COCA-COLA PLAZA
ATLANTA, GEORGIA

GARY P. FAYARD
VICE PRESIDENT AND CONTROLLER

May 17, 1999

ADDRESS REPLY TO
P. O. DRAWER 1734

ATLANTA, GA 30301

404 676-3005

Mr. Timothy S. Lucas
Director of Research and Technical Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Letter of Comment No: //
File Reference: 1082-194R
Date Received: //2 //66

File Reference No. 194-B

Dear Mr. Lucas,

The purpose of this letter is to reinforce the views of The Coca-Cola Company (our Company) concerning the Board's Proposed SFAS, *Consolidated Financial Statements: Policy and Procedures* (the Exposure Draft).

We have analyzed the Exposure Draft dated February 23, 1999 and once again reiterate our strong disagreement with this proposal. We are disappointed that the Board is continuing down the same path as noted in the 1995 working draft, with limited concern from the vast number of comments received, not only from our Company but from many other constituents. In our Company's opinion, this Exposure Draft will result in numerous disagreements among corporations, their auditors, the public and the Securities and Exchange Commission on how to interpret these highly subjective guidelines and presumptions as to when control of another entity exists. The current standard on which our Company (and all companies, which follow U.S. GAAP) bases it consolidation policy is objective and verifiable. It is not based on historical data or an estimate of future trends in voting when deciding how to account for an investment in an entity.

It is our understanding that the FASB "weighs carefully the views of its constituents in developing concepts and standards." The February 1999 Exposure Draft shows no modifications to the model from the 1995 Exposure Draft, especially regarding the concerns our Company and many others raised in our responses. Our greatest concern is the proposed presumptions of effective control that would expand the requirement to consolidate companies that are less than 50 percent owned. Replacing an objective, verifiable ownership test, generally requiring more than a 50 percent voting interest, with extremely subjective "evaluations" of when control exists is inappropriate and would result in diversity in practice and misleading consolidated financial statements for users.

In conclusion, our Company urges the Board not to proceed with this project. Please call me if you have any questions concerning the comments in this letter or our prior response.

Sincerely