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

File Number S7-27-08

ROADMAP FOR THE POTENTIAL USE OF FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS BY U.S.ISSUERS.

Intel Corporation is pleased to respond to your request for comment on the proposed rule "Roadmap for the Potential Use of Financial Statements Prepared in Accordance with International Financial Reporting Standards by U.S. Issuers" (the "Roadmap"). We support the goal of developing high quality accounting and reporting standards that promote the objectives of global transparency and comparability of financial information. We believe that continued convergence of U.S. GAAP and IFRS is a more cost-effective approach to achieve that objective, as discussed below. We provide more detailed responses to the questions posed in the Roadmap in the Appendix.

Adoption of IFRS, as issued by the IASB, as the single set of standards is one approach to achieve global transparency and comparability. However, significant progress has been made to increase the comparability between U.S. GAAP and IFRS in recent years. This assertion is supported by the SEC's acceptance of foreign private issuers financial statements prepared in accordance with IFRS, as issued by the IASB, without reconciliation to U.S. GAAP. The updated IASB and FASB Memorandum of Understanding will further increase the comparability of the standards over time. Therefore, we believe that the use of U.S. GAAP for SEC registrants and IFRS for foreign private issuers and non-SEC registrants achieves the objective of high quality accounting and reporting standards that promote global transparency and comparability of financial information.

With respect to the cost of converting our systems and processes from U.S. GAAP to IFRS, the Roadmap provides metrics to estimate conversion costs. The estimated cost to our shareholders is $50 million, using those metrics. This is clearly a significant investment, one that we would not normally undertake without an adequate return. We believe that a significant portion of this cost could be avoided by following the path of continued convergence between U.S. GAAP and IFRS. We therefore recommend that a detailed study be conducted to fully consider the different paths and options possible to meet the stated objective, one of these approaches being continued convergence. This Study should cover the costs, benefits, strengths, weaknesses of the different paths possible, to ensure that the most effective path is chosen. We recommend that this study be completed expeditiously to reduce the uncertainty that currently exists. Once completed and a preferred path selected for achieving the stated objective, adequate lead time should be allowed for an orderly transition. If the SEC requires full adoption and three years of comparative financial information following a 2011 decision, we recommend a 2016 effective date coupled with a temporary moratorium on standard setting upon completion of the Memorandum of Understanding. This will provide a stable environment that increases the quality of implementation and, consequently, the quality of financial information provided to users.

In summary, we believe that the objectives of the proposed Roadmap could be more cost-effectively achieved by continued convergence. We recommend that a detailed study be completed to examine alternative paths. If the SEC concludes that full adoption to a single set of globally accepted standards is paramount, then the Roadmap must include more preparation time and a moratorium on standard setting to provide a stable environment.

Thank you for your consideration of the points outlined in this letter. We would be happy to answer any questions that you might have and to assist you in the further development of the Roadmap. If you have any questions, please contact me at (971) 215-6270, or Kevin McBride, Accounting Policy Controller, at (971) 215-1229.

Sincerely,

James Campbell
Vice President, Corporate Controller

Do commenters agree that U.S. investors, U.S. issuers and U.S. markets would benefit from the development and use of a single set of globally accepted accounting standards? Why or why not? What are commenters' views on the potential for IFRS as issued by the IASB as the single set of globally accepted accounting standards?

Conceptually, global adoption of a single set of accounting and reporting standards would provide U.S. investors with an opportunity to more readily compare investment opportunities, regardless of the country of origin. Adoption of IFRS in the U.S. could provide U.S. issuers an opportunity to further standardize global practices, enterprise and accounting systems, policies and procedures. This would, conceptually, lower the cost of preparing and reporting financial information. We support these conceptual objectives. However, we have considerable concerns about the degree these conceptual goals can be obtained.

We are concerned about the potential loss of control and how the SEC can fulfill its mandate if, as proposed, the SEC is one voice in many influencing the IASB via the recently announced Monitoring Board. As stated in the Roadmap, the SEC has a national mandate to protect U.S. investors. Congress will hold the SEC accountable to that mandate. As economic events unfold in the U.S., Congress will act. A common action is public hearings on these events, followed by legal changes and, in cases like Enron and the credit crises, standard setting. That is, standard setting cannot be disconnected from the national mandate to protect U.S. investors. Assume that a future economic crisis exposes a significant deficiency in accounting standards: who would Congress turn towards to fix the deficiency? This is not an unusual or an infrequent occurrence. In fact, the changes to IAS 39 and IFRS 7 forced by the European Commission and changes to FAS 157 and FSP FAS 115-1 forced by Congress are recent examples of the national mandates overriding the conceptual goals of convergence. We believe a fundamental flaw in the concept of converged standards is that national mandates to protect investors will, at some point, override converged standards. Convergence, therefore, must be continual. Accordingly, the goal should be to first protect U.S. investors and ensure a system in which that mandate can effectively be achieved while *continually* seeking convergence between the standards.

Moreover, the U.S. financial reporting culture demands a certain level of specificity. When something is not clear, the remedy is often to clarify it through standard setting. To some, this is continuous improvement. To others, this is the result of a rules-based culture. Regardless, it is the practice. To this point, there are several recent Board and EITF projects that address FAS 141R and FAS 160 implementation issues, two recently "converged" standards. We currently have the luxury of requesting the FASB to provide additional interpretation or revising issued guidance. What will we do when rules lack specificity, lack internal consistency, or result in widely divergent practice? Why do we believe that we can apply IFRS, as issued by the IASB, if we cannot currently apply the recently "converged" standards without interpretation?

