



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

December 19, 2014

Jeffrey S. Spindler, Esq.
Olshan Frome Wolosky LLP
65 East 55th Street
New York, NY 10022

RE: VWAP Pricing in Issuer Exchange Offer by GenCorp Inc.

Dear Mr. Spindler:

We are responding to your letter dated December 19, 2014 addressed to Michele M. Anderson, Lisa M. Kohl, and Daniel F. Duchovny, as supplemented by telephone conversations with the staff, with regard to your request for no-action relief. To avoid having to recite or summarize the facts set forth in your letter, our response is attached to the enclosed copy of your letter. Unless otherwise noted, capitalized terms in this letter have the same meaning as in your letter.

On the basis of your representations and facts presented in your letter, the staff of the Division of Corporation Finance will not recommend that the Securities and Exchange Commission take enforcement action under Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b) under the 1934 Act if the Company conducts the Offer by using the Pricing Mechanism as described in your letter. In issuing this no-action position, we considered the following facts, among others:

- the Offer to Purchase discloses the Pricing Mechanism for determining the number of shares of common stock that Debenture holders will receive in exchange for each Debenture tendered and purchased in the offer;
- the Offer to Purchase includes an illustrative table showing calculations of the purchase price;
- the Pricing Mechanism will remain fixed throughout the duration of the Offer; and, if there is a change in the Pricing Mechanism, the Offer will remain open for at least 10 business days;
- the Common Stock used as the reference security in the Pricing Mechanism is listed on the New York Stock Exchange;
- the Company's belief that the value of the Debentures is directly correlated to the trading price of the Common Stock;

- the Company has published and will continue to publish the daily indicative calculated purchase prices per Debenture on a webpage maintained for the Offer and has provided a toll-free number that holders of the Debentures can use to obtain pricing related information;
- the Company will publish the final purchase price on the Offer webpage and in a press release no later than 5:00 p.m., New York City time, on the day prior to the Expiration Date of the Offer, and electronically file that information on an amended Schedule TO;
- the Offer expires at 5:00 pm, New York City time, on the day after the VWAP Averaging Period ends, and Debenture holders have approximately 24 hours after the final purchase price has been determined to make tenders and withdrawals, and the Company has disclosed the procedures for making tenders and withdrawals in the Offer to Purchase;
- the Offer to Purchase discloses that the Company is seeking to buy any and all of the Debentures.

The foregoing no-action position is based solely on your representations and the facts presented in your letter dated December 19, 2014 as supplemented by telephone conversations with the staff. Any different facts or circumstances may require a different conclusion. This relief is strictly limited to the application of Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b) to the Company's use of the Pricing Mechanism. This response expresses the Division's position on enforcement action only and does not express any legal conclusion on the question presented. The Company should discontinue the Offer pending further consultations with the staff if any of the facts or representations set forth in your letter change.

We also direct your attention to the anti-fraud and anti-manipulation provisions of the federal securities laws, including Sections 9(a), 10(b) and 14(e) of the 1934 Act and Rules 10b-5, 13e-4(j) and 14e-3 thereunder. Responsibility for compliance with these and any other applicable provisions of the federal securities laws rests with the participants in the Offer. The Division of Corporation Finance expresses no view with respect to any other questions that the Offer may raise, including any questions relating to the adequacy of the disclosure regarding, and the applicability of the Securities Act of 1933 or any other federal or state laws to, the Pricing Mechanism or the Offer.

Sincerely,

Michele M. Anderson
Chief
Office of Mergers and Acquisitions
Division of Corporation Finance

December 19, 2014

VIA OVERNIGHT DELIVERY AND ELECTRONIC MAIL

Office of Mergers and Acquisitions
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.

Washington, D.C. 20549-3628

Attn: Michele M. Anderson, Chief – Office of Mergers and Acquisitions
Lisa M. Kohl, Attorney-Advisor
Daniel F. Duchovny, Special Counsel

Re: VWAP Pricing in Issuer Exchange Offer by GenCorp Inc.

