

I am a retail investor and the publisher of CorpGov.net, which since 1995 has served to facilitate a dialogue between shareowners, boards, corporate executives, employees, NGOs, and other stakeholders. I write in full support of the Carpenters' Union petition to eliminate the "withhold authority" voting option by amending Rule 14a-4(b)(2).

Ed Durkin does an outstanding job of laying out the rationale for the petition both historically and on a point-by-point legal basis, so I won't repeat his arguments. As a shareowner, I will say that I have always been confused by the term "withhold." "For," "against," and "abstain" are words I fully understand. The term "withhold" sounds like something out of "Brave New World" or some other science fiction story where people don't even have the right to vote against the single slate of candidates offered; they only have the right to vote for them or to "withhold" their vote in meaningless protest. In our [August 1, 2002 petition to the SEC for proxy access](#), Les Greenberg and I included a quote from a European investor who told us of his disappointment with how U.S. directors were elected.

“This is exactly how voting in communist countries worked. Everyone could vote, but there was just no choice of candidates. The point was not how to be elected, but how to get on the election list. With this system no changes were possible, so there was no motivation to improve the governance.”

We still generally have no choice of candidates and when we do, there is confusion again with separate proxies and how to split votes between them. As retail voters using Broadridge's proxyvote.com system, we still see our blank votes turn, as if by magic, into votes for management. (see my May 15, 2009 petition) We have a judge in Texas who has taken the law into her own hands by denying a shareowner his rights because she interprets the suspended rules concerning required proof for submitting shareowner nominees to apply to shareowner proposals. (see Texas Secession Led by Apache, KBR and Kinetic Concepts) I understand, the SEC probably doesn't have the budget to protect its own rules in US district courts as far away as Texas.

Hopefully, it is within the SEC's budget to make this relatively simple change in the rules. I look forward to commenting on the SEC's proposed rule to eliminate "withhold authority."

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