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Letter of Comment No: *S29*

File Reference: 1102-100

From: Scott Davis [scotdavi@cisco.com]
Sent: Tuesday, April 20, 2004 11:49 AM
To: Director - FASB
Subject: File Reference No. 1102-100,

I am sending this email to urge you to NOT expense stock options.

The broad-based Stock options programs that are in existence today help to motivate employees like myself, the guys that down in the trenches working hard and helping to control expenses in order to make a difference in stock price.

I have worked for other companies that don't have a broad-based type of plan and controlling expenses and the motivation to make a difference is not as great as it is when you have more of a stake in the company. It's amazing the difference that I have seen in my 4 years of working here Cisco. The motivation, hard work and frugality that I have seen. This is a huge benefit to all stockholders.

In today's market in the high tech industry with jobs being shipped over sea's to lower cost these broad-based stock options make a difference (in my mind) that you are planning to take away from the common employee. Why are you wanting to do this? I can tell you that my options are all over the board. Some are under water and some barely making it. But it motivates me to make a difference. Do you watch college Football? Have seen the SMU football program after the death penalty they received? That program has never been the same. I think you take away the program from the common employee you are going to see a change in the high tech workforce that will have a dramatic impact on America's high tech leadership.

Thanks,
Scott Davis

4/20/2004