chewy

September 29, 2020

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

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

Dear Ms. Countryman:

On behalf of Chewy, Inc. (NYSE: CHWY), a leading online pet specialty retailer headquartered in Dania Beach, Florida, I am writing to respectfully express our opposition to, and concerns with, the Commission's proposed amendments to the Form 13F reporting rules for institutional investment managers.

We believe that the SEC's proposal, which we understand would allow an estimated 89 percent of current 13F filers to cease disclosing their positions, would result in a significant loss of market transparency to our company and other publicly traded companies in the United States. The proposed rule, if enacted, would meaningfully impair shareholder engagement and impede our ability to attract new long-term investors, and deprive us of timely information regarding activist shareholders.

The 13F filings are the only accurate source of ownership information available to our company. While 13F data is not as timely as it could be, it is the only reliable information each quarter that shows which investors are buying or selling our shares. This information cannot be fully replaced by stock surveillance firms, who themselves rely on 13F data and whose tracking methods are little more than educated speculation.

We do not believe that the Commission has adequately considered the potential impact of this 13F proposal to our company and our obligation to regularly confer with our investors. As a relatively new public company with a shareholder base comprised of over 350 institutional holders, we are particularly concerned about how the reduction of 13F transparency would impair our ability to identify our most active shareholders and engage effectively with them. We estimate that the proposed increase in the 13F threshold to $3.5 billion would allow nearly fifty percent (50%) of our current 13F filers to avoid disclosure. For our company and many others, the 13F

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data from the active investment managers and hedge funds under the proposed $3.5 billion threshold is very valuable.

Reduced Engagement Due to Lack of Transparency

Our company uses 13F data to allocate the limited time of our senior executives among the many requests we receive from investors for one-on-one calls or meetings. We cannot possibly grant every investor request to speak with our senior management, so we prioritize our largest investors, fund managers with a track record of activism, and shareholders with smaller positions who show potential for building those positions. With this proposed increase in the 13F threshold, we would lose visibility into this important group of smaller shareholders, many of whom currently reside in the approximately fifty percent (50%) of our shareholder base that would be affected by the proposal to increase the 13F reporting threshold.

Negative Impact on Capital Formation

The loss of 13F data also would impede our company's ability to attract new long-term institutional investors. Like many issuers, we use 13F filings to identify potential shareholders (such as those who have invested in similar companies) and to measure the effectiveness of our outreach efforts to prospective investors. Both of these practices are essential for our company to effectively access the capital markets and to grow our business. Under the proposed threshold, the loss of transparency around our holders as well as buyers and sellers each quarter would hinder our company's ability to compete for and raise growth capital. As required by the agency's mission, the SEC should fully consider the impact on capital formation before proceeding with this rulemaking.

For the foregoing reasons, we respectfully request that the Commission withdraw its proposed 13F amendments and instead pursue the reforms detailed in the rulemaking petitions submitted by National Investor Relations Institute, the NYSE Group, the Society for Corporate Governance, and Nasdaq. Rather than reduce 13F transparency, we urge the SEC to promote more timely and complete disclosure by supporting monthly reporting, requiring the public disclosure of short positions, and cutting the 45-day reporting period.

Respectfully,

Robert A. LaFleur

Vice President, Investor Relations and Capital Markets

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