Ladies and Gentlemen:

We are writing on behalf of our client, GenCorp Inc., a Delaware corporation (“GenCorp” or the “Company”), in connection with an exchange offer (the “Offer”) by the Company to purchase all or a portion of its issued 4.0625% Convertible Subordinated Debentures due 2039 (the “Debentures”) at a purchase price per Debenture¹ determined in accordance with the Pricing Mechanism (as defined below). The Debentures are convertible into shares of the Company’s common stock (“Common Stock”), which is listed for trading on the New York Stock Exchange (“NYSE”). Accordingly, the Offer is subject to Rule 13e-4 under the Securities Exchange Act of 1934, as amended (the “1934 Act”), in addition to Regulation 14E and Sections 13(e) and 14(e) under the 1934 Act. On October 2, 2014, the Company filed with the Securities and Exchange Commission (the “SEC”) a Tender Offer Statement on Schedule TO (as may be amended, the “Schedule TO”) in connection with the Offer.

Further to our discussions with the Staff (the “Staff”) of the SEC, we are writing to request, on behalf of the Company, that the Staff confirm that it will not recommend that the SEC take enforcement action against the Company pursuant to Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b) under the 1934 Act with the respect to the Company's use of the Pricing Mechanism to determine the purchase price to be paid per Debenture pursuant to the Offer.

I. The Offer

¹ As used in this letter, any reference to a price or value “per Debenture” or “for the Debentures” means a price or value per \$1,000 principal amount of Debentures.

The Company is offering to purchase any and all of the outstanding Debentures pursuant to the Offer, which will expire at 5:00 p.m., New York City time, on December 30, 2014 (as the date may be extended, the “Expiration Date”). If holders surrender a portion of their Debentures for repurchase, the holder must surrender their Debentures in a principal amount of \$1,000 or a multiple thereof; provided that the portion not to be purchased is in a minimum principal amount of \$2,000. The Company is relying on the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, to conduct the Offer. The Company has disclosed all terms and conditions of the Offer in the Amended and Restated Optional Repurchase Notice to Holders of 4.0625% Convertible Subordinated Debentures due 2039, dated October 27, 2014, which is attached as Exhibit 99(A)(I)(B) to the Schedule TO, as supplemented by that certain Supplement to Amended and Restated Optional Repurchase Notice to Holders of 4.0625% Convertible Subordinated Debentures due 2039, dated November 5, 2014, which is attached as Exhibit 99(A)(I)(C) to the Schedule TO (collectively, the “Optional Repurchase Notice”).

All of the Debentures are held in book-entry form through the facilities of The Depository Trust Company (“DTC”), and all of the Debentures are currently represented by one or more global certificates held for the account of DTC. The Company has advised us that it believes that substantially all of the holders of the Debentures are institutional investors.

Participation in the Offer by holders of Debentures is entirely voluntary. It is expected that none of the Company, its Board of Directors or the paying agent for the Offer will make any recommendation to holders of Debentures as to whether to participate in the Offer. Debentures that are not purchased in the Offer will remain outstanding on their current terms and conditions. Debentures purchased by the Company in the Offer will be cancelled in accordance with the Indenture, dated as of December 21, 2009 (the “Indenture”), between the Company and The Bank of New York Mellon Trust Company, N.A., pursuant to which the Company issued the Debentures.

Because the trading price of the Common Stock on the NYSE is well in excess of the conversion price of the Debentures (i.e., the Debentures are “in the money”), the Company believes that the value of the Debentures is directly correlated to the trading price of the Common Stock.² Accordingly, the price which the Company is offering to pay for each Debenture tendered and purchased in the Offer will be determined by the number of shares equal to (x) the Optional Repurchase Price³ to be paid to holders of the Debentures, divided by (y) the product of (i) the price per share of the Common Stock determined during the 40 consecutive Trading Days (as defined in the Indenture) ending on the second Trading Day immediately

² The conversion rate for the Debentures is 111.0926 shares of the Company’s common stock per \$1,000 principal amount of Debentures, subject to adjustment in accordance with the terms of the Indenture. This corresponds to a conversion price of approximately \$9.00 per share of Common Stock. On December 3, 2014, the closing price per share of the Common Stock on the NYSE was \$16.92. As described in greater detail in the “Discussion” section below, the Company has observed a direct correlation between the value of the Debentures and the trading price of the Common Stock.

