



**VIA E-MAIL ([rule-comments@sec.gov](mailto:rule-comments@sec.gov))**

September 28, 2020

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

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

On July 10, 2020, the Securities and Exchange Commission (the “Commission”) issued a request for public comment soliciting input on proposed rules increasing the Form 13F reporting threshold under Section 13(f) of the Securities Exchange Act of 1934, as amended (the “Proposing Release”). FedEx Corporation (“FedEx”) appreciates the opportunity to provide comments in response to the Commission’s request.

FedEx is a global company that provides customers and businesses worldwide with a broad portfolio of transportation, e-commerce and business services. Our annual revenues total approximately \$71 billion, we have more than 500,000 team members, and we serve customers in more than 220 countries and territories. Our common stock, of which over 260 million shares are outstanding, is listed on the New York Stock Exchange. We present our views from the perspective of a preparer of disclosures required to be filed with the Commission and as a large accelerated filer registered with the Commission.

We commend the Commission for its recent efforts to review existing rules and regulations and consider updates when appropriate in light of the evolution of U.S. public markets. However, we urge the Commission to table the Proposing Release until there is an alternative source of information regarding the identities of stockholders of public companies that is currently available under the existing Form 13F reporting requirements. Specifically, we are concerned that raising the Form 13F reporting threshold for institutional investment managers from \$100 million to \$3.5 billion would reduce market transparency and impair our ability to engage with stockholders. For the period ended June 30, 2020, 1,340 firms reported ownership of FedEx stock on Form 13F reports. We estimate that the proposed threshold increase to \$3.5 billion would exempt approximately 1,000 of these firms—representing 75% of our Form 13F reporting stockholders—from the Form 13F reporting requirements, greatly reducing visibility into our stockholder base.

We believe the Proposing Release contrasts with the recent approach taken by the Commission to ask issuers for increased transparency through disclosure. We are particularly concerned that the resulting reduction in transparency from the proposed changes to Section 13(f) would impair

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our ability to identify our most active stockholders and engage effectively with them. In the last year, we have engaged with a global and diverse group of over 150 stockholders, including actively managed funds, index funds, union and public funds, and socially responsible investment funds. The loss of information provided on Form 13F reports would significantly hinder FedEx's efforts to engage with stockholders at a time when there is consensus among stockholders, companies and policymakers about the critical importance of stockholder engagement.

Further, we use Form 13F reports to monitor and assess potential activist investors whose interests are inconsistent with our long-term business strategy and the investment strategy of our long-term investors. The proposed changes to Section 13(f) would deter a company's ability to detect a potential activist and expose the company and its stockholders to heightened risk of an activist attack.

Like many other issuers and interested parties that have submitted comments on the Proposing Release, we believe it is important to pursue modernization of the Section 13(f) reporting system through rules that increase transparency and promote timely and complete disclosure and a process that thoughtfully considers potential consequences for institutional investors as well as other potentially affected market participants, including issuers. FedEx believes this approach would be consistent with the Commission's undertaking to protect investors; maintain fair, orderly, and efficient markets; and facilitate capital formation.

We note that we are also signatories to comment letters on the Proposing Release submitted by the New York Stock Exchange and the National Investor Relations Institute.

We appreciate your consideration of our comments. If you would like more information, please feel free to contact me at your convenience.

Sincerely yours,

**FedEx Corporation**



Mark R. Allen

cc: Michael C. Lenz  
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