in discount rates or plan asset values seldom occur in a three-month period, the comparability provided by the current rule is sufficient for users of financial statements; and the annual benefits achieved from the current rule far exceed the minimal gains in comparability from the proposal.

Thank you for your consideration of our comments.

Michael J. Carter
Controller
AMSTED Industries Incorporated