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From: William Friend [bfriend@cisco.com]

Sent: Tuesday, April 20, 2004 2:50 PM

To: Director - FASB

Cc: savestockoptions@cisco.com

Subject: Broad Based Stock Option Expensing

To whom it may concern,

Hi, my name is William Friend I am currently an employee of Cisco System and as you know as an employee of this company I want to share what my experience has been. Let me back up a bit and tell you that this is the sixth technology company I have been employee with. Alcatel and IBM as two of those six. As a Cisco employee receiving options I have a sense of ownership I have never had anywhere I have worked in the past. I have a sense that my hard work and dedication to Cisco translates into personal gain. This commitment to my profession and my role here at Cisco is what has become the fabric of what we call Cisco Culture. It inspires teamwork, innovation and commitment to the best possible products in the networking industry. Not only that I would venture to say that there would be no Cisco or any other tech giant that has built an employee base with the promise of stock options. I certainly can not see how Cisco here in RTP would have been able to build a team of highly skilled successful engineers without the promise of stock options. I don't know if you understand what working in an engineering community for twenty plus years and never getting anything but a paycheck is like. Then finally being part of a company that awards stock options and seeing how that can change your whole attitude about who you are and what you do. There is a huge difference in culture here as opposed to other places I have worked. I am a firm believer that investors in Cisco stock benefit as much or more than the employees. I have invested much of my own money back into Cisco because I know the dedication and the expertise of this team and know that it is a solid investment because I know Cisco will continue to recruit the best engineers because of the stock options. I don't think they are being misled because options are not expensed. I want to put my money in companies where I know the employees work hard, we work hard because we own a piece of Cisco. I am sure any investor would much rather know his investment for his future is being worked for as the employees have even more at stake than he.I would say the same hold true for other companies with Broad Based Options.

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Thank You, William H. Friend Cisco Systems 7025 Kit Creek Road Research Triangle Park, NC 27709