

ikon

From: Christopher Ford [cford@cisco.com]
Sent: Tuesday, April 20, 2004 11:55 AM
To: Director - FASB
Subject: Chairman Robert H. Herz Please Save Stock Options!

Letter of Comment No: 535
File Reference: 1102-100

Chairman Herz,

I have never participated in a political process like this before, however this issue is too important for me and too important for America for me to stand in quiet opposition.

I'm writing to pose my support for NOT forcing US companies to "Expense" stock options to its employees.

I believe that forcing US companies to expense stock options will have several negative impacts on employees and our overall economy.

If stock options must be expensed, then US companies will either stop issuing them or significantly restrict their issuance.

If stock options are no longer issued or severely restricted, employees will have less money to spend.

If employees spend less, there will be fewer automobile sales, fewer home sales, fewer big ticket purchases, less recreational spending, less speculative investing, LESS TAX REVENUE and so on..

This sudden nationwide decrease of demand will cause our very fragile economic recovery to stall and/or slip back into a recession.

The bottom line is America really can not afford this right now.

Furthermore, by taking away employees' ownership stake in companies, US companies will be less competitive for qualified resources globally.

Having fewer qualified employees will have a significant negative impact on US quality and innovation. America is an absolute leader in quality and innovation.

Forcing companies to expense stock options could cause us to lose that competitive advantage, which again is very bad for US companies and very bad for the US economy.

Chairman Herz, I urge you NOT to endorse the destruction of our American system of prosperity, economic success, and competitive advantage.

Please DO NOT PASS new requirements that force companies to expense stock options.

Thanks for listening and responding in the best interest of America's future. Christopher L. Ford Manager, IT Compliance Global Shared Services Cisco Systems, Inc.
Office 408-525-8931
Cell Phone 510-593-5500