P&G

Robert A. McDonald
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The Honorable Troy A. Paredes
Commissioner
Securities and Exchange Commission
100 F Street, NE
Washington DC 20549

Dear Commissioner Paredes:

On behalf of The Procter & Gamble Company, I am writing to oppose proxy access because it does not foster creation of long-term shareholder value, one of the key objectives at P&G.

With the specter of frequent director election contests, proxy access will exacerbate the push toward short-term financial results rather than creation of long-term shareholder value. The special interests of short-term investors will be served at the expense of mainstream retail investors. Further, the significant costs associated with these election contests – in terms of both time and money – will divert limited resources and distract management and board attention away from focusing on long-term growth. Ultimately, as contested director elections become common, it may discourage qualified individuals from seeking to serve in the important role of corporate director, as these individuals will not want to engage in public campaigns that could become as vitriolic as our current political campaigns.

If, despite the sound policy arguments against proxy access, the Commission nevertheless moves forward with a new rule, I urge you to implement a process that will limit these significant negative consequences. In this regard, I urge the Commission to adopt a 5% ownership threshold and a two-year, net long holding requirement. Setting a low (3%) ownership threshold would allow special interest groups to easily aggregate their shares to pursue their narrow, short-term agendas, rather than the creation of long-term shareholder value. Further, only shareholders that have a long-term economic interest in the company should be able to nominate directors under a proxy access regime. One year is too short; a two-year holding requirement is necessary to ensure that shareholders who nominate directors under proxy access are focused on creating long-term shareholder value.

For the reasons above, I urge the Commission to oppose proxy access or, at a minimum, to implement a rule that will limit the significant negative consequences of a proxy access regime.

Sincerely,

Bob McDonald

Robert A. McDonald

cc: Deborah P. Majoras
Carolyn L. Brehm
E.J. Wunsch