

VIA EMAIL AND FEDERAL EXPRESS

June 27, 2011

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

Re: File No. SR-NYSE-2011-20 – Proposed Rule Change to Add New Section 907.00 to the Listed Company Manual that Sets Forth Certain Complimentary Products and Services that are Offered to Currently and Newly Listed Issuers

Dear Ms. Murphy:

New York Stock Exchange LLC (“NYSE” or “Exchange”) hereby responds to the comment letters received by the Securities and Exchange Commission (“SEC” or “Commission”) with respect to the above-referenced rule filing. As described in more detail below, the Exchange disagrees with the views expressed by the commenters, and it believes the SEC should approve the proposed rule change.

Background on Proposed Rule Change

In this rule filing, NYSE proposes to amend the Listed Company Manual by adding a new Section 907.00 that sets forth certain complimentary products and services that are offered to currently and newly listed issuers. These products and services are developed or delivered by NYSE or by a third party for use by NYSE-listed companies. All listed issuers receive the same complimentary products and services through the NYSE Market Access Center. Certain tiers of listed issuers receive additional products and services, such as market surveillance, market analytics, Web hosting and news distribution products and services. No current or prospective issuer is required to accept the offered services as a condition of listing.

Comment Letters and Response

The SEC received 13 comment letters in response to the proposed rule change.¹ Eleven of the commenters argued that the proposed rule change would reduce or eliminate competition and

¹ Letter from Ronald P. Russo, Jr., GLX, Inc., May 18, 2011 (“Russo”); letter from Bryan Degnan, Taylor Rafferty Associates, dated May 19, 2011 (“Degnan”); letter from Jennifer L. Kaminsky dated



innovation among investor relations service providers.² Five commenters argued that the proposal would favor larger investor relations vendors at the expense of smaller investor relations vendors.³ Five commenters maintained that the proposed rule change would require issuers to use certain vendors or the NYSE products and services or create a perception that they were required to do so.⁴ Four commenters suggested that rather than making the products and services available from vendors selected by the NYSE, the NYSE should instead provide a subsidy or credit to issuers that would allow them to select the service provider of their choice.⁵ Two commenters suggested that NYSE allow qualified vendors to join the list of vendors whose products and services the Exchange makes available to issuers.⁶ One commenter argued that it was a conflict of interest for a self-regulatory organization to offer investor relations services.⁷

The Exchange disagrees with the comments and believes that the proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934 (“Exchange Act”) and the rules and regulations thereunder applicable to the Exchange. More specifically, NYSE states the following in response to the commenters’ arguments:

- NYSE provides the products and services described in the proposed rule change as a complimentary service to the Exchange’s listed companies.
- Use of those products and services by any issuer is completely at the issuer’s option; no issuer is forced or required in any way to utilize the services as a condition of listing and may continue to use alternative products and services of their choice.
- NYSE provides the third-party products and services to listed companies through non-exclusive arrangements with vendors. The Exchange is willing to consider entering into such arrangements with other third-party vendors that

May 19, 2011 (“Kaminsky”); anonymous letter dated May 19, 2011 (“Anonymous”); letter from Todd C. Allen, CFA, dated May 19, 2011 (“Allen”); letter from Brian P. Rivel, CEO, Rivel Research Group, dated May 20, 2011 (“Rivel”); letter from R. Jerry Falkner, CFA, dated May 22, 2011 (“Falkner”); letter from Enzo Villani, President, MZ North America, dated June 6, 2011 (“Villani”); letter from John Fairir dated June 7, 2011 (“Fairir”); letter from Michael Pepe, CEO, PrecisionIR Group, dated June 7, 2011 (“Pepe”); letter from Michael O’Connell, SNL Financial, LC, dated June 10, 2011 (“O’Connell”); letter from Dominic Jones, President, IR Web Reporting International Inc. and editor of IRWebReport.com, dated June 15, 2011 (“Jones”); letter from Darrell Heaps, President and CEO, Q4 Web System, dated June 16, 2011 (“Heaps”).

² Allen; Degnan; Fairir; Falkner; GLX; Heaps; Jones; O’Connell; Pepe; Rivel; Villani.

³ Allen; Degnan; Fairir; Falkner; Villani.

⁴ Degnan; O’Connell; Jones; Pepe; Rivel.

⁵ Fairir, Heaps; Jones; Villani.

⁶ O’Connell; Villani.

⁷ Jones.



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provide high-quality products and services. However, simply offering a subsidy or credit to listed companies would not be consistent with the Exchange's objective of assuring that it provides high quality products and services to its listed companies.

- NYSE does not endorse any particular vendor or vendors or any product or service provided by any particular vendor or vendors.
- NYSE does not require the use of any particular vendor or vendors or any particular products or services for compliance with its listing requirements.
- NYSE does not believe there is any conflict of interest with respect to its offerings of products and services to listed companies because the products and services are offered on a complimentary basis, the Exchange's arrangements with vendors of the products and services are non-exclusive, and no issuer is required to accept the products or services or to use those products and services to satisfy their obligations under the Exchange's listing standards.

For these reasons, the NYSE believes that its proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to NYSE. In particular, the proposed rule change would not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act. Accordingly, the proposed rule change should be approved in its current form.

Very truly yours,