Coca-Cola Enterprises, Inc.

2500 Windy Ridge Parkway
Atlanta GA 30339

May 12, 2011

Via email to: **director@fasb.org**

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

RE: Proposed Accounting Standards Update, *Intangibles – Goodwill and Other* (File Reference No. 2011-18)

Coca-Cola Enterprises, Inc. (CCE, the Company, we, our, or us) appreciates the opportunity to respond to the Financial Accounting Standards Board's (FASB) Proposed Accounting Standards Update Exposure Draft regarding Testing Goodwill for Impairment (Exposure Draft). The proposed guidance is aimed at reducing the complexity and costliness of an entity's annual goodwill impairment testing by including an option to evaluate the likelihood of impairment through qualitative measures prior to requiring a quantitative test. As written, the scope of this proposed guidance is goodwill only; it does not apply to other indefinite-lived intangible assets. Our responses to the specific questions for respondents are outlined below.

Question 1: Please describe the entity or individual responding to this request.

With over $6 billion in annual revenues in 2010, CCE is the leading Western European marketer, distributor, and producer of bottle and can liquid nonalcoholic refreshment and the world's third-largest independent Coca-Cola bottler. CCE is the sole licensed bottler for products of The Coca-Cola Company in Belgium, continental France, Great Britain, Luxembourg, Monaco, the Netherlands, Norway, and Sweden. CCE is a public company incorporated in the United States of America. As of April 1, 2011, CCE's balance sheet included approximately $135 million in goodwill and approximately $4.0 billion in franchise license intangible assets (which are classified as other indefinite-lived intangible assets). Our franchise license intangible assets have been acquired throughout the history of our Company and represent the right to distribute and sell products of The Coca-Cola Company within specified territories. We perform our annual impairment analysis of franchise license intangible assets and goodwill as of the last reporting day in October at the Europe operating segment level, which is our reporting unit.

Question 2: For preparers, do you believe that the proposed amendments will reduce overall costs and complexity compared with existing guidance? If not, please explain why.

While we agree that the addition of a qualitative test and concurrent removal of the carryforward option could simplify the process for testing the impairment of goodwill, we also believe that this change in guidance would make it more costly and cumbersome for us to perform annual

impairment tests of our other indefinite-lived intangible assets which are not currently in the scope of the Exposure Draft. As a result, for CCE, it is our opinion that the proposed amendments would not reduce the overall costs and complexity of completing intangible asset impairment tests as compared with existing guidance.

As stated previously, we are a company with significant franchise license intangible assets that are classified as other indefinite-lived intangible assets. In the past, we have analogized to the carryforward option outlined for goodwill in Accounting Standards Codification (ASC) 350-20-25-29 to carryforward the fair value of our franchise license intangible assets from a previous year if we determined that certain conditions were met (refer to Note 2 of the Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2010). This assessment has allowed us to defray significant costs and effort related to the annual quantitative impairment tests for our other indefinite-lived intangible assets while still thoughtfully considering the potential for impairment of these assets.

According to the Exposure Draft, the proposed guidance would remove this carryforward option. The proposed guidance also states that the amendments would not change the current guidance for testing other indefinite-lived intangible assets for impairment. We ask the Board for clarification on this point as it is unclear if analogizing to the new guidance would be permitted for other indefinite-lived intangible assets. If the proposed guidance is enacted, our likely approach would be to analogize to the new guidance for our franchise license impairment testing as we had done previously with the carryforward option assuming it is not prohibited. However, we believe the more appropriate path would be for the Board to consider including other indefinite-lived intangible assets in the scope of the new guidance, thereby superseding the guidance contained in ASC 350-30. Goodwill and other indefinite-lived intangible assets carry similar characteristics, and the events and circumstances that would result in impairment of goodwill are very similar to those that would indicate an impairment of other indefinite-lived intangible assets. As such, our opinion is that the qualitative assessment option should be extended to include other indefinite-lived intangible assets in order to achieve the FASB's objective of simplifying and reducing the overall expenses associated with annual impairment testing.

Question 3: For preparers, do you expect your entity will choose to perform the qualitative assessment proposed in the amendments, or will your entity chose to proceed directly to performing the first step of the two-step impairment test? Please explain.

For goodwill, we expect to utilize the qualitative assessment proposed in the amendments prior to requiring a quantitative test be performed. If the scope of this Exposure Draft were to be extended to other indefinite-lived intangible assets as we have recommended above, we would expect to also utilize this option prior to performing a quantitative test on these intangibles. If the scope were not extended as recommended, we would explore the option of analogizing the new guidance to our other indefinite-lived intangible assets, assuming that it is not specifically prohibited.

Questions 4-5: Not applicable to preparers.

Question 6: Do you agree that the proposed examples of events and circumstances to be assessed are adequate? If not, what changes do you suggest?

We believe that the examples of events and circumstances as discussed in the proposed guidance are adequate to guide the preparer in making a professional judgment as to whether it is more likely than not that its goodwill has been impaired. It is understood that this list is not exhaustive and other applicable circumstances should be considered as applicable to the specific entity.

Question 7: Do you agree that the guidance in the proposed amendments about how an entity should assess relevant events or circumstances is clear? If not, how can the guidance be improved?

We agree that the Exposure Draft provides clear guidance regarding how to qualitatively assess relevant events and circumstances.

Question 8: Do you agree with the Board's decision to make the proposed amendments applicable to both public entities and nonpublic entities? If note, please explain why.

We agree with the FASB's decision to make the amendments applicable to both public and nonpublic entities.

Question 9: Do you agree with the proposed effective date provisions? If not, please explain why.

We agree with the proposed effective date provisions.

Thank you for your consideration of our comments on these matters. If you have any questions, comments, or would like further information regarding this submission, please contact me at 678-260-3053.

Sincerely,

Scott C. Bourgeois
Director, Financial Reporting and Technical Accounting
Coca-Cola Enterprises, Inc.