

MATERION CORPORATION
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November 1, 2011

Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

Re: File Number S7-40-10

Dear Ms. Murphy:

Attached are the comments of Materion Corporation on the October 18, 2011 roundtable discussion on the rulemaking conducted by the Securities and Exchange Commission under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act concerning the reporting of conflict minerals.

If there are any questions, please contact me at 216 383-4040.

Sincerely;

A handwritten signature in cursive script that reads 'Theodore L. Knudson'.

Theodore L. Knudson, CIH
Director, Product Stewardship

TLK/elm
Attachment

**Comments of Materion Corporation
On the Request for Comment
By the Securities and Exchange Commission
Concerning the Conflict Minerals Reporting Program
76 Federal Register 63573
(October 13, 2011)
File Number S7-40-10**

Theodore Knudson, CIH
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November 1, 2011

SUMMARY

1. The Commission's final rule should be limited to tantalum, tin, tungsten and gold derived from the minerals columbite-tantalite (coltan), cassiterite, gold and wolframite.
2. The Commission has authority to place de minimis exceptions in its final rule, and the Commission should utilize this authority.

INTRODUCTION

Materion Corporation ("Materion") welcomes this opportunity to file these comments on the October 18, 2011 roundtable discussion on the rulemaking conducted by the Securities and Exchange Commission ("Commission") under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") concerning the reporting of conflict minerals. Representatives of Materion attended this roundtable discussion. While many aspects of the forthcoming conflict minerals reporting rule are of interest to Materion, which is a public company, Materion limits its comments to two subjects discussed at the roundtable.

Materion, which is headquartered in Mayfield Heights, Ohio, through its wholly-owned subsidiaries, supplies highly engineered advanced enabling materials to global markets. Products include precious and non-precious specialty metals, inorganic chemicals and powders, specialty coatings, specialty engineered beryllium alloys, beryllium and beryllium composites, and engineered clad and plated metal systems. Materion's advanced materials and services provide enabling technology solutions for customers in the fastest-growing and rapidly changing segments of long-term global growth markets including consumer electronics, defense and science, industrial components and commercial aerospace, energy, automotive electronics, telecommunications infrastructure, medical and appliance. Materion's revenues in 2010 were \$1.3 billion. As noted in Materion's Annual Report, compliance costs under the Act are a concern for the Company.

I. The Conflict Minerals Reporting Regulation Should be Limited to Four Metals Derived from the Minerals Listed in Section 1502(e)(4)(A).

The conflict minerals reporting rule promulgated by the Commission should, at least initially and for the foreseeable future, be limited to the metals tantalum, tin, tungsten and gold derived from the minerals columbite-tantalite (coltan), cassiterite, gold, wolframite. These are the four most economically valuable and abundant metals derived from the minerals listed in Section 1502(e)(4)(A) of the Act. The resources devoted to complying with the forthcoming rule for just these four metals alone will be substantial, and the learning curve may be steep. It is not reasonable to extend reporting under the forthcoming rule to additional metals, such as niobium, as was recommended by at least one panelist at the October 18 roundtable.

II. The Commission Has the Authority to Establish Reasonable De Minimis Exemptions in the Conflict Minerals Reporting Rule, and The Commission Should Do so to Reduce Unnecessary Burdens.

Some panelists at the October 18 roundtable questioned the Commission's authority to incorporate de minimis exemptions into the conflict minerals reporting rule, no matter what

justification may exist for such exemptions. Such an absolutist interpretation of the Act -- one that would lead to unreasonable results -- is improper. The Commission has inherent authority to employ de minimis exceptions to avoid unreasonable and absurd results in crafting its final rule. The Commission's authority to act in this manner is inherent and clearly established by precedent.

The authority of agencies "inherent in most statutory schemes to overlook circumstances that in context may fairly be considered de minimis" was noted, reviewed and applied in Alabama Power Company, et al v. Costle, 636 F.2d 323, 360-61 (D.C. Cir. 1980). The opinion states "Courts should be reluctant to apply the literal terms of a statute to mandate pointless expenditures of effort." Id. Likewise, the Commission should be more than reluctant to mandate pointless expenditures of effort and funds. In fashioning the final conflict minerals reporting rule, the Commission should recognize and apply its authority to exempt de minimis circumstances from the burdens of the regulation.