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September 30, 2010

Mr. Russell G. Golden
Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

**Re: Proposed Accounting Standards Update
Comprehensive Income: Statement of Comprehensive Income
File Reference No. 1790-100**

Dear Mr. Golden:

We appreciate the opportunity to comment on the proposed accounting standards update "Comprehensive Income: Statement of Comprehensive Income" (the Proposed ASU). Federated is one of the largest investment managers in the United States with \$337 billion in managed assets as of June 30, 2010. The majority of Federated's revenue is derived from advising and administering Federated mutual funds and separate accounts in both domestic and international markets. With 135 funds and a variety of separately managed account options, Federated provides comprehensive investment management to approximately 5,200 institutions and intermediaries including corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers.

We support the FASB's intended goal of the Proposed ASU "to improve comparability, consistency, and transparency in financial reporting." However, we oppose the conclusions reached in the Proposed ASU as we do not believe a continuous statement of comprehensive income would improve the transparency or quality in financial reporting. We believe that a continuous statement of comprehensive income would create confusion to the primary users of the financial statements by decreasing the presentation prominence of the key performance measurements, net income and earnings per share. As an alternative, we suggest retaining the traditional statement of income and creating an additional statement of comprehensive income that presents net income and displays the components of other comprehensive income as discussed in the Proposed ASU.

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In addition, the Proposed ASU should address the following items:

1. Present an illustrative example of statement of comprehensive income which includes both earnings per share (EPS) and non-controlling interests specifically including redeemable non-controlling interests in subsidiaries, or temporary equity, components. We note that if the Proposed ASU is meant to revise Accounting Standards Codification (ASC) 220, *Comprehensive Income*, then the Proposed ASU should consider and include the effects of ASC 810-10-65-1, *Consolidation – Transition Related to FASB Statement No. 160, Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51*, issued subsequent to ASC 220, including temporary equity components.
2. Provide further clarification of the requirements for the statement of comprehensive income for interim-period reporting. The Proposed ASU currently states that “an entity shall report a total for comprehensive income in condensed financial statements of interim periods.” It is unclear whether the interim-period reporting requirements include presenting a single total comprehensive income figure or if the annual reporting requirements should be followed.

We appreciate your consideration of this letter and we welcome the opportunity to talk through our comments and observations with the FASB staff. Please contact Stacey Friday at (412) 288-1244 to discuss any questions you may have regarding our comments.

Sincerely,

/s/ Denis McAuley III
Denis McAuley III
Principal Accounting Officer
Federated Investors, Inc.

/s/ Stacey H. Friday
Stacey H. Friday
Director, Accounting Policy
Federated Investors, Inc.