



POPPLETON ELECTRIC & MACHINERY COMPANY, INC.

969 SO. NEBRASKA ST. • SEATTLE, WASHINGTON 98108 • (206) 762-9160 • FAX (206) 763-5237

October 18, 2010

Technical Director, File Reference No. 1860-100, FASB
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 1860-100

Mr. Russell Golden:

As an owner of a construction firm, and someone who has an accounting degree, I understand the need to maintain transparency and establish high accounting standards. I agree that financial statements must provide relevant and accurate information for users of those statements to make informed decisions about a particular business. However, the proposed requirements for disclosure of withdrawal liability will not accomplish those goals of financial reporting. There are several reasons for this. The one that I think of the most is that the vast majority of construction firms will never be likely to incur a withdrawal liability. They would be spending time and precious funds to report something that neither exists nor is likely or probable to exist.

The banking industry as well as the construction firms will suffer unnecessary economic harm. Banks will deny credit based on the reported withdrawal liability, and thereby miss an opportunity to invest in a financially sound business. The construction firm would then be unable to finance most of their construction projects. Short term credit is the life-blood of a construction business because it takes so long to get paid on both public and private projects.

All the construction firms will also have to pay for the calculation of the liability; providing that the actuaries will even have time to perform those calculations. Then by the time it gets reported, it will be out of date and inaccurate.

The ERISA laws have been updated to handle this issue. The proposed rules by the FASB have good intent, but it seems they are not necessary. They seem opposite to the goal of relevant, timely, and accurate financial information.

I appreciate your serious consideration of these views as well as those of all the stakeholders in the construction industry.

Sincerely,

Sean Sullivan
Secretary & Treasurer