



February 2, 2009

Florence E. Harmon
Acting Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Carl T. Berquist
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Re: Comments on Proposed IFRS Roadmap (File Reference No. S7-27-08)

(The first two paragraphs will be revised if other companies sign the letter)

Dear Ms. Harmon:

Marriott International, Inc. ("Marriott") welcomes this opportunity to respond to the request for comments from the Securities and Exchange Commission ("SEC" or "Commission") on the Proposed Roadmap for the Potential Use of Financial Statements Prepared in Accordance With International Financial Reporting Standards by U.S. Issuers ("Proposed Rule" or "Roadmap").

Marriott is a worldwide hospitality company with operations in five business segments: North American Full-Service Lodging; North American Limited-Service Lodging; International Lodging; Luxury Lodging and Timeshare. At the end of our 2008 third quarter, we operated 3,105 properties (550,453 rooms) and over 60 timeshare resorts in almost 70 countries.

We support the Commission's efforts to develop high-quality standards that improve the transparency, usefulness and credibility of financial reporting. However, we have the following thoughts/concerns regarding the Proposed Rule:

1. Potential Required Use of International Financial Reporting Standards ("IFRS")

We understand that if the milestones noted in the Roadmap were to be achieved, then U.S. issuers would be required to use IFRS beginning in 2014. As outlined in this letter, we believe such mandatory requirement will result in a high risk that users of financial information will be confused and thus lack confidence in the information; companies will not have the expertise to implement an entirely new set of rules; auditors will struggle to accept conflicting policies that companies within the same industry may adopt; and finally, and most importantly, companies will incur significant costs in implementing the rules with little or no tangible benefit at a time when the economy is very weak.

We do not believe that any U.S. issuer should be forced to change its current basis of accounting. Rather we believe that the Financial Accounting Standards Board ("FASB")

and the International Accounting Standards Board (“IASB”) should continue their current work on converging the U.S. and International accounting standards. We believe that once the two sets of standards are sufficiently converged, there will be no need to choose one set of standards over another. This will reduce the financial burden on U.S. companies by (1) eliminating the large up-front expenditures that would be required to implement IFRS, (2) eliminating the need for maintaining duplicate sets of records during a three-year transition period and (3) eliminating the need for three years of audits conducted under both sets of standards. It will also alleviate concerns about college curriculums and other training issues, as the college and training curriculums will naturally evolve as the U.S. and International accounting standards converge. Finally, as new rules are adopted and/or changed over the next several years, companies will be able to absorb the changes over time, developing the in-house expertise needed to assure technical compliance.

However, we do believe that companies should have the option to adopt IFRS if their particular situation warrants it. By adopting this approach, the Commission would have the ability to react to such filings without the need to develop 100% knowledge in IFRS among its staff, but instead develop the expertise as demand warranted it. This would also give the Commission the ability to observe the market and other user’s reaction to IFRS.

The following sections highlight some of our concerns with the proposed approach:

2. Lack of Interest in IFRS by Stakeholders

The primary users of financial statements are investors, shareholders, creditors, analysts and other effected entities. Through informal discussions with these constituents, including creditors and investors from outside the U.S., they all seem very comfortable with the current basis of accounting and could not identify any major benefit from the change. In our opinion, converting to IFRS is a solution without an underlying problem. In fact, we have never heard an investor in our company, any stock analyst covering Marriott, or any lender with which we do business in the United States or abroad suggest to us that they would prefer we report our results in IFRS.

3. Concern about IFRS Interpretation by Auditors and the Legal/Tax System

We are concerned about the principles-based nature of IFRS and the alternatives present therein, and the inherent conflict between the rules-based mindset in the U.S. especially as it pertains to the auditors, the taxing authorities and the judicial system in general. We are concerned that a move to IFRS may result in the accounting firms issuing their own

interpretative guidance as each of them interprets the principles-based standards in their own manner. This could lead to different outcomes for the same transaction depending upon the guidance mandated by the accounting firm that performs the audit. We are also very concerned and uncertain as to how the rule-based legal and tax systems in the U.S. may interpret IFRS and the resulting impact on our company and our industry.

4. Costs Related to IFRS Implementation and Our Priorities in the Current Business/Economic Environment

As is the case with the majority of the companies in the U.S. and abroad, by any measure, 2008 was a very tough year, and 2009 looks to be as difficult or even worse. The turbulent economy has had a serious effect on our business as well as many others and has forced us to make hard decisions that affected jobs.

