



August 13, 2009

Ms. Elizabeth M. Murphy
 Secretary, U.S. Securities and Exchange Commission
 100 F Street, NE
 Washington, DC 20549-1090



RE: File No. S7-10-09

Dear Ms. Murphy,

Motorola is an 80 year-old American company, headquartered in Schaumburg, Illinois with 55,000 employees. We have approximately 2.3 billion shares outstanding and a market capitalization of over \$15 billion. We have an incredibly diverse group of shareholders that include large institutional investors, hedge funds, pension funds, and individuals, including our employees.

Responsible corporate governance is the cornerstone of Motorola's values and we believe that the appropriate role for government is to foster an environment where companies can make responsible choices for shareholders, customers, and employees that fit the unique needs of each organization. Overly-prescriptive, one-size-fits-all regulations inevitably have unintended, and potentially adverse effects for shareholders.

Motorola has a solid record of acting in the best interests of our shareholders and we are keenly interested in responding to shareholder input to promote the financial health of the company and our long-term growth.

- Of Motorola's 12 Directors, 10 are independent, including our non-executive Chairman.
- Motorola was one of the first companies to provide its shareholders a 'say on pay' in the form of an annual management proxy proposal.
- Motorola was an early adopter of a bylaw provision that employs a majority vote requirement for uncontested director elections.
- Motorola publishes our criteria for Board nominees and our nominating committee considers shareholder nominees, and Board nominees and shareholder nominees are required to meet the same standards.
- In 2008, four nominees were proposed by shareholders, two of which were recommended for election by our nominating committee and our Board. Both of these directors continue to serve on our Board.

Motorola has undertaken to continually review and enhance its corporate governance practice because we believe it is in the best interests of our company. However, we believe that the Commission proxy access proposals are unnecessary and over-reaching with potentially unintended, counterproductive consequences. We are particularly troubled by the fact the proposal does not provide the company's shareholders with a voice on what is appropriate for their company.



Federal Proxy Access Rules Are Unnecessary At This Time

Due to the evolution of corporate governance during the past six years, Motorola believes there is no need for federally-mandated proxy access rules at this time. There have been several recent amendments to state corporate law in Delaware which authorize proxy access amendments to company governing documents. If our shareholders believe it is in the best interests of their company to further open the company's nomination process, they can submit a proposal and vote on it. Our shareholders would have an opportunity to consider and advise the company on important elements of proxy access such as share ownership and length of ownership. The Motorola Board has been very responsive to shareholder requests to enhance the company's governance, including adopting a majority vote standard, 'say on pay' and enhanced clawback provisions. Moreover, proxy contests are much easier to launch and pay for as a result of the SEC's e-proxy rules, resulting in increased shareholder access.

In addition, a one-size-fits-all federal proxy access right may have serious consequence, including promoting a focus on the short-term, discouraging director service, making it more difficult to satisfy certain legal requirements applicable to directors and boards, creating the possibility of special interest directors, and increasing the considerable influence of proxy advisory firms. These consequences are counterproductive to the Commission's efforts and are potential ramifications to the proposed Rule 14a-11 as currently written.

Further, Motorola takes exception to the seeming Commission presumption that all proxy challenges are undertaken with the best interests of all shareholders and the overall health of the company in mind. Some shareholders may seek independent financial gain, and others may seek to promote a single issue or a political agenda, all at the expense of the company. We urge the Commission to act with extreme caution regarding this proposal.

Because of recent corporate changes that ensure that shareholders can provide their views on what is right for their company and the potential for unintended consequences of the Rule 14a-11 proposal, Motorola suggests that the Commission consider adopting revised amendments to Rule 14a-8 instead of the federal proxy access right set forth in proposed Rule 14a-11. Acting only to amend Rule 14a-8(i)(8) to permit shareholders to propose proxy access bylaws is consistent with private ordering and shareholder choice. This modified approach, we believe, will not only accomplish the Commission's goal of increased shareholder access, but allow individual companies the flexibility they need to properly govern their organizations.

Federal Preemption Is Unprecedented and Not In The Shareholders' Best Interests

If the Commission adopts the federal proxy access right as currently drafted, significant amendments to proposed Rule 14a-11 are necessary in order to protect the ability of states to govern companies incorporated within their borders. A federal proxy access right should not preempt state law and private ordering with a federal one-size-fits-all approach that substitutes the Commission's judgment for that of shareholders, boards and state legislatures who are acting to promote shareholder access.

Furthermore, preemption is inconsistent with the Commission's objective of removing impediments to shareholder use of state law rights. There is a long tradition of addressing corporate governance matters at the state level through private ordering by shareholders, boards and companies. In this regard, if the Commission adopts both Rule 14a-11 and the amendments to Rule 14a-8(i)(8), it should make clear that proxy access shareholder proposals may contain different conditions, such as ownership thresholds.



Triggers and Limitations Should Be Put In Place For Companies With A Demonstrated Need for More Accountability

Triggers are essential to ensure that the federal proxy access rules apply only to companies with a demonstrated need for greater director accountability. These triggers should ensure the revised rules apply only to companies not acting on a shareholder proposal that receives a majority vote of outstanding shares. Again, broad rulemaking applied to all companies, including companies without a demonstrated need for increased accountability, can have counterproductive effects.

Furthermore, a shareholder should be required to hold at least 10% of a company's outstanding shares for one year before gaining proxy access. If acting as a group, all members of the group should be required to hold at least 15% of the outstanding shares for one year before gaining proxy access. In the case of multiple proxy access nominees, the nominee submitted by the shareholder who has held shares the longest should prevail. This approach provides much more certainty and removes the arbitrary impact of the "first to submit" rule, as proposed by the Commission. Moreover, shareholders should not be permitted to join more than one shareholder nominating group during a year.

Based on experience of integrating new directors, we believe that having shareholder-nominated directors constituting 25% of the board is too high. Motorola considers the education and integration of new directors as critical to the success of the Company. Often new directors who join a company at a critical time must make very important decisions quickly to act in the best interests of the shareholders. This process may be hindered if a quarter of the board's members are new.

Motorola believes these are reasonable triggers and limitations that ensure that a board lacking director accountability will be more responsive to shareholders, without needlessly imposing rules on companies that act in a responsible manner.

Problems with Potential Implementation

Motorola is also concerned with the practical problems of implementing of proposed Rule 14a-11. Due to the short amount of time before the 2010 proxy season, Motorola believes the Commission should delay the effective date of any proposed changes until 2011 proxy season so that companies have time to amend their bylaws and take other necessary preparatory actions.

Again, Motorola is an American company committed to providing value to our shareholders. We appreciate the opportunity to highlight the positive effects that can result from shareholder input. Thank you very much for the opportunity to comment on these important issues.

Sincerely,

A handwritten signature in cursive script that reads "Peter Lawson".

A. Peter Lawson
Executive Vice President
General Counsel and Secretary
Motorola, Inc.