



ITT

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Re: File No. S7-10-09

Release Nos. 33-9046; 34-60089

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August 11, 2009

VIA E-MAIL

Ms. Elizabeth M. Murphy, Secretary
United States Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Re: File No. S7-10-09

Dear Ms. Murphy:

We are writing this letter in response to the request of the Securities and Exchange Commission (the "Commission") for comments on its proposal relating to proposed amendments to the SEC's proxy rules to permit shareholders to nominate directors in a company's proxy materials ("proxy access").

ITT Corporation is a high-technology engineering and manufacturing company operating in three vital markets: water and fluids management, global defense and security, and motion and flow control. In 2008, ITT generated \$11.7 billion in sales. ITT has over 40,000 employees, and approximately 852 shareholders own ITT shares directly. Incorporated in Indiana, ITT has operations on all seven continents. ITT is a large, accelerated filer.

ITT has a strong, historical commitment to rigorous corporate governance and has routinely received high governance rankings from independent corporate governance and shareholder advisory firms. All members of the Company's board of directors are independent, except for Steven R. Loranger, the Company's Chairman, President and Chief Executive Officer, and all of the Board's committees are composed solely of independent directors. The independent directors also meet privately immediately following every board meeting, thus providing an opportunity for candid discussions

without management. Further, the Board's independent presiding director meets with the Chief Executive Officer after each of the independent director meetings to provide immediate and forthright feedback on the independent directors' views.

ITT's corporate governance principles (<http://www.itt.com/responsibility/governance/principles/>) are regularly reviewed by the Board and reflect best governance practices. The ITT Board commitment to strong governance and respect for shareholders is evidenced by the Board's actions. In 2008, ITT asked its shareholders to approve amendment of the Company's charter to allow its by-laws to provide for majority voting for directors. After approval of the proposal, the Board promptly amended the Company by-laws to provide for majority voting.

In 2009, the Company amended its by-laws to opt out of a mandatory Indiana statutory change requiring Indiana corporations to implement classified boards. By opting out of this statutory requirement, the Company preserved the status of its non-classified board and demonstrated its commitment to shareholders.

ITT believes that the voice and views of all shareholders of a public company should receive equal and appropriate recognition. However, the Company views proposed Rule 14a-11 as an unwieldy mechanism that would force companies to focus on short-term strategies and profits at the expense of thoughtful, deliberate long-term strategic plans that are most likely to generate sustainable shareholder profits. ITT has developed a business portfolio that reflects this orientation and focuses on building value over time. We deliberately invest in businesses and adopt strategies that further long-term value creation.

Under the current SEC proxy access proposal, a single shareholder or shareholder group owning a relatively small percentage of shares held over a brief period could place a director nominee on the ballot. For a large, accelerated filer, a shareholder or group of shareholders that has owned 1% of its voting securities continuously for a one-year period would have proxy access – the ability to include on the company's proxy card one shareholder nominee or the number of nominees that represents 25% of the company's board of directors, whichever is greater. ITT has fourteen shareholders who own over 1% of the Company's shares and over 79 separate shareholders who could easily group together to reach the 1% level. ITT believes that allowing proxy access with small share ownership over a one-year period will encourage short-term, single goal, special interest behaviors. Ownership of a small percentage of stock over such a short period, with the ability to propose director nominees, works against ITT's long-term strategies focused on shareholder value.

We also note, as a company with positive financial performance over the last few years, that proxy access would not be limited to companies with weak financial returns. There are no financial performance triggers in the SEC's proposed Rule 14a-11. Should a company with positive financial performance be subject to the same rules as a company with weak performance? The SEC should consider a financial trigger such as relative total shareholder return over a three-year period, as compared to a relevant peer group, to avoid subjecting companies with strong performance to shareholder nominees with special interests. Further, if a company is responsive to appropriate shareholder corporate

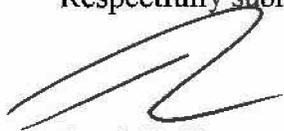
governance requests, as ITT has been with respect to majority vote proposals, should that company fall within the purview of proposed Rule 14a-11? We ask that the SEC consider limiting its proposed Rule 14a-11 to those companies where there is a demonstrated failure to respond to shareholder corporate governance concerns, whether by poor financial performance or by repeatedly ignoring shareholder proposals that receive a majority of the votes cast.

If the SEC adopts the proxy access proposal, we also suggest that the final rule reflect a level of share ownership consistent with a focus on long-term shareholder value. Therefore, we would suggest that shareholders should be eligible to nominate directors only if the shareholder or shareholder group holds at least 5% of a company's shares for more than two years. A 5% share ownership threshold is consistent with current 13G filing requirements. Two years of share ownership would similarly demonstrate long-term focus. We also believe that the SEC's proxy access proposal should be limited to one director nominee. More than one shareholder director nominee would skew director membership and encourage special interest behaviors. Finally, we believe that shareholders should not be permitted to nominate proxy access directors for three years if the shareholder's prior proxy access nominee failed to receive a significant percentage of votes cast. To allow repeated proxy access in light of low percentage support encourages meritless shareholder behavior.

Finally, the SEC's proxy access proposal represents a fundamental shift in corporate governance practice. Should the SEC vote to implement Rule 14a-11, we request that it delay such implementation until the 2011 proxy season. Companies need time to prepare for implementation – particularly with respect to a proposal as extensive and revolutionary as this proposal. The SEC provided companies with over six months advance notice when changes to executive compensation were finalized in August of 2006. We believe that the proposal regarding proxy access provides at least the same level of complexity as the executive compensation proposal and request a delayed implementation to the 2011 proxy season. Even though we do not believe the SEC proxy access proposal is necessary or desirable, a delay in implementation to the 2011 proxy season will give companies time to prepare for the change.

We appreciate this opportunity to share our views with you and would be happy to speak with you should you find it useful.

Respectfully submitted,



Frank R. Jimenez