³ The Optional Repurchase Price is equal to 100% of the principal amount of the Debentures being repurchased, plus any accrued and unpaid interest, to, but excluding, December 31, 2014.

preceding the Optional Repurchase Date using the sum of the Repurchase Daily Price Fractions for such 40 consecutive trading days (the “VWAP Averaging Period”) (where “Repurchase Daily Price Fraction” means, for each such trading day, 2.5% multiplied by the daily VWAP per share of Common Stock for such day), multiplied by (ii) 97.5% (the “Pricing Mechanism”).⁴ The daily VWAP for any trading day will be the per-share volume-weighted average price of the Common Stock on the NYSE, as displayed under the heading “Bloomberg VWAP” on the appropriate page of Bloomberg, in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session of the NYSE on such trading day. In addition, any and all Debentures validly surrendered for repurchase and not withdrawn will receive accrued and unpaid interest, if any, to, but excluding December 31, 2014.⁵ Accordingly, holders of the Debentures will generally benefit from increases in the value of the Common Stock during the VWAP Averaging Period and decreases in the value of the Common Stock during the VWAP Averaging Period will generally be detrimental to such holders.

The Company has delivered to holders of the Debentures the Optional Repurchase Notice that includes (i) the address of, or in the case of electronic copies of the Optional Repurchase Notice, a link to, a webpage at <http://www.gencorp.com/4.0625optionalrepurchase/> that provides updated indicative purchase prices for the Debentures during the Offer, (ii) a toll-free telephone number at (800) 689-0851 that holders of the Debentures can call to obtain the same information that is posted on the webpage and (iii) an illustrative table showing calculations of the purchase price. In particular:

- By 4:30p.m., New York City time, on each trading day after the first day of the VWAP Averaging Period, the webpage shows and will continue to show an indicative Average VWAP and the indicative purchase price for the Debentures, calculated as though that day were the day before the Expiration Date (i.e., it will show the indicative Repurchase Daily Price Fraction for that day and the preceding days of the VWAP Averaging Period and the resulting indicative purchase price for the Debentures).⁶
- Each time the webpage is updated, it also shows and will continue to show the closing trading price for the Common Stock on the New York Stock Exchange.⁷

⁴ The purchase price for the Debentures will not be adjusted at any time during the Offer for any dividends declared and/or paid on the Common Stock during the Offer.

⁵ For purposes of this letter, the Company acknowledges that a change in the Pricing Mechanism would constitute a change in the consideration offered for the Debentures within the meaning of Rules 13e-4(f)(1)(ii) and 14e-1(b) and would require an extension of the Offer in the event that notice of any such change would otherwise be given less than ten business days prior to the previously scheduled Expiration Date.

⁶ Unlike the tender offers described in the no-action letters discussed herein where the pricing formula was set by the issuer, the pricing mechanism is included in the Indenture and thus agreed upon contractually by the holders of the Debentures. Thus, The Company does not believe that cumulative actual trading data to reflect intra-day pricing information is information useful to the holders of the Debentures.

⁷ We do not believe it would be useful for the webpage to include regularly updated trading prices for the Debentures because (a) the Debentures are not listed, there is no other established public market for them, the trading market for them is not active, prices reported for them by Bloomberg and other pricing services are sporadic

The Company will announce the final purchase price of the Debentures by press release and on the webpage no later than 5:00 p.m., New York City time, on the day prior to the Expiration Date, and will amend the Schedule TO that will be filed in connection with the Offer to disclose the final purchase price for the Debentures and attach the press release as an exhibit.

Holders of the Debentures will have withdrawal rights until the Offer expires. Because the Offer will expire at 5:00 p.m., New York City time, on the day after the VWAP Averaging Period- approximately 24 hours after the Company announces the final purchase price for the Debentures- holders will have an opportunity for last-minute tenders and withdrawals. In this regard, we note that we have been advised that DTC will be open until 5:00 p.m., New York City time, on the Expiration Date, which will enable holders of the Debentures to tender or withdraw the Debentures in that system until 5:00 p.m., New York City time on the day after the Company announces the final purchase price for the Debentures.

II. Discussion

We have been advised by the Company that, because the Debentures by their terms are convertible into shares of Common Stock (and the conversion price per share (approximately \$9.00) is currently significantly less than the trading price of the Common Stock as of December 3, 2014 (\$16.92)), the Company believes that there is a direct correlation between the price at which holders of the Debentures would be willing to tender their respective Debentures and the trading price of the Common Stock at the time of such tender. Although the Debentures are not publicly traded, the Company has observed, based on the limited pricing data available, a direct correlation between the value of the Debentures and the trading price of the Common Stock.⁸

The Pricing Mechanism uses a VWAP Averaging Period that ends one business day before the Expiration Date rather than two business days prior to the Expiration Date (so-called “Day 18 pricing”). As compared to a pricing mechanism that uses Day 18 pricing, the Pricing Mechanism, with the VWAP Averaging Period ending one business day prior to the Expiration Date, fosters greater certainty for the Company and holders of the Debentures by establishing a final purchase price that is more closely correlated to the value of the Debentures on the

and as a result we question whether updated values for them would be meaningful and (b) based on the limited pricing data available for the Debentures, the Company believes that the value of the Debentures is directly correlated to the trading prices of the shares of Common Stock into which they are convertible.

