

Via Electronic Transmission

October 20, 2010

Ms. Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100F Street, N.E.
Washington, D.C. 20549

Re: File No. S7-14-10 (Concept Release on the U.S.
Proxy Voting System) Release No. 34-62495

Dear Ms. Murphy,

I am writing on behalf of Corning Incorporated, a S&P 500 company listed on the NYSE, to comment and express support for the Commission's comprehensive review of the proxy voting and shareholder communications system. Corning has over 500,000 shareholders and is a world leader in specialty glass and ceramics, creating and making keystone components that enable high-technology systems for consumer electronics, mobile emissions control, telecommunications and life sciences.

Our views may be similar to those of other companies, and comments to the Commission by such groups as the Society of Corporate Secretaries and Governance Professionals, and the Business Roundtable.

As Vice President, Secretary and Assistant General Counsel of Corning, I have worked with the proxy process for ten years, including dealing with service providers, individual shareholders, large institutions, brokers and executives. There is room for improvement in the proxy voting and shareholder communication system, and the Commission leading the current review is appreciated.

Here are the points Corning wishes to highlight:

1. Shareholder Communication and Participation

The current NOBO/OBO classification (non-objecting beneficial owners are "NOBOs" and objecting beneficial owners are "OBOs") stops public companies from knowing the identity of most shareholders, and blocks meaningful communications with them. Most shareholders are OBOs and yet many are unaware that is their status. When individual shareholders (who usually hold

stock through brokers) contact Corning at proxy time, they often don't understand that our company cannot directly send them duplicates of lost proxy materials and ballots, nor why we don't have records of their individual stock holdings. The NOBO/OBO distinction should end, and the Commission should adopt rules permitting companies to send proxy materials directly to beneficial shareholders, as well as requiring brokers to execute documents permitting shareholders to vote directly. If a shareholder wants to remain anonymous, he should be permitted to register shares in a nominee account at a bank or broker. Communications with shareholders would only be for business or corporate purposes.

For most annual proxy distributions, the usual mailed or e-mailed communications are sufficient. Sometimes, particularly significant matters call for increased shareholder voting involvement. In those cases, using the expensive NOBO list and telephone proxy solicitation process via a proxy solicitor adds substantial costs and only reaches a small portion of the company's total shareholder base -- because most shareholders are OBOs who cannot be reached directly by the company.

2. Voting Process and Costs

It is important to eliminate the barriers between public companies and their beneficial owners holding shares in street name, so public companies know who their shareholders are and can communicate with them directly.

Beneficial owner lists could be provided by a single non-profit service provider that gives non-discriminatory access for an approved fee. Also, proxy distribution and vote tabulation services should be separate from the beneficial owner listing services. Companies should be able to select proxy service providers with the open, competitive market determining those materials distribution and tabulation costs.

Under current SEC and NYSE rules, brokers, banks and others are responsible for handling proxy processing among their customers (who are our shareholders), including proxy deliveries -- with our company paying that bill. A new system that would allow a competitive fee structure (instead of rates set by NYSE and SEC) would result in better service and lower costs for public companies. Our company has no choice now in selecting the proxy distribution provider and no ability to negotiate the current fees. Yet we pay the fees every year, without input into that fee-setting process.

The functions of maintaining beneficial shareholder owner lists (those holding through broker and bank accounts) and proxy materials distribution should be

separated. Public companies like Corning should be able to choose a proxy materials distributor. Currently, there is only one real provider.

After a beneficial shareholder list is obtained, a proxy distributor should transmit the proxy materials to all shareholders. Those proxy distribution and communication services are better set by a competitive market, rather than the current regulatory fee process.

3. Voting Power and Economic Interest

Given the increased influence of proxy advisory firms, they should be subject to greater disclosure requirements under the proxy solicitation rules, those for investment advisors or similar to those for credit rating agencies. Public companies should be able to review and comment on drafts of all proxy advisory firm recommendations and reports.

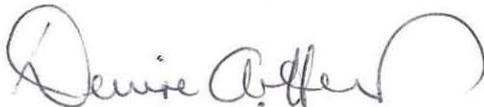
The Commission should address empty voting, as well as the separation of voting power and economic interest. The Commission should require large shareholders to disclose voting ownership and their economic interest (such as loaned shares, hedging or derivative positions) in the stock they hold.

4. Summary

Adequate communication and transparency are key. Public companies have a vested interest in directly engaging their shareholders in the annual meeting process. Brokers are intermediaries with no real interest in a company's annual meeting issues, and attempting to contact OBO shareholders through their broker intermediaries is time-consuming, ineffective and inefficient. Given recent major corporate governance changes, these decades old communication barriers and problems are particularly troublesome for public companies.

Thank you for the opportunity to comment on these important issues for improving the proxy system.

Very truly yours,



Denise A. Hauselt
Vice President, Secretary and
Assistant General Counsel