VIA EMAIL

Technical Director
File Reference No. 2011-180
Financial Accounting Standards Board of
The Financial Accounting Foundation
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

June 1, 2011

Dear Technical Director:

Thank you for the opportunity to respond to the Exposure Draft: Intangibles – Goodwill and Other (the “Proposed Guidance”). Ball Corporation (“Ball”, “the company”, “we” or “our”) is a U.S.-based Fortune 500, multi-national manufacturer of metal packaging products and of aerospace and other technologies with sales in 2010 of $7.6 billion and total assets of $6.9 billion, publically traded on the New York Stock Exchange. As a multi-nation corporation a significant amount of our total assets is made up of goodwill that has been derived through our global acquisitions. Consequently, the Proposed Guidance will affect Ball and the level of effort that is required annually to test goodwill for impairment. Below are our responses to your outlined questions on the Proposed Guidance. Overall, we are in favor of the Proposed Guidance.

In addition to our responses, we would like the Financial Accounting Standards Board (the “Board”) to consider one overriding concern that we have on the Proposed Guidance that was not fully explained in the summary of the Proposed Guidance. Our concern is that the Proposed Guidance does not bring ASC 350 and IAS 36 closer to convergence; conversely it creates a larger gap between the two standards at a time when the Board is striving to converge accounting standards. We would request that the Board outline clearly the plan for convergence of these two standards and how the Proposed Guidance would aid in that convergence.

Question 1: Please describe the entity or individual responding to this request. For example:

   a. Please indicate whether you primarily are a preparer, user, or auditor of financial statements or, if other, please specify.

   b. If you are a preparer of financial statements, please indicate whether your entity is public or nonpublic and describe your primary business and its size (in terms of annual revenue, the number of employees, or other relevant metric).

   c. If you are an auditor, please describe the size of your firm (in terms of number of partners or other relevant metric) and indicate whether your practice focuses primarily on public entities, nonpublic entities, or both.
d. If you are a user of financial statements, please indicate in what capacity (for example, investor, analyst, or rating agency) and where in the capital structure you are most focused (for example, debt or equity).

The general description of our business and reason for our response is stated above in our introduction paragraph to this letter.

Question 2: For preparers, do you believe that the proposed amendments will reduce overall costs and complexity compared with existing guidance? If not, please explain why.

In principal, we agree that the proposed amendments can potentially reduce the overall costs and complexity related to the annual goodwill impairment testing. However, we believe that there is a need by the Board to more clearly define their expectations for the qualitative assessment and how the qualitative factors should be applied. This belief is driven by the focus the SEC has placed on the annual goodwill impairment testing process and public disclosures since the likelihood of occurrence of goodwill impairment became more prevalent during the 2008 economic downturn. This focus by the SEC has lead external audit firms to also heavily scrutinize the annual goodwill impairment testing process and public disclosures to ensure any impairments or indications of impairment are appropriately determined and disclosed. Our concern is that although this standard tries to alleviate some of the costs related to the annual goodwill impairment testing, outside stakeholders to Ball will still expend a substantial amount of effort analyzing the qualitative assessment outlined in the Proposed Guidance and may ultimately not obtain enough comfort for their own purposes, requiring the quantitative test to be performed anyway. Thus in the end, the time and expense spent during this process may not generate the savings the Board is trying to create.

Question 3: For preparers, do you expect your entity will choose to perform the qualitative assessment proposed in the amendments, or will your entity choose to proceed directly to performing the first step of the two-step impairment test? Please explain.

We expect to fully comply with the Proposed Guidance and use the qualitative assessment to maximize the efficiency of our goodwill impairment testing.

Question 4: For auditors, do you believe that the proposed amendments will reduce overall costs and complexity compared with existing guidance? If not, please explain why. Does your response differ based on whether the entity is public or nonpublic?

Not applicable to Ball.

Question 5: For users, do you believe that the qualitative approach for testing goodwill for impairment will delay the recognition of goodwill impairment losses or affect how you evaluate goodwill reported in the financial statements? If yes, please explain.

Not applicable to Ball.

Question 6: Do you agree that the proposed examples of events and circumstances to be assessed are adequate? If not, what changes do you suggest?

We think the Board should expand the events and circumstances that are currently listed in the Proposed Guidance. Specifically, we believe that items f. and g. should be expanded. For Item f. we believe the word “material” needs to be inserted into the first line before the phrase “change in the carrying amount of its net assets”. This will help distinguish between normal, anticipated changes in the carrying amount
of reporting units and material changes which could signal a larger issue that needs to be quantitatively assessed. Additionally, Item g. needs to have a clearer explanation around what a “sustained decrease in the share price” means including an explanation of the expected time frame for a loss to be “sustained.” As was evidenced in the 2008 economic downturn, a significant sustained decline in the consolidated company’s stock price did not always translate into a reduced fair value for specific reporting units and did not necessarily predict when an impairment of goodwill may have occurred.

**Question 7:** Do you agree that the guidance in the proposed amendments about how an entity should assess relevant events or circumstances is clear? If not, how can the guidance be improved?

As stated above, we believe that the Proposed Guidance is not clearly articulated for all of the stakeholders involved in the annual goodwill impairment testing. We suggest the Background Information and Basis for Conclusions be expanded to contain more information on how the Board came up with the examples of events and circumstances that are included in the Proposed Guidance and the Board’s thoughts on how those items should be applied in the accounting model. We believe that this will help all stakeholders in understanding why certain events and circumstances were included and why some were excluded from the Proposed Guidance.

**Question 8:** Do you agree with the Board’s decision to make the proposed amendments applicable to both public entities and nonpublic entities? If not, please explain why.

We agree that both non-public and public entities should be subject to the same accounting guidance for goodwill impairment testing.

**Question 9:** Do you agree with the proposed effective date provisions? If not, please explain why.

We agree with the proposed effective date, including the ability to early adopt.

Please consider our comments and contract us if you have any further questions regarding our comments on the Proposed Guidance.

Sincerely,

[Signature]

Shawn M. Barker
Vice President and Controller