⁸ To assess the correlation between the values of the Debentures and the trading prices of the Common Stock, the Company compared such amounts for the past approximately 26 months. The Company observed that the square of the price correlation coefficient (“R-Squared”) of the Debentures with respect to the Common Stock was 0.996 (with 1.00 being perfectly correlated). We have supplementally provided to the Staff the data that illustrates this correlation. This correlation indicates that the value of the Debentures is extremely sensitive to movements in the trading price of the Common Stock such that an increase (or decrease) in the trading price of the Common Stock results in an almost dollar-for-dollar increase (or decrease) in the value of the Debentures.

Expiration Date.⁹ The Pricing Mechanism establishes the purchase price for the Debentures in a simple, easy-to-understand and transparent fashion. Holders of the Debentures at all times from the Commencement Date will know the exact mechanism for determining the final purchase price for the Debentures. They will have free and ready access to updated indicative pricing information and time to tender or withdraw their Debentures after the final purchase price for the Debentures is announced, enabling them to make informed decisions about whether or not to tender. Imposing an arbitrary multi-day time delay between the time that the final purchase price of the Debentures is determined and expiration of the Offer will interfere with that expectation and is not necessary for the protection of investors. Moreover, as the Pricing Mechanism is included in the Indenture and thus agreed upon contractually by the holders of the Debentures, to change the terms of the Pricing Mechanism would require an amendment to the Indenture requiring the written consent of the holders of at least a majority in principal amount of the then outstanding Debentures.

In addition, because substantially all of the holders of the Debentures are believed to be institutional investors, the Company expects that substantially all of the holders of the Debentures have prior experience with tender offers and exchange offers in which similar tender and withdrawal procedures may have been available. Consequently, the Company expects that these holders will be able to analyze the Pricing Mechanism and make informed decisions whether or not to tender (or to withdraw a prior tender) in the time periods described above. For these reasons, we believe that the Pricing Mechanism complies with the applicable rules, is not coercive or unfair and should be permitted.

Below we set forth additional reasons why we believe the Pricing Mechanism complies with applicable SEC rules and should be permitted.

Rules 13e-4(f)(1)(ii) and 14e-1(b) under 1934 Act

Rules 13e-4(f)(1)(ii) and 14e-1(b) under the 1934 Act require, in relevant part, a tender offer to remain open for at least ten business days after notice of an increase or decrease in the consideration offered is first published, sent or given to security holders. In our view, the consideration offered for the Debentures in the Offer is a fixed amount in accordance with the Pricing Mechanism. The Company announced this consideration upon the commencement of the Offer, and we do not believe the arithmetic calculation of the final purchase price for the Debentures on the Expiration Date will be a change in “the consideration offered” within the meaning of Rules 13e-4(f)(1)(ii) and 14e-1(b) under the 1934 Act.

Rule 13e-4(d)(1) under the 1934 Act

⁹ It is possible that the closing price of the Common Stock on the Expiration Date may differ significantly from the Repurchase Daily Price Fraction used to determine the final purchase price for the Debentures in the Offer, but we believe that the use of a VWAP Averaging Period that ends one business day prior to the Expiration Date provides a reasonable balance between the objectives of providing the most current pricing practicable and reducing price distortions that could occur if prices were established at a single point in time.

Rule 13e-4(d)(1) under the 1934 Act requires that the issuer in an issuer tender offer disclose the information required by Schedule TO, which, in turn, requires by Item 4 thereof, that the issuer disclose the amount of consideration offered for the securities subject to the tender offer.

