



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-3010

January 3, 2008

Elliott V. Stein
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019-6150

Re: The McGraw Hill Companies, Inc.
Incoming letter dated December 17, 2007

Dear Mr. Stein:

This is in response to your letter dated December 17, 2007 concerning the shareholder proposal submitted to McGraw Hill by Northstar Asset Management Inc. Our response is attached to the enclosed photocopy of your correspondence. By doing this, we avoid having to recite or summarize the facts set forth in the correspondence. Copies of all of the correspondence also will be provided to the proponent.

In connection with this matter, your attention is directed to the enclosure, which sets forth a brief discussion of the Division's informal procedures regarding shareholder proposals.

Sincerely,

Jonathan A. Ingram
Deputy Chief Counsel

Enclosures

cc: Julie N.W. Goodridge
President
Northstar Asset Management Inc.
P.O. Box 301840
Boston, MA 02130

January 3, 2008

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: The McGraw Hill Companies, Inc.
Incoming letter dated December 17, 2007

The proposal relates to political contributions and expenditures.

There appears to be some basis for your view that McGraw Hill may exclude the proposal under rule 14a-8(f). We note your representation that the proponent failed to supply, within 14 days of receipt of McGraw Hill's request, documentary support evidencing that it satisfied the minimum ownership requirement for the one-year period as of the date that it submitted the proposal as required by rule 14a-8(b). Accordingly, we will not recommend enforcement action to the Commission if McGraw Hill omits the proposal from its proxy materials in reliance on rules 14a-8(b) and 14a-8(f).

Sincerely,

Heather L. Maples
Special Counsel

WACHTELL, LIPTON, ROSEN & KATZ

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December 17, 2007

**BY EMAIL TO cletters@sec.gov
WITH COPIES BY COURIER**

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: **The McGraw Hill Companies, Inc.
Securities Exchange Act of 1934; Rule 14a-8**

Ladies and Gentlemen:

This letter is submitted on behalf of The McGraw Hill Companies, Inc. (the "Company"), a New York corporation, pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). On November 19, 2007, the Company received a letter, dated that same date, from Northstar Asset Management, Inc. (the "Proponent") requesting that the Company include a shareholder proposal (the "Proposal") in the Company's 2008 proxy statement. A copy of the Proponent's letter and the Proposal is attached hereto as Exhibit A.

The resolution contained in the Proposal provides:

"Resolved, that the shareholders of The McGraw Hill Companies ("Company") hereby request that the Company provide a report, updated semi-annually, disclosing the Company's:

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OFFICE OF CHIEF COUNSEL
CORPORATION FINANCE

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1. Policies and procedures for political contributions and expenditures (both direct and indirect) made with corporate funds.
2. Monetary and non-monetary political contributions and expenditures not deductible under Section 162(e)(1)(B) of the Internal Revenue Code, including but not limited to contributions to or expenditures on behalf of political candidates, political parties, political committees and other political entities organized and operating under 26 USC Sec. 527 of the Internal Revenue Code and any portion of any dues or similar payments made to any tax exempt organization that is used for an expenditure or contribution if made directly by the corporation would not be deductible under section 162(e)(1)(B) of the Internal Revenue Code. The report shall include the following:
 - a. an accounting of the Company's funds that are used for political contributions or expenditures as described above;
 - b. identification of the person or persons in the Company who participated in making the decisions to make the political contribution or expenditure; and
 - c. the internal guidelines or policies, if any, governing the Company's political contributions and expenditures.

The report shall be presented to the board of directors' audit committee or other relevant oversight committee and posted on the company's website to reduce costs to shareholders."

This letter sets forth the reasons for the Company's belief that it may omit the Proposal from the proxy statement and form of proxy (collectively, the "Proxy Materials") relating to the Company's 2008 annual meeting of shareholders pursuant to Exchange Act Rules 14a-8(b) and 14a-8(f). Pursuant to Exchange Act Rule 14a-8(j)(2), enclosed are six (6) copies of this letter, including exhibits. By copy of this letter, the Company is notifying the Proponent of its intention to omit the Proposal from the Proxy Materials.

The Company intends to file its definitive 2008 Proxy Materials with the Securities and Exchange Commission (the "Commission") on or about March 20, 2008 and the annual meeting of the Company's shareholders is expected to occur on or about April 30, 2008. Printing of the definitive proxy statement is expected to begin on March 12, 2007. Pursuant to Rule 14a-8(j), this letter is being submitted not less than 80 calendar days before the Company files its definitive Proxy Materials with the Commission.

