



June 4, 2014

Sent via e-mail: director@fasb.org

Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: Revenue Recognition (Topic 605) – Final Standard

AT&T, Inc. ("AT&T") has been closely following the Boards' Revenue Recognition project. At the February 2013 meeting, the Boards decided on an effective date of January 1, 2017 for public companies. At that time, the Boards stated that a final standard would be issued in mid-2013. The final standard was released on May 28, 2014, almost a year later than expected. As a result of the delay, we believe the Boards should consider moving the effective date of the standard.

The delay in issuing the final standard has significantly shortened the implementation period that was anticipated when the decision on the effective date was made. As a result, companies are a full year behind what most envisioned when the original effective date was established. In addition, during the period from February 2013 (when the effective date was decided) until the issuance, the Boards continued to make changes to the standard that have impacted our ability to finalize implementation plans and system requirements. Despite actively following the Boards' deliberations since the revised exposure draft was issued, we have found unanticipated changes in the final wording that may have significant impacts on process and system changes needed to implement the standard. Therefore, we need to complete a thorough review of the final wording to ensure our implementation plans are appropriate.

The Boards have provided two options for adopting the standard, full retrospective and modified retrospective, but have a preference for the full retrospective method of adoption. In the absence of any guidance from the SEC, however, we must assume that tables required as part of our SEC filings will contain five years of comparative data under the full retrospective method of adoption, if chosen. This would be very difficult to provide given the timing of the release of the final standard and the length of contracts with our customers. We ask that the Board work with the SEC to develop a solution that would afford more companies the opportunity to select the full retrospective method of adoption without having to provide five years of comparative data.

As the Boards have said, the changes associated with this standard are so significant that companies must have adequate time to ensure successful implementation. We believe both preparers and users of financials will benefit from an extension of the effective date and greater utilization of the full retrospective method of implementation. We would be pleased to discuss our comments with the FASB or its staff at their convenience. If you have questions, or need additional information, please contact James Lacy, AVP- Accounting, at (214) 757-4693 or me.

Respectfully,

A handwritten signature in cursive script that reads "Paul W. Stephens".

Paul W. Stephens
Senior Vice-President & Controller