March 2, 2011

Submitted via email to: rule-comments@sec.gov

U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Attention: Ms. Elizabeth M. Murphy, Secretary

Re: Release No. 34-63547 (Dec. 15, 2010); File Number S7-40-10

To the Commissioners:

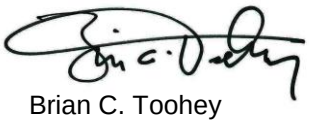
On behalf of the Semiconductor Industry Association (SIA), we are responding to Release No. 34-63547 (December 15, 2010), which proposes rules to implement Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act regarding disclosures concerning so-called "conflict minerals" originating in the Democratic Republic of the Congo (DRC) or adjoining countries. SIA is a trade association for the U.S. semiconductor industry, uniting companies responsible for more than 85 percent of U.S. semiconductor production. SIA is dedicated to maintaining our Nation's world leadership in semiconductor technology, while at the same time supporting its members' workplace safety and environmental protection efforts. Collectively, the semiconductor industry employs a domestic workforce of approximately 200,000 people, and is our Nation's largest exporting industry over the last five years. More information about the SIA can be found at www.sia-online.org.

SIA is writing in support of comments filed on February 24, 2011 by the Information Technology Industry Council (ITIC). The members of SIA endorse the comments submitted by ITIC. As discussed in detail in those comments, SIA supports the Commission's proposals that provide companies with reasonable and flexible means of complying with the new disclosure obligation in conducting its "reasonable country of origin inquiry" and related due diligence. SIA also supports the suggestions contained in the ITIC comments to improve the proposal further, to ease implementation of these obligations, and to help meet the policy intent of the statute.

In addition to supporting the comments previously submitted by ITI, we would like to raise one additional issue concerning corporate acquisitions. The final rule should address the circumstance in which a company acquires or otherwise obtains control (for example through foreclosure) over a manufacturer. In such cases, the acquiring company should be provided a reasonable amount of time before they are required to report on products manufactured by the acquired firm. SIA suggests that the acquiring company should be given until the end of the first reporting period that begins no sooner than 8 months after the effective date of the acquisition. We suggest this lead-in period because it is similar to the time that will elapse between the adoption of final rules implementing Dodd-Frank and the commencement of the reporting period applicable to calendar-year filers. This time period is necessary to allow sufficient time for the acquiring issuer to implement its conflict minerals reasonable inquiry and due diligence processes throughout the supply chain of the acquired firm.

We appreciate the opportunity to provide our comments on this important matter.

Sincerely,



Brian C. Toohey
President, SIA