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**To:** Director - FASB <director@fasb.org>  
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Thank you for allowing me to express my viewpoints on accounting for goodwill and intangible assets. This area of accounting has taken on far greater importance as a result of shifting business models (more software and services related) and the result of only permitting the application of purchase accounting (for which I am 100% in agreement with).

While I work in private industry, and the nature of our asset acquisitions tends to not have any intangibles, it is a topic for which I believe needs addressing. In doing so, I shall express my viewpoints, which are those of mine and not necessarily those of the company, in the question order in the Invitation to Comment.

1. Goodwill represents the excess, or premium, of the price paid to acquire in excess of the value of the tangible assets, and certain intangibles, such as a fee stream from agreements in place such as a management fee. For instance, a purchase of a company stock in excess of its book value, is simply paying a premium. Now, I do acknowledge that book value on may question if the price of the stock as traded is different. That being said, it can be reasonably inferred that the market price, is the value of the company assets, net of liabilities, and any price paid in excess is the goodwill.

2. Impairment of goodwill or any other asset is, and will always be subjective to a great extent. For example, a business may have an operation/subsidiary that is losing money, and does so on a consistent basis. Given that situation, it is really easy to say that that subsidiary is impaired. However, there can be other business considerations such as market exposure, that in the opinion of the company, is important. So, to the company, the subsidiary is not impaired. Yes, that is the qualitative, and hence the concern. Having to perform other analysis, hiring valuation experts, etc, audit costs, in my opinion, far exceed any benefit.

3. Maybe I am too old fashioned, but I happen to think that a simple amortization is a far better accounting on both a cost basis as well as for the business. Yes, were some acquisition that has goodwill associated, be sold or otherwise disposed, or a bankruptcy, then yes, the entire goodwill amount should be written off.

4. It would be simple to say use an amortization period of say 10 years, or the 15 permitted under the IRC, but I think I have a better way. Each business and its assets acquired, have had a certain analysis performed. So, it is my suggestion that the assumptions used in that analysis be applied to the amortization period (with a simple disclosure in the notes). A company demands an ROI of 20% in order to proceed with a transaction. In my simplistic way, goodwill will be amortized over 5 years (20% per year). This would effectively create a sort of matching of the cost with the business expectation.

5. See 4 above.

6. See 4 above.

7. No. Once one gets to that point of step 2, they are almost forced to move forward. I say this because it may very well be needed to satisfy an external audit, so the costs are still incurred.

8. No, see note 7.

9. Applying my idea in item 4, than without some extraordinary event, there is no assessment needed. Now, having said that, I would say, by way of example, that there can be exceptions. A company acquires a software platform in an acquisition. After say 2 years, do some market changes, that software platform is no longer marketable. Then, the entire intangible related to it, should be immediately written off. Without getting into politics of it, one could argue that the Bayer purchase that includes Roundup, should write off any intangible associated with that name.

10. No. To be a fair evaluation of goodwill, it should be viewed in relation to the specific business level for which it was acquired.

11. None.

12. I support amortization only as noted above.

13. No Comments

14. While some 'Wall Street' types talk about wanting all this information, I happen to be of the belief that they not only don't actually understand it, but that they don't use the information that is available. By using my amortization model, with a simple disclosure of the return expectation, I think that an investor gets all that is needed. Should a company have financial results below its assumed returns, it simply show up as reduced earnings.
15. Things like noncompete agreements, are at best, a spreadsheet guess as to its real valuation. I tend to think it is about as accurate as a weather or economic forecast.
16. Not aware.
17. As one can gather from above comments, approach 3 is the one I favor. I think it is as reliable as any other, would be far most cost effective too.
18. No comment
19. I agree with amortization as it represents the usage of the intangible. Intangibles of any sort, will reduce over time. To me, amortization is like depreciation, a method of reflecting its use in the business and its ongoing value reduction.
20. I think the costs far out weigh the benefits.
21. Refer to me simple disclosure of the ROI for example on the acquisition. Simple, already performed, and does in effect put management and board on the hook when the results are not as expected.
22. See 21 above.
23. See 21 above. I think this is simple, not costly, can be audited, and provides useful information.
24. With changes as noted, I don't think there would be any variance. In the interim, if I view a private business compared to a public one, I, as an investor, automatically, make certain adjustments.
25. No comment.
26. No Comment.
27. No comments in that I don't think that comparability issues is of any real concern.
28. None.
29. I do think that to participate would be an honor, I am not sure that my background in the hospitality industry has exposed me enough to this matter to be of value. If you were to think otherwise, please let me know.

Respectfully Submitted.

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