PEPSICO

LETTER OF COMMENT NO. 8

October 15, 2007

Mr. Robert H. Herz
Chairman
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: Request for Deferral of FASB Statement No. 157, *Fair Value Measurements*

Dear Mr. Herz:

We are supportive of the FASB's recent announcement to discuss a potential deferral of FAS 157 at the upcoming meeting on Wednesday, October 17, 2007. We believe that a one-year deferral of the standard is necessary so that the magnitude of implementation issues can be resolved. In addition to the implementation issues, a one-year deferral will enable the standard to coincide with the effective date for FAS 141(R), the standard on Business Combinations, which is expected to be released this month.

In addition to understanding the application of FAS 157 to fair value measurements of existing assets and liabilities, the impact of the standard on acquired intangible assets and valuation modeling techniques is critical. The introduction of new terminology in the standard will likely change the documentation of such valuations.

As stated above, we believe a one-year deferral of FAS 157 should be strongly considered.

We appreciate the opportunity to express our views and would be pleased to discuss our comments. Please do not hesitate to contact me at (914) 253-3406.

Sincerely,

Peter Bridgman.

Peter A. Bridgman
Senior Vice President and
Controller

cc: Richard Goodman, Chief Financial Officer
Marie T. Gallagher, Vice President & Assistant Controller