

## Inventory (Topic 330), Simplifying the Measurement of Inventory

| Question Text   | Response  |
|---|---|
| * Please select the type of entity or individual responding to this feedback form.  | Preparer  |
| Other, please specify (Specified)   |   |
| * Please provide contact information for any follow-up questions.   | (Filled in as Follows:)   |
| Organization *  | Ergon, Inc.   |
| First name *  | Lee   |
| Middle initial  |   |
| Last name *   | Adams   |
| Email address *   | lee.adams@ergon.com   |
| Phone number  |   |
| Should inventory be measured at the lower of cost and net realizable value? If not, what other measurement is more appropriate and why?                                       | Yes, this is a positive change from two perspectives. First, this significantly reduces the complexity associated with inventory valuations and LCM adjustments. Secondly, and more importantly, we believe this is a better reflection of the ultimate realization of inventory value at the balance sheet date and more accurately reflects income in periods where inventory carrying value has been impaired. |
| Should the proposed Update be applied prospectively to the measurement of inventory after the date of adoption?   | Yes   |
| Should the proposed Update be effective in annual periods, and interim periods within those annual periods, beginning after December 15, 2015, with early adoption permitted? | Yes, with no delay in the effective date for nonpublic entities. Ergon, Inc. is a relatively large (2500 employees) privately-held entity with significant amounts of inventory. Concurrent adoption with public entities would be beneficial, and as soon as possible.   |

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| <p>Should there be a delay in the effective date for entities other than public business entities and why?</p>  |              |
| <p>Please provide any additional comments on the proposed Update:</p>   | None         |
| <p>Please provide any comments on the electronic feedback process:</p>  | Excellent    |
| <p>Below is a printable summary of your responses to the questions in this feedback form.</p> <p>You can revise your responses by clicking the "Back" button.</p> <p>All comments received constitute part of the FASB's public file. The FASB will make all comments publicly available by posting them to the Online Comment Letters portion of its website.</p> <p>If you are finished providing comments, click the 'Submit' button at the bottom of this page.</p> | Not Answered |