Do commenters agree that the milestones and considerations described in Section III.A. of this release ("Milestones to be Achieved Leading to the Use of IFRS by U.S. Issuers") comprise a framework through which the Commission can effectively evaluate whether IFRS financial statements should be used by U.S. issuers in their filings with the Commission? Are any of the proposed milestones not relevant to the Commission's evaluation? Are there any other milestones that the Commission should consider?

We believe that milestones 1-4 are necessary and can be successfully achieved with appropriate time and effort. However, we disagree with milestone 6. We question whether it is necessary to evaluate whether IFRS are of high quality and sufficiently comprehensive in 2011. Perhaps that conclusion could be reached today given that:

- The Boards will follow due process, thus producing high quality standards, and
- The comprehensiveness of IFRS can be evaluated today by superimposing the convergence roadmap onto the existing IFRS framework.

Alternatively, we believe the Commission should conduct a detailed review and conclude upon whether the full adoption of IFRS is cost-beneficial and appropriate upon completion of the convergence roadmap. We believe the most cost-efficient approach to achieve the objective of global transparency and comparability of financial information is continuing with a convergence roadmap that systematically eliminates significant difference between U.S. GAAP and IFRS over an extended period of time. Not mandating the full adoption for IFRS by a specific date, but achieving convergence over time, removes the dual reporting and other one-time implementation requirements and enables a more cost-effective and controlled approach to achieve the stated objective.

Additionally, we are concerned whether the Boards have a reasonable chance of completing the convergence roadmap within the timeline. Completing just three of the major projects (the conceptual framework, revenue recognition and financial statement presentation) would represent significant accomplishments. We cannot think of a time in which the Board completed a similar volume of substantially new literature in a similar time frame.

We also believe that milestones 5 and 6 are incompatible. Milestone 5 restricts the number of early adopters. The benefit of early adoption, however, is contingent upon the SEC's evaluation in 2011. That is, early adopters are exposed to significant restatement costs if the SEC does not move forward with the adoption of IFRS. We believe that this uncertainty will deter preparers from early adoption. Further, in the current economic climate, the contingency will also deter other preparers from making significant investments in the conversion to IFRS. How should we justify to our shareholders an investment of $50 million, by the SEC's estimation, which is contingent upon the completion of significant milestones by a party outside of our control?

Do commenters agree with the timing presented by the milestones? Why or why not? In particular, do commenters agree that the Commission should make a determination in 2011 whether to require use of IFRS by U.S. issuers? Should the Commission make a determination earlier or later than 2011? Are there any other timing considerations that the Commission should take into account?

As previously stated, we believe that the uncertainty associated with milestone 6 creates a disincentive to invest in the current economic climate.

Further, the timing of milestone 1 with respect to the ongoing convergence roadmap creates a significant period of change for preparers to manage. In particular, standards need to be sorted between fixed (no expected changes within the implementation window) and variable (changes expected within the implementation window). Adoption efforts on fixed standards can begin immediately. However, adoption efforts on variable standards cannot begin until the final standard is issued. It will be difficult for preparers to implement the appropriate system, business process and reporting changes by the January 1, 2014 effective date (including the comparative periods beginning January 1, 2012) given the volume of variable standards and their expected completion dates. This limited implementation period for variable standards is in stark contrast to the adoption in the EU where a full 21 month period was allowed before the transition date.

By way of example, the current discussion paper on Financial Statement Presentation has elements that could potentially require significant systems and process changes. The Financial Statement Presentation project alone would require a dedicated and knowledgeable project team as well as resources throughout the company to successfully implement. Coupled with other convergence projects and the IFRS adoption roadmap, all process and systems changes could introduce significant risk to financial reporting during the intervening periods.

As mentioned above, we believe the completion of a full cost-benefit analysis and due consideration of all options is paramount to the successful achievement of the ultimate objective. We believe that long term convergence is the most efficient and effective way to meet the objective. The current proposed roadmap introduces significant costs and creates a spike in demand on resources that we believe is unnecessary to achieve the goal. Indeed it is possible that a long term convergence strategy could result in little incremental cost by treating convergence as "business as usual." However, after consideration of the costs and benefits, if it is deemed necessary to move to a full adoption roadmap we believe it would be better to move the effective date to January 1, 2016 and provide a more stable environment for change, provide the appropriate preparation time required to convert, and lower the cost of adoption by reducing the peak workload.

What are commenters' views on the mandated use of IFRS by U.S. issuers beginning in 2014, on an either staged-transition or non-staged transition basis? Should the date for mandated use be earlier or later? If the Commission requires the use of IFRS, should it do so on a staged or sequenced basis? If a staged or sequenced basis would be appropriate, what are commenters' views on the types of U.S. issuers that should first be subject to a requirement to file IFRS financial statements and those that should come later in time? Should any sequenced transition be based on the existing definitions of large accelerated filer and accelerated filer? Should the time period between stages be longer than one year, such as two or three years?

For the reasons previously stated, the adoption date of IFRS should be extended to 2016 (or beyond) to allow time for stability of accounting standards and enable the appropriate transition planning of systems and processes. To further stabilize the environment, we believe that the Roadmap should incorporate a moratorium on new standards, similar to that used for the European transition.

What do commenters believe would be the effect on convergence if the Commission were to follow the proposed Roadmap or allow certain U.S. issuers to use IFRS as proposed?

We believe that the joint convergence project is critical. However, full adoption in a short timeframe is a costly approach that introduces unnecessary risk into financial accounting and reporting. We believe a more efficient approach is to continue convergence to narrow the differences and ultimately provide users with financial accounting and reporting information that achieves the objective of global transparency and comparability of financial information.