

# CALLOWAY'S NURSERY

01 October 2010

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

Re: File Nr. S7-14-10, Concept Release on the U.S. Proxy System

Dear Secretary Murphy:

I respectfully submit my comments on the Commission's Concept Release on the U.S. Proxy System. These comments reflect my views, and not necessarily those of Calloway's Nursery, Inc.

## **Comments on: Section IV.A. Communications and Shareholder Participation, Issuer Communications with Shareholders**

The existing structure of Objecting (OBO) and Non-Objecting (NOBO) Beneficial Owners has outlived its usefulness. The existing rules clearly inhibit issuers from effectively communicating with investors, and add cost and complexity to the proxy process.

The proxy rules should be revised to eliminate OBO/NOBO election. It is contrary to the public interest for owners of public corporations to remain anonymous. However, if such status is to remain an option, it can be accomplished through the use of a trust account. In such event, the owner should make an appropriate filing with the Commission and pay a reasonable fee.

In addition, the proxy rules should be revised to eliminate the use of intermediaries. Issuers should be encouraged to distribute proxy materials directly to their owners.

These changes would improve transparency, lower costs and stimulate interest from retail investors.

Thank you for the opportunity to comment on these matters.



Daniel G. Reynolds  
Vice President and Chief Financial Officer