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To: Director - FASB

Subject: File Reference No. 1102-100

Chairman Robert H. Herz.

I would like to share my viewpoint with you concerning expensing broad based stock options.

First let me highlight that I work for Cisco Systems in a business unit that has roughly 150 employees located in Richfield Ohio. I mention this because some of my peers (outside the company) have the impression that stock option expensing is a Silicon Valley Issue. I am quick to remind as many people as possible that this is a national issue including the Mid-West.

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I came to Cisco Systems from a solid performing mid-west technology company that I consider to be stagnant in terms of innovation, new technology and employee ownership. I was frustrated that my previous employer gave everyone the same raise across the board. If I worked 40 hours or 60 hours I still got the same 4% raise as the next guy. This led to an environment where there was little incentive to make the company more competitive.

I left my last company after 9 years of service to come to Cisco. I started here because a friend of mine told me about the incentive based compensation and how everyone "wants" to do more instead of "having" to do more. People that work for Cisco have a very different attitude, pace and ownership in the company compared to the "old style 4% raise company" that I came from.

I feel strongly that the reason that people perform to the level that they do for Cisco is due to the incentives such as stock options for all employees. I am very concerned about the impact that removing this form of compensation my cause. In short I believe that expensing stock options will result in a reduction in competitiveness for many companies across the United States.

Would you please consider only expensing the stock options for the top 5 or 10 people in the company or some other solution that will not negatively impact the strength of U.S based companies and their employees?

Thank you for your time.

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