



February 25, 2011

The Honorable Mary L Shapiro, Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: File Number S7-40-10

**SEC Initiatives under the Dodd-Frank Act – Special Disclosures Section 1502
(Conflict Minerals)**

Via email: rule-comments@sec.gov

Dear Chairman Shapiro:

Plexus supports the goals of Section 1502 of preventing human suffering in the Democratic Republic of Congo (DRC) and related areas. Plexus also believes that each party's role should reflect their practical influence on upstream suppliers throughout the supply chain.

Plexus has used its experiences with the electronics industry's complex supply chains to respond to specific questions proposed by the SEC in the hopes that the final rule reflects the reality of our business environment.

SEC Question #11

Should we require a minimum level of influence, involvement, or control over the manufacturing process before an issuer must comply with our proposed rules? If so, how should we articulate the minimum amount? Should we require issuers to have nominal, minimal, substantial, total, or another level of control over the manufacturing process before those issuers become subject to our rules? How would those amounts be measured? Should we require that issuers must, at minimum, mandate that the product be manufactured according to particular specifications?

Electronics Manufacturing Service (EMS) providers such as Plexus generally assemble electronics for Original Equipment Manufacturers (OEMs). The OEM generally owns the intellectual property underlying the product, and dictates the underlying designs, specifications and bill of materials (BOM). The EMS provider builds the product according to the directives of the OEM. In many cases the OEM specifies the suppliers from which the EMS provider must purchase all parts in the product, through an Approved Supplier List. Although it is possible that components purchased by an EMS provider on behalf of an OEM may contain conflict minerals, the EMS provider typically

does not control selection of suppliers or materials sources. Contract manufacturers enter into service agreements with the OEMs that contractually require the manufacturer to build to the specification/design, BOM and purchase the part from the Approved Supplier List. Deviation from the specifications, BOM or approved supplier would normally constitute a breach of contract.

Issuers who purchase or assemble product where the selection and sources of underlying materials, parts and components are controlled by their customers should be exempted from the proposed reporting requirements.

This structure would still require reporting throughout the supply chain without putting an undue burden on downstream manufacturers to attempt to obtain information from suppliers directed by others and separated by many levels in the supply chain. Furthermore, the company controlling the design/specification will more than likely be in the best position to make socially responsible choices about their sources of supply which is the real problem we are trying to solve.

SEC Question #56

Should our rules, as proposed, require that a complete fiscal year begin and end before issuers are required to provide their initial disclosure or Conflict Minerals Report regarding their conflict minerals?

A one year transition is not practical especially for those companies whose fiscal year begins October 1st. A phase in compliance schedule of at least 2 years is needed in order to provide time for the due diligence systems to be set-up, most importantly on the ground in the DRC. Even this would be a significantly challenging target.

This would result in a 1 year transition period from April 2011 to April 2012 plus 1 year to clear inventory between the mine and smelter running from April 2012 to April 2013. The first disclosure year would then be October 2013-September 2014 with reporting to SEC mid-November 2014.

Thank you for your consideration of the above response to the SEC proposed rules regarding “conflict minerals.”

Sincerely,

Kerry J. DeKeyser
Director Environmental, Health & Safety
Plexus