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From: Ram Ramaswami (rramaswa) [rramaswa@cisco.com]
Sent: Tuesday, April 20, 2004 8:45 AM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100 - Broad Based Employee Stock Options

To : Chairman Robert H. Hertz

Dear Sir,

As you are already aware, there is an ongoing debate on whether to expense Broad-based employee stock options or not. I am sending you this letter to urge you to NOT expense stock options.

Employee ownership has been a part of our company culture since day one. We work very hard and contribute to Cisco's success and we all believe we should benefit when the company is successful. This type of broad-based employee stock options have been and still continue to be an important growth engine for many US companies which is what makes these companies so successful in the global arena.

Continuing to benefit from stock options will help many families including mine to achieve their dreams in their personal life like for example owning a home. It also cultivates a sense of "ownership" within an employee which ultimately aligns with shareholder interests and makes the company more successful.

The world is changing and many companies in other countries have started providing broad-based employee stock options. Obviously they have learnt how US companies and their employees have succeeded globally and are trying to follow the success paths of US companies. For example, Chinese companies use stock options and do not treat them as an expense. Expensing stock options could most surely have a dramatic impact on American high tech leadership, innovation and job creation. So, it is highly imperative that we do NOT expense stock options for US companies to maintain the competitive edge on a Global Basis.

At the end of the day, we all want the US economy to be the BEST in the world and that US companies continue to FUEL the GROWTH for generations and centuries to come. I would therefore strongly urge that we NOT expense stock options and we sincerely hope that our voices will be heard.

Regards
- Ram Ramaswami

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