



Seneca Foods Foundation

August 2, 2016

Mr. Brent J. Fields  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549  
[www.sec.gov/rules/proposed.shtml](http://www.sec.gov/rules/proposed.shtml)

Re: File No. S7-12-16  
Proposed Amendments to Smaller Reporting Company Definition

Dear Mr. Fields:

On June 27, 2016, the Securities and Exchange Commission issued a proposed rule in a release entitled "Amendments to Smaller Reporting Company Definition", seeking to expand the number of registrants that qualify as smaller reporting companies. Seneca Foods Corporation (Seneca) respectfully submits this comment letter to the Securities and Exchange Commission in response to that proposal.

Seneca is a leading provider of packaged fruits and vegetables, with facilities located throughout the United States. Seneca's common stock is traded on the Nasdaq Global Stock Market under the symbols "SENEA" and "SENEB". SENEA is included in the S&P SmallCap 600, Russell 2000 and Russell 3000 indices.

Seneca's current public float is less than \$250 million (but more than \$75 million), market cap over \$250 million, and total annual gross revenues about \$1.3 billion. Currently Seneca is not classified as a "smaller reporting company" and is an "accelerated filer".

In regards to the SEC proposed change to the definition of a "smaller reporting company" Seneca is in favor of such change as this will allow us to be considered a "small reporting company". However, we also believe the proposed rule change does not go far enough as it does not apply to the "accelerated filer" requirements.

Based on our analysis, the proposed change and the reduced disclosure requirements will have a minimal effect to our annual compliance costs. Therefore, we believe that result of the change does not meet the SEC's objective to reduce compliance costs for small registrants. The true compliance savings are connected to obtaining relief from the provisions of SOX 404(b), auditor's internal control attestation. Our estimate is that we would be able to obtain a 35% reduction to our compliance costs if these proposed rules applied to the "accelerated filer" requirements. As currently proposed, our annual compliance costs will not materially change.

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A well-controlled financial environment is critical to Seneca and that would continue with or without an internal control opinion required by our external auditors. Seneca would still be performing our internal testing to complete management's report assessment as relates to the provisions of 404.

In addition, it was our understanding that the SEC was attempting to coordinate these rules with the recommendation of the SEC's Advisory Committee on Small and Emerging Companies. By not applying the rules to "accelerated filer" provision, this appears not to be happening.

Overall, the proposed change to the definition of "smaller reporting company" reflects the SEC goal to promote expansion for smaller issuers. Seneca is appreciative of the efforts of the SEC in this area, as we are in a very competitive business segment and we aggressively pursue any cost savings to maintain our competitive edge. However, it is our opinion that these proposed rules do not achieve your goal of supporting smaller business by providing them cost savings.

Thank you for your consideration of our comments.

Sincerely,

**SENECA FOODS CORPORATION**

  
Timothy J. Benjamin  
Chief Financial Officer

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