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September 7, 2010

Technical Director
File Reference No. 1830-100
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Re: Exposure Draft—Proposed Accounting Standards Update, Fair Value Measurements and Disclosures (Topic 820)

Dear Technical Director:

Allergan, Inc., a Delaware corporation ("Allergan"), appreciates the opportunity to respond to the Financial Accounting Standards Board (the "Board") regarding the Exposure Draft, Proposed Accounting Standards Update, Fair Value Measurements and Disclosures (Topic 820) (the "Proposed Update"). Allergan is a publicly traded, multi-specialty health care company listed on the New York Stock Exchange under the symbol "AGN."

Although we support the Board's objective to improve the transparency of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRS, we believe that the measurement uncertainty analysis for fair value measurements categorized within Level 3 of the fair value hierarchy as currently prescribed in the Proposed Update would have a number of unintended detrimental consequences, including:

- financial statements may include a confusing proliferation of analyses that have the impact of reducing transparency and consistency in fair value disclosures;
- financial statement users may believe that any value within the range of values disclosed equally represents fair value;
- financial statement users may believe that the low end of range of values provided represents a risk floor for the value of assets and liabilities;
- financial statement users may not be able to compare the fair value disclosures on similar assets among similar companies due to wide ranges of subjective "reasonable inputs;" and
- the cost of preparing and auditing financial statement disclosures, which are ultimately borne by stockholders, will likely rise significantly due to the subjective and complex nature of the required disclosures.

We urge the Board to reconsider the large number of comments received from preparers, auditors and financial statement users advocating a viable form of sensitivity disclosure for Level 3 assets and liabilities in response to the problematic provisions of the August 2009 Exposure Draft *Improving Disclosures about Fair Value Measurements*. In the Proposed Update, the

Board did not significantly alter the sensitivity analysis (currently referred to as the uncertainty measurement analysis), nor did it meaningfully address the related concerns expressed in the comment letters on the previous exposure draft.

We believe that a sensitivity analysis limited to a predefined percentage fluctuation of the one most significant model input that affects fair value would be sufficient to provide financial statement users with the desired objective of providing meaningful and understandable uncertainty measurement information on Level 3 assets and liabilities while avoiding the many detrimental consequences of the required disclosure in its current form.

Thank you for your consideration.

Sincerely,

James F. Barlow

Senior Vice President,

Corporate Controller (Principal Accounting Officer)

Allergan, Inc.

Marc Veale

Assistant Corporate Controller

Allergan, Inc.

Jane Wang

Director, Financial Reporting

Jarelly

Allergan, Inc.