Our top priorities over the next few years include working closely with our stakeholders to keep our brands strong and to contain costs on all possible fronts. We are committed to doing whatever we can to protect jobs and minimize the negative effect of these efforts on our associates and guests while keeping our business running as efficiently and effectively as possible. We believe that in the current business and economic environment, any monies spent on IFRS implementation would be a misused resource with little or no return. We would prefer to utilize these funds in our core operations to further the goals of our stakeholders.

5. Concern about Global Governing and Regulatory Authorities

Finally, we are concerned that the Roadmap does not sufficiently address the ability of governmental agencies such as the European Union ("EU") to endorse standards issued by the IASB. We believe that the EU's carve-out of IASB 39 (and the threat of future EU or other carve-outs) has hindered the efforts of the IASB and FASB to converge the accounting for financial instruments, if not the overall convergence effort.

We do not believe that the Roadmap sufficiently addresses how the SEC plans to work with its counterparts in the International Organization of Securities Commissions ("IOSCO") in eliminating differences among the securities laws in various jurisdictions around the world. For example, the Roadmap does not describe how the SEC plans to address the applicability of SABs and regulations such as S-X and S-K, etc. for registrants that file financial statements prepared in accordance with IFRS. These views echo what has been previously expressed by numerous others, including the Committee on Corporate Reporting ("CCR") of Financial Executives International ("FEI"). (See FEI's September 25, 2007 letter

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to the Commission on the Proposing Release "Acceptance from Foreign Private Issuers of Financial Statements Prepared in Accordance with IFRS Without Reconciliation to U.S. GAAP," copy attached).

Thank you for the opportunity to provide comments on the Proposed Rule. We would be pleased to discuss our views with you at your convenience.

Sincerely,



Carl T. Berquist
Executive Vice President,
Financial Information and Enterprise Risk Management and
Principal Accounting Officer

CC:

Mr. Robert Herz, Chairman, FASB
Ms. Mary Shapiro, Chairman, SEC
Ms. Kathleen Casey, Commissioner, SEC
Ms. Elise Walter, Commissioner, SEC
Mr. Luis Aguilar, Commissioner, SEC
Mr. Troy Paredes, Commissioner, SEC



financial executives
international

committee on corporate reporting

September 25, 2007

Nancy M. Morris
Secretary, Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Subject: File Number S7-13-07

Dear Ms. Morris:

The Committee on Corporate Reporting (“CCR”) of Financial Executives International (“FEI”) wishes to share its views on the Securities and Exchange Commission’s (the “SEC”) Proposing Release “Acceptance from Foreign Private Issuers of Financial Statements Prepared in Accordance with IFRS Without Reconciliation to U.S. GAAP,” (the “Release”). FEI is a leading international organization of 15,000 members, including Chief Financial Officers, Controllers, Treasurers, Tax Executives and other senior financial executives. CCR is a technical committee of FEI, which reviews and responds to research studies, statements, pronouncements, pending legislation, proposals and other documents issued by domestic and international agencies and organizations. This document represents the views of CCR, and not necessarily those of FEI or its members individually. For reasons discussed below, CCR is very supportive of the proposals contained in the Release.

CCR fully supports the concepts underlying the SEC’s “roadmap” to elimination of the requirement to reconcile IFRS (as adopted by the International Accounting Standards Board (“IASB”)) filings to U.S. GAAP. We believe that IFRS standards are of sufficiently high quality and are capable of consistent application such that acceptance of financial statements prepared in accordance with them in U.S. capital markets would meet investor needs. We also observe, and the SEC’s roundtable on March 6th of this year affirmed, that the reconciliation to U.S. GAAP is not analyzed or otherwise incorporated into analysts’ forecasts or financial statement analyses prepared by sophisticated users of financial statements. Furthermore the prospect that the SEC may not drop the reconciliation has lead European regulators to actively consider whether to impose a similar reconciliation requirement on U.S. issuers that trade in European capital markets. That potential action is inextricably linked to the SEC’s efforts in this area.¹ For

¹ See European Commission Working Document ESC-27-2007

all of these reasons we believe that the elimination of the reconciliation from IFRS to U.S. GAAP is an important and necessary step in the direction of the ultimate goal: achieving a single set of global accounting standards.

