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Letter of Comment No: 811
File Reference: 1102-100

From: Michael Krueger [mkrueger@cisco.com]
Sent: Tuesday, April 20, 2004 4:34 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: Expensing of Stock Options

Chairman Herz:

Please reconsider the move to expense employee stock options. As a salesperson in the area of high technology since 1989 and a Cisco employee for most of that period, I can tell you that knowing that I am an owner of this company has favorably influenced the way I approach my work. Quite honestly it motivates me during the tough times. I absolutely believe this aligns the rank and file employee with our shareholders' interests.

Expensing options will change the entrepreneurial spirit of today's high technology company. I hope you will reconsider this idea.

Regards

Mike