Because the Pricing Mechanism, instead of a fixed price, is being used in an effort to comply with Item 4 of Schedule TO, there is some uncertainty as to whether disclosure of the Pricing Mechanism satisfies this Item of the Schedule. For the same reasons we discuss above with respect to Rules 13e-4(f)(1)(ii) and 14e-1(b), we believe the Optional Repurchase Notice, which describes the precise manner in which the final purchase price the Debentures will be calculated, includes a full description of the consideration offered and that the absence of the final purchase price for the Debentures in the Optional Repurchase Notice will not violate Rule 13e-4(d)(1) under the 1934 Act. In that regard, we acknowledge that the Company is not seeking an exemption from the disclosure requirements of Schedule TO. Rather, the Company believes that, if the Staff grants the requested no-action relief under Rule 13e-4(d)(1), disclosure in the Optional Repurchase Notice of the Pricing Mechanism consistent with such relief would be deemed not to be inconsistent with the disclosure requirements of Schedule TO.

Section 13(e) of 1934 Act

Section 13(e) of the 1934 Act prohibits an issuer which has a class of equity securities registered under Section 12 of the Exchange Act from purchasing any equity security issued by it if such purchase is in contravention of the rules and regulations promulgated under the Exchange Act by the Commission to define acts and practices which are fraudulent, deceptive or manipulative and to prescribe means reasonably designed to prevent such acts and practices. For the same reasons we discuss above with respect to Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b), we believe the Optional Repurchase Notice complies with Section 13(e) of the 1934 Act and the rules and regulations promulgated thereunder.

Section 14(e) of 1934 Act

Section 14(e) of the 1934 Act prohibits any person from omitting any material fact necessary in order to make the statements made in connection with a tender offer, in light of the circumstances under which they were made, not misleading. For the same reasons we discuss above with respect to Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b), we believe the Optional Repurchase Notice, which describes the precise manner in which the final purchase price for the Debentures will be calculated, includes a full description of the consideration offered and that the absence of the final purchase price for the Debentures will not constitute an omission of a material fact that would violate Section 14(e) of the 1934 Act.

Consistent with Prior No-Action Letters

The Staff has long permitted formula pricing in the context of exchange offers.¹⁰ In a letter for TXU Corp. (September 13, 2004), the Staff extended this rationale to issuer cash tender offers and granted no-action relief relating to Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b) under the 1934 Act for an issuer tender offer in which TXU used a Day 18 pricing formula to determine the purchase price it offered for its outstanding equity units and convertible notes (with the final purchase prices per security being determined two business days prior to the expiration of TXU's tender offers).

In letters for McDonald's Corporation (September 27, 2006), Weyerhaeuser Company (February 23, 2007), Halliburton Company (March 23, 2007), Kraft Foods Inc. (July 1, 2008) and Weyerhaeuser Company (June 26, 2014) (collectively, the "Day 20 Split-Off Letters"), the Staff granted no-action relief relating to Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b) under the 1934 Act permitting companies involved in split-off exchange offers to price the common shares being offered and the common shares being acquired based on volume-weighted average prices over a two or three-trading day averaging period ending on the last day of the applicable exchange offer, so-called "Day 20 pricing".¹¹

In a letter for Citizens Republic Bancorp, Inc. (August 21, 2009), the Staff granted no-action relief relating to Rule 14e-1 (b) under the 1934 Act permitting the offeror to issue a fixed dollar value of its common stock in exchange for its outstanding non-convertible subordinated notes and trust preferred securities, with the final number of shares of common stock to be issued being determined on the expiration date of the exchange offer.¹²

Subsequent to the Citizens Republic letter, in letters for Thermo Fisher Scientific Inc. (November 13, 2009), Textron, Inc. (October 7, 2011), CNO Financial Group, Inc. (February 11, 2013) and Group 1 Automotive, Inc. (May 16, 2014) related to cash tender offers, and in letters for Sonic Automotive, Inc. (July 24, 2012) and American Equity Investment Life Holding Company (August 23, 2013) related to combined cash and common stock offers, the Staff granted no-action relief relating to Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b) under the 1934 Act with respect to offers with a Day 20 pricing mechanism substantially similar to the Pricing Mechanism and with structural protections, such as daily publishing of indicative purchase prices on a webpage, substantially identical to those to be included in the Offer.

In our view, the rationale of the letters to Citizens Republic, Thermo Fisher Scientific Inc., Textron, Inc., CNO Financial Group, Inc., Sonic Automotive, Inc., American Equity

¹⁰ See, e.g., the Staff's letters for Lazard Freres & Co. (August 11, 1995), AB Volvo (May 16, 1997) and Epicor Software Corporation (May 13, 2004).