Some critics of this proposal have raised the concern that elimination of the reconciliation will undermine convergence efforts and that such action should be taken only when more progress has been made. We observe that using the potential elimination of the reconciliation as the reward for achieving an undefined threshold of convergence is inappropriate and unjustified. In the five years since the Norwalk Agreement was initially enacted by the FASB and the IASB joint standards issued by the Boards continue to contain differences. As a result, we believe that complete convergence as a result of joint standard setting projects remains a long-term goal but not something achievable in the near future. We believe that investors understand the key differences between the two sets of standards and that informed and rational capital allocation decisions are being made in light of those differences. In that regard, we observe that there were no disruptions or dislocations in European capital markets when listed companies began filing IFRS financial statements in 2005. The functioning of those markets today provide a clear indication of the likely future state of U.S. markets: listed companies applying IFRS trading side by side with other listed companies applying U.S. GAAP.

We also observe that to create a high-quality reconciliation between IFRS and U.S. GAAP requires an entity to essentially keep two sets of books, which is both costly and inefficient. Our members that prepare financial statements in accordance with IFRS are concerned about continuing to have to incur those costs in the future, while the rest of our members are wary of a potential requirement to prepare such a reconciliation to IFRS within the next four years as a consequence of being a U.S. GAAP issuer of securities in European capital markets. There is no question that such a requirement entails significant costs for foreign private issuers and will result in significant costs being imposed on U.S. companies in the near future. It is also likely that this potential requirement will be avoided if the parallel U.S. requirement is eliminated.

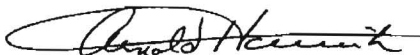
We hope that upon taking this important step, the SEC will continue to pursue the equally important issue of allowing U.S. companies to apply IFRS as well (as contemplated in your recently issued Concept Release which we plan to comment on separately). Towards that end, we believe that the revised reporting and regulatory framework for qualifying foreign private issuers (those that satisfy the requirements to file IFRS financial statements without reconciliation) should also form the basis for filings by U.S.-based IFRS filers. In that regard, we observe that more work needs to be done in the following areas to ensure that there is a level playing field between foreign companies filing under IFRS (as adopted by the IASB) and U.S. companies filing under U.S. GAAP or, at some point in the future, under IFRS. We believe with the time, effort and cost savings associated with the elimination of the reconciliation to U.S. GAAP, many of these special accommodations to IFRS filers, noted below, will no longer be necessary. However, we also wish to make clear that we do not view changes in these accommodations as a prerequisite for eliminating the reconciliation.

- Interim reporting – foreign private issuers currently are required to provide interim reports only if their home jurisdiction requires such reporting. For many of these issuers this translates into semi-annual reporting.
- Timetable for filing interim and annual financial data – foreign private issuers have up to 6 months to file after the end of their fiscal years. While there may be a need for some additional time in order to translate financial statements and disclosures to English, we believe that current requirements should be conformed to the extent possible with deadlines that apply to comparable U.S. companies.
- 6-K filing requirements – these requirements are quite different from the 8-K requirements that apply to U.S. companies. In addition, this information is deemed “furnished” (as opposed to “filed”) and is therefore not subject to the same requirements, and potential liability, as similar information filed under an 8-K. In addition, we also understand that interim financial statements are provided under Form 6-K and therefore are also furnished not filed.
- Applicability of SEC guidance – while existing guidance addresses to some extent this issue, we believe that greater clarity is needed as to the applicability of regulations S-X, S-K, Staff Accounting Bulletins, etc. for registrants that file financial statements prepared in accordance with IFRS.

We believe that convergence in this area will not be achievable in a single step and will require efforts by the SEC and its counterparts in IOSCO to agree upon common regulatory and reporting frameworks for all major capital markets. We understand that it will be impossible to eliminate all differences among the securities laws in various jurisdictions but believe that such efforts are essential to ensuring the free flow of capital among markets in each major area.

CCR commends the SEC for the work that it has done on the roadmap and its efforts to implement its conclusions through the SEC’s processes. We believe that the SEC’s actions in the next two years will determine whether the goals set forth in the roadmap can be achieved in the U.S. securities markets. Members of CCR offer their assistance to the staff of the SEC who are developing a final rule based on this proposal and on the equally important Concept Release issued last month.

Sincerely,



Arnold C. Hanish
Chair, Committee on Corporate Reporting
Financial Executives International