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Letter of Comment No: 1886
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From: bulin cao [bulin@cisco.com]
Sent: Saturday, April 24, 2004 11:53 AM
To: Director - FASB
Subject: Employee ownership through company stock options

Dear Chairman Robert H. Herz,

I am writing to you to express my opinion on employee ownership through company stock options.

Receiving stock options from the company is important to high tech workers finacially. Without stock options, I think US high tech companies could lose top talents to foreign companies or startups. If US high tech companies lose their advantages in competition to foreign companies, it could have a cascading effect on the US job market, the US economy, and the US stock market in long term.

I also think it is very short-sighted to think limiting stock options could benefit US investors. Only a rising tide can raise a boat.

I cannot imagine the US high tech companies could continue to domonate fields of high paying jobs if we would not offer attractive compensations to attract top talents from the world. Capital alone cannot create jobs. It is the top talents in each field that help US companies dominate the world markets. The dominance of US high tech companies has create far more jobs in its industry, in other related industries directly, and in other non-related industries indirectly than the jobs created by capital.

If we let the greed of financial insitutions dictates company policies, US high tech companies will lose competitiveness and everyone will be hurt in the end.

Regards,
Bulin Cao
Cisco Systems, Inc.