



September 18, 2020

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

World Headquarters
One American Road
Dearborn, MI 48126-2701 USA

Re: Reporting Threshold for Institutional Investment Managers, Release No. 34-89290; File No. S7-08-20

Dear Ms. Countryman:

On behalf of Ford Motor Company, I am writing to respectfully express our opposition to the Securities and Exchange Commission's proposed amendments to the Form 13F reporting rules for institutional investment managers.

While we welcome the Commission's interest in modernizing 13F reporting, we believe the proposed amendments would create negative impacts that outweigh the benefits. The drawbacks include reducing overall market transparency, introducing selection bias in research, and impairing shareholder engagement.

Reduce Market Transparency

Increasing the reporting threshold for Form 13F reports from \$100 million to \$3.5 billion would exempt from disclosure more than 4,500 fund managers – or nearly 90% of all filers – who collectively oversee \$2.3 trillion in assets. For Ford Motor Company, we would lose visibility on 722 of our shareholders, or approximately 68%, that are 13F filers as of June 30, 2020, which we consider to be a significant loss of market transparency. This information cannot be fully replaced by offerings from stock surveillance firms, which themselves rely on quarterly 13F data as input into their research.

Introduce Selection Bias

Systematically exempting investors from disclosure introduces selection bias in research and analysis that would otherwise promote efficient markets and an understanding of market mechanisms. The selection bias is evident in the disproportionate impact of the proposed amendments on our shareholder base. If the 13F threshold increased as proposed, we would lose visibility on 5% of the shares held by active-oriented filers and 13% of hedge fund filers, compared to only 1% of the shares held by passive-oriented filers.

Impair Shareholder Engagement


As a publicly traded company for over 64 years, we rely on 13F filings to aid in our shareholder engagement efforts. We believe the proposed amendments would reduce transparency around



holdings, significantly undermining issuer-investor engagement and prioritization, including for large-cap companies such as ours. The reduced transparency would impair our ability to identify our most active shareholders and engage effectively with them. In particular, we note the rapid developments in environmental, social, and governance (ESG) investing. Under the proposed threshold, the loss of visibility around shareholder activity would hinder our ability to increase our exposure to this growing area and make it more difficult to measure the effectiveness of our ESG outreach efforts.

Based on the drawbacks listed above, we ask that the Commission withdraw this proposal and instead consider modernizing 13F reporting consistent with the more holistic reforms that were detailed in rulemaking petitions submitted by NIRI, the NYSE Group, the Society for Corporate Governance, and Nasdaq.¹ The reforms include reducing the 45-day reporting period, requiring 13F filers to disclose short positions, and supporting legislation to provide for monthly disclosure. Effective shareholder engagement is more important than ever, and we believe these alternative actions would add value to shareholders at a time when they are calling for greater transparency.

Sincerely,



Lynn Antipas Tyson

Executive Director, Investor Relations

Ford Motor Company

Desk: 313-621-2902 | Desk: 914-485-1150

Ltyson4@ford.com

shareholder.ford.com

¹ See NYSE Group, NIRI, and Society for Corporate Governance, Request for Rulemaking Concerning Amendment of Beneficial Ownership Reporting Rules Under Section 13(f) of the Securities Exchange Act of 1934 in Order to Shorten the Reporting Deadline under Paragraph (a)(1) of Rule 13f-1, Petition No. 4-659, February 4, 2013, available at: <https://www.sec.gov/rules/petitions/2013/petn4-659.pdf>; NYSE Group and NIRI, Petition for Rulemaking Pursuant to Sections 10 and 13(f) of the Securities Exchange Act of 1934, Petition No. 4-689, October 7, 2015, available at: <https://www.sec.gov/rules/petitions/2015/petn4-689.pdf>; and Nasdaq, Petition for Rulemaking to Require Disclosure of Short Positions in Parity with Required Disclosure of Long Positions, Petition No. 4-691, December 7, 2015, available at <https://www.sec.gov/rules/petitions/2015/petn4-691.pdf>.