¹¹ We note that the pricing mechanisms in the exchange offers described by the Day 20 Split-Off Letters generally limited the maximum number of shares that would be issued by the offerors, which could result in tendering holders receiving a value for their tendered securities less than the disclosed value. As a result, the offerors in the Day 20 Split-Off Letters undertook to extend their respective offers by two trading days in the event that the maximum share limitations were in effect to give holders additional time to determine whether or not to tender their securities.

¹² Unlike the Offer, the exchange offer contemplated by the Citizens Republic letter was not subject to Rule 13e-4. We do not view this distinction as significant.

Investment Life Holding Company and Group 1 Automotive, Inc. and the Day 20 Split-Off Letters (collectively, the “Day 20 Letters”) readily applies to the Offer because:

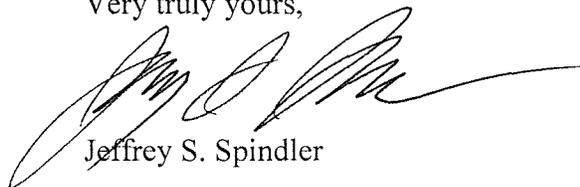
- Although the Pricing Mechanism for the Offer is slightly different than the pricing mechanism used in the Day 20 Letters insofar as the Pricing Mechanism uses a VWAP Averaging Period that ends one business day prior to the Expiration Date rather than on the Expiration Date, the Pricing Mechanism for the Offer is consistent with the relief granted in the Day 20 Letters in all material respects: (i) the formula component of the Pricing Mechanism will be fixed and remain constant during the Offer (subject to compliance with Rule 13e-4(f)(1)(ii) and Rule 14e-1(b) if the pricing formula is changed), (ii) the final purchase price is based on readily observable trading prices for securities listed on a national securities exchange, (iii) the Company will issue a press release announcing the final purchase price and post the final purchase price to the webpage described above promptly following the close of trading one business day before the Expiration Date and will file an amendment to its Schedule TO setting forth the final purchase price and including the press release as an exhibit, thus allowing investors time for last-minute tenders and withdrawals after the final purchase price for the Debentures is announced and (iv) the Optional Repurchase Notice will include a toll-free number, webpage address and, in the case of electronic copies of the Optional Repurchase Notice, a link to a webpage through which holders of the Debentures can access indicative purchase prices, enabling holders to predict whether the final purchase price will make participation in the Offer economically beneficial to them.
- As compared to Day 18 pricing, the Pricing Mechanism contemplated by the Offer reduces the likelihood of a disparity between the purchase price offered in the Offer and the value of the Debentures and protects any less sophisticated investors as well as holders of the Common Stock. If Day 18 pricing were used, the value of the Debentures could fluctuate without limit during the last two business days of the Offer. If, for example, the value of the Debentures were to decrease, sophisticated investors might re-establish their short positions during that two-business day period, including by use of rapid, program trade execution, whereas less sophisticated investors may lack the know-how or means to do the same. Any such steps taken by these sophisticated investors to re-establish short positions could result in a substantial number of shares being sold, with a resulting significant, artificial and short-term adverse impact on the price of the Common Stock. This, in turn, could negatively impact the less sophisticated holders of the Debentures as well as holders of the Common Stock.
- Investors are accustomed to the type of real-time pricing information contemplated by the Offer's Pricing Mechanism. As was noted in the McDonald's and Weyerhaeuser no-action letters, over the last dozen years, trading markets and investor behavior and expectations have changed dramatically due to the substantially increased penetration of the Internet and online brokerage services among all classes of investors, with investor trading behavior now being driven largely by free, widely available online quotation sources, readily available online brokerage account execution services and free, online “real-time” financial news.

* * * * *

On the basis of the foregoing, we respectfully request, on behalf of the Company, that the Staff confirm that it will not recommend that the SEC take enforcement action against the Company pursuant to Rules 13e-4(d)(1), 13e-4(f)(1)(ii) and 14e-1(b) under the 1934 Act with the respect to the Company's use of the Pricing Mechanism to determine the purchase price to be paid for the Debentures pursuant to the Offer.

If you have any questions regarding this request or the Offer, please contact the undersigned at (212) 451-2307 or Jason Saltsberg at (212) 451-2320.

Very truly yours,



Jeffrey S. Spindler

cc: Christopher Cambria – Vice President, General Counsel and Secretary, GenCorp Inc.
Steve Wolosky – Olshan Frome Wolosky LLP