SERVICEMASTER GLOBAL HOLDINGS, INC.
150 Peabody Place
Memphis, Tennessee 38103

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:

ServiceMaster Global Holdings, Inc. ("ServiceMaster" or the "Company") is submitting this letter in opposition to the Securities and Exchange Commission's ("Commission") proposed amendments to the reporting thresholds for institutional managers (the "Proposed Amendments") discussed in the Commission's Release No. 34-89290; File No. S7-08-20 (the "13F Release").

ServiceMaster is a leading provider of termite and pest control, cleaning and restoration services in both the residential and commercial markets, operating through an extensive service network of more than 8,000 Company-owned locations and franchise and license agreements. The Company's portfolio of well-recognized brands includes AmeriSpec (home inspections), Copesan (commercial national accounts pest management), Furniture Medic (cabinet and furniture repair), Merry Maids (residential cleaning), Nomor (European pest management), ServiceMaster Clean (commercial cleaning), ServiceMaster Restore (restoration and reconstruction), Terminix (termite and pest control) and Terminix Commercial (commercial termite and pest control). Our stock trades under the symbol "SERV" on the New York Stock Exchange.

Executive Summary

We believe the Commission should withdraw the Proposed Amendments and strongly oppose the unprecedented 35-fold increase in the threshold requiring institutional investment managers to disclose their equity holdings on Form 13F. We think the Proposed Amendments ignore disclosure trends that value more transparency, not less, and do not believe the Commission's discussion in the 13F Release appropriately takes into consideration the negative impact of the Proposed Amendments on corporate issuers and investors. Additionally, we disagree with the Commission's use of the increase in the aggregate size of the equity markets as the metric by which it calculated the increase to the threshold. Using inflation is a much more reasonable approach and would at most increase the threshold to $453 million. Finally, we do not think the Commission has the statutory authority to increase the threshold for requiring Form 13F reports and may only decrease the threshold in its discretion.

The Proposed Amendments Would Have a Negative Impact on Shareholder Engagement and Transparency

Meaningful shareholder engagement is fundamental to the long-term success of any public company and the Commission has highlighted the importance of shareholder engagement in various proposed rules and public statements. Nonetheless, the Proposed Amendments would materially decrease ServiceMaster's ability to engage our shareholders. We rely on the disclosures made on Form 13F to identify and communicate with our investors and under the Proposed Amendments, at a $3.5 billion threshold for disclosing equity holdings on Form 13F, ServiceMaster would lose visibility into the identity of approximately 33% of these investors.

Without access to the vital information provided by Form 13F reports, we would have to rely on Schedule 13D and Schedule 13G reports, which would only provide visibility into investors that own 5% of our outstanding shares. Of the 133 of our investors that would no longer be required to file Forms 13F under the Proposed Amendments, only five file Schedule 13D or Schedule 13G reports. Assuming similar impacts would be experienced by other corporate issuers, particularly smaller issuers, the Proposed Amendments would have the effect of hindering shareholder engagement across the market.

Relatedly, Form 13F reports are a vital tool for identifying and managing activist investors. Activist investors are not restricted to a certain size, and smaller investors are increasingly taking a more vocal approach to their investments. In the 13F Release, the Commission incorrectly correlates the size of an investor with its relative significance.[1] Without providing any discussion of activist investors in the release, it appears the Commission did not analyze or consider how many active, activist investors would no longer be required to file Form 13F reports under the Proposed Amendments. We believe this must be considered when determining the appropriate threshold for Form 13F reporting requirements.

The Increase in the Market Value of Publicly Traded Equities Is Not the Right Metric

The Commission chose to rely on the growth of the U.S. equities market from 1975 to 2018 as the metric by which to set its increased threshold for Form 13F reporting requirements. In its discussion in the 13F Release, the Commission appears to choose the overall market growth metric based on the outcome it provides, not the reasonableness of using the metric. The analysis in the 13F Release focuses on the number of investors impacted by each metric the

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[1] *See* Reporting Threshold for Institutional Asset Managers, Exchange Act Release No. 34-89290 at 10 (July 10, 2020) ("Since 1975, the relative significance of managing $100 million in securities as compared with the overall size of the U.S. equities market has declined considerably.").

Commission considered in order to capture its interpretation of "the group of managers intended to be subject to reporting under section 13(f)."[2] This approach appears to be a desired outcome in search of a justification, rather than an unbiased analysis of the most appropriate metric by which to increase the Form 13F reporting threshold. Unless the explicit purpose of the Proposed Amendments is to exempt as many investors as possible, the fact that the growth in market size metric would exempt the most investors from Form 13F reporting is not a reason to use it.

Although we believe the Proposed Amendments should be withdrawn entirely. We would support using an inflation-based metric to increase the threshold, not the overall growth in the size of the equities market.

Conclusion

ServiceMaster prides itself on healthy and robust shareholder engagement. We support initiatives that seek to increase our ability to reach out to our shareholders and engage in meaningful dialogue. The Proposed Amendments do not support shareholder engagement or transparency and will damage investor relations for corporate issuers and the market. Rather than focus on the Form 13F reporting thresholds, we believe the Commission should focus on disclosure trends that promote more transparency and promote meaningful shareholder engagement and dialogue.

Sincerely,

/s/ Michael C. Bisignano

Michael C. Bisignano
Senior Vice President, General Counsel & Secretary

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[2] Id. at 17.