



August 21, 2013

Technical Director
Financial Accounting Standards Board
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116
director@fasb.org

Re: File Reference No. PCC-13-01B: Proposed Accounting Standards Update, *Intangibles – Goodwill and Other (Topic 350)*

The Accounting and Auditing Procedures Committee (the committee) of the Pennsylvania Institute of Certified Public Accountants (PICPA) appreciates the opportunity to comment on the proposed Accounting Standards Update (ASU) on intangibles. The PICPA is a professional association of more than 20,000 members working to improve the profession and better serve the public interest. Founded in 1897, the PICPA is the second-oldest CPA organization in the United States. Membership includes practitioners in public accounting, education, government, and industry. The committee is composed of practitioners from both regional and small public accounting firms, members serving in financial reporting positions, and accounting educators.

The committee strongly supports the proposed accounting alternative for the subsequent measurement of goodwill, the entity wide impairment testing methodology, and resulting measurement of goodwill impairment loss. The committee also believes that many of the issues identified by the Private Company Council (e.g., cost, complexity, and value of the information to the financial statement users) are similar for other entities. The committee suggests expanding the scope of the proposed alternative to not-for-profit organizations, and recommends further consideration by the FASB of the accounting treatment for goodwill for public entities.

Exposure Document Question 17: If an entity elects the accounting alternative in the amendments in this proposed Update, do you think that entity also should be required to apply the PCC's proposed accounting alternative for recognition, measurement, and disclosure of identifiable intangible assets acquired in a business combination (in Topic 805)? Alternatively, if an entity elects the accounting alternative in Topic 805, should that entity also be required to adopt the proposed accounting alternative?

The committee does not see any value in making either of the proposed alternatives contingent upon the adoption of the other.

We appreciate your consideration of our comments, and we are available to discuss any of these with you at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard E. Wortmann".

Richard E. Wortmann, CPA
Chair, PICPA Accounting and Auditing Procedures Committee