



Eli Lilly and Company
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April 24, 2020

Ms. Vanessa Countryman, Secretary
Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549-1090

Re: File No. S7-01-20, *Management's Discussion and Analysis, Selected Financial Data, and Supplementary Financial Information* (Release No. 33-10750; 34-88093)

Dear Ms. Countryman:

Eli Lilly and Company ("Lilly") appreciates the opportunity to comment on the Security and Exchange Commission's ("the SEC") proposed File No. S7-01-20, *Management's Discussion and Analysis, Selected Financial Data, and Supplementary Financial Information* (the "Request for Comment"). Lilly is a multinational pharmaceutical company with global operations and has been publicly traded since 1952 (NYSE: LLY).

Lilly supports and appreciates the continued efforts of the SEC Staff to improve upon the financial information provided to investors, thereby aiding investors in making well-informed investing and voting decisions. Our observations in this response, which focus on certain of the topics included in the Request for Comment, are summarized using the outline format used in the Request for Comment as follows:

A. Selected Financial Data (Item 301)

We agree with the SEC's proposal to eliminate Item 301, as the historical data is easily retrievable, at minimal cost, from EDGAR, from registrants' own websites, from third-party websites and via XBRL software. We note that there is significant time and effort involved with a requirement to provide five years of selected financial data, specifically when there is a new accounting pronouncement or recast of financial statements that necessitates adjustments. We feel the costs outweigh the benefits of providing adjustments to such dated financial data, as we believe the most recent years' data is of most importance to investors and other users of our financial statements. For example, we recently separated our animal health business thru a separate initial public offering and subsequent disposition of the remaining shares. Revising the selected financial data and separating the results of the animal health business for 5 years was difficult, time consuming, and not useful information for our investors.

B. Supplementary Financial Information (Item 302(a))

We agree with the SEC's proposal to eliminate Item 302(a), as the information is easily retrievable (as discussed in A. above), with the fourth quarter-specific data calculated via subtracting the third quarter year-to-date amounts from the fourth quarter year-to-date amounts for those amounts reported over time. We note that offering quarterly information at the close of a fiscal year should be optional for those companies who believe their investors would find the information useful, and we observe that companies may offer such information on their earnings release. As such, a requirement to disclose this information elsewhere in an annual report (such as in MD&A) would only negate the intent of removing the requirement from Item 302.

C. Management's Discussion and Analysis of Financial Condition and Results of Operation

We agree with the SEC's proposals throughout Item 303 to eliminate and/or streamline various facets of the current rules, and appreciate the SEC's continued efforts to direct filers to follow a principles-based, materiality-focused approach while eliminating duplicative information.

We strongly support the SEC's proposed elimination of the contractual obligations disclosure requirement (Item 303(a)(5)), as material obligations are already required to be disclosed under the proposed capital resources requirements in Item 303(a)(2). We note that, as a multinational company with hundreds of subsidiary legal entities, preparing the contractual obligations table takes a significant amount of time for which the effort is not reciprocated by the value of the information, especially as the information is not referenced in how we operate our business. Thus, we would not be aligned with retaining the contractual obligations disclosure requirement in a modified form.

We appreciate the opportunity to express our view and concerns regarding the Request for Comment. If you have any questions regarding our response, or would like to discuss our comments further, please call me at (317) 651-2310.

Sincerely,

ELI LILLY AND COMPANY

/s/Donald A. Zakrowski

Donald A. Zakrowski
Vice President, Finance and
Chief Accounting Officer