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**Letter of Comment No: 648**  
**File Reference: 1102-100**

**From:** Lisa Clark [lisclark@cisco.com]  
**Sent:** Tuesday, April 20, 2004 11:26 AM  
**To:** Director - FASB  
**Cc:** savestockoptions@cisco.com  
**Subject:** File Reference No. 1102-100 - Stock Options

Dear Chairman Robert H. Herz -

I am writing this email to voice my protest regarding the US government forcing US companies to expense stock options. As I understand the issue, if companies, such as Cisco, are forced to expense stock options, most of the companies will not be able to afford to give stock options to their regular employees.

The method which has been chosen to expense stock options results in a falsely high valuation of stock options and the method has not been tested across a broad base of companies. If nothing else, this method should be tested across various industries in the US before it is implemented.

I don't understand why stock options need to be expensed in the first place - I can't find any document that explains why this is good for the US and all of us worker-bees. Economic times are hard enough as it is - WHY would the US government make it harder for the average person out here? If stock options are expensed, the only people that will get them are the people that don't need any extra money - the people who run our companies already make so much more money than the rest of us - WHY are we, the regular people, being penalized? Is it because people like the executives at Enron committed illegal acts? If that's the case, then why doesn't the government make it hard to give stock options etc to the top executives instead of us common folk??? As always, it seems that the rich people keep on getting richer and more and more opportunities are taken away from the middle class. If we can't get stock options, we are not going to have any ownership in the companies that we currently sweat blood and tears for. Consequently, we may work less hard because there's no chance of any equity ownership. The US is already having a difficult time competing in the world markets - this could cause our competitiveness to dwindle even further.

This issue is very complicated and you know that the average person is not going to understand all the details of why the government is "doing this to us". This issue could turn out to be the Achilles Heel of every major politician this year. I intend to vote for the candidates who DO NOT support stock option expensing. That's the only recourse I have.

Sincerely,  
Lisa Clark

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Lisa Clark  
Technical Writer  
408-525-8545  
lisclark@cisco.com

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