Discussion

The Proposal may be properly omitted in accordance with Rules 14a-8(b) and 14a-8(f) because the Proponent has failed to provide the Company, within the period set forth in

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Rule 14a-8(f), adequate verification that the Proponent satisfies the eligibility requirements of Rule 14a-8(b).

Rule 14a-8(b)(1) requires, among other things, that, in order to be eligible to submit the Proposal, the Proponent "must have continuously held at least \$2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year" prior to the date on which the Proponent submitted the Proposal. The Proponent's letter stated that it satisfied the eligibility requirements of Rule 14a-8. The Proponent's letter, however, did not enclose proof of such ownership but rather stated that "[p]roof of ownership would be provided upon request."

According to the Company's records, the Proponent is not a record owner of the Company's voting stock. Therefore, in accordance with Rule 14a-8(f), on November 19, 2007, the same day that the Company received the Proposal, the Company sent a letter (the "Company Letter") via registered mail to the Proponent, requesting proof that the Proponent's stockholdings satisfy the requirements of Rule 14a-8(b). In particular, the Company Letter notified the Proponent that, because the Proponent was not a record holder of the Company's stock, the Proponent was required to submit a written statement from the record holder of its securities "verifying that, at the time Northstar submitted the proposal, Northstar continuously held the securities for at least one year." The Company Letter also included a copy of Rule 14a-8 and stated that the required documentation was required to be submitted to the Company within 14 calendar days of the date of receipt of the Company Letter. See Section C of Staff Legal Bulletin 14B of September 15, 2004. A copy of the Company Letter is attached hereto as Exhibit B.

In response to the Company Letter, on November 26, 2007, the Company received a facsimile copy of a letter (the "Broker Letter"), dated November 12, 2007, from Morgan Stanley stating that, "[a]s of November 12, 2007," Morgan Stanley held 3500 shares of common stock of the Company on behalf of the Proponent and that it "continuously held these shares on behalf of Northstar prior to November 12, 2006." A copy of the Broker Letter is attached hereto as Exhibit C. As more fully discussed below, the Broker Letter does not satisfy the Proponent's obligation under Rule 14a-8(b)(2) because the Proponent submitted the Proposal on November 19, 2007 but only provided proof of ownership as of November 12, 2007.

Rule 14a-8(b)(2) provides that a shareholder proponent who is not a registered holder (and who has not filed a Schedule 13G, Form 3, Form 4 and/or Form 5) must prove eligibility by submitting a written statement from the record holder of the securities verifying that, *at the time the shareholder submitted the proposal*, the shareholder continuously held the securities for at least one year. Under Rule 14a-8(f), if a shareholder fails to follow an eligibility requirement, a company may exclude the shareholder's proposal if (i) within 14 calendar days of receiving the proposal, the company provides the shareholder with written notice of the defect, including the time for responding and (ii) the shareholder fails to respond to this notice within 14 cal-

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endar days of receiving notice of the defect or the shareholder timely responds but does not cure the defect. *See* Staff Legal Bulletin No. 14 (July 13, 2001) (“SLB 14”).

In the instant situation, the Proponent failed to include with the Proposal proof that it satisfied the eligibility requirements of Rule 14a-8. The Company sent the Proponent prompt, written notice of this procedural defect and explicitly informed the Proponent what would constitute appropriate proof of ownership: namely, a statement from the record holder “verifying that, at the time Northstar submitted the proposal, Northstar continuously held the securities for at least one year.” The Broker Letter, however, is dated November 12, 2007 and explicitly speaks only “[a]s of November 12, 2007”; therefore, it does not verify that the Proponent held the requisite number of securities for at least one year as of the date the Proponent submitted the Proposal as it provides no information about the Proponent’s ownership of the Company’s stock from November 13, 2007 through November 19, 2007.¹ Consequently, the Proposal is excludable pursuant to Rule 14a-8(f). *See, e.g.*, Exxon Mobil Corp (March 1, 2007) (permitting exclusion where proponent submitted proposal December 7, 2006 and a broker letter verifying ownership dated December 1, 2006); Milacron Inc (December 21, 2004) (permitting exclusion where proponent submitted proposal September 15, 2004 and a broker letter verifying ownership dated July 2, 2004).

Indeed, the Staff, in SLB 14, provide an illustration that squarely deals with a substantially identical deficiency to the instant situation. In particular, the Staff states:

(3) If a shareholder submits his or her proposal to the company on June 1, does a statement from the record holder verifying that the shareholder owned the securities continuously for one year as of May 30 of the same year demonstrate sufficiently continuous ownership of the securities as of the time he or she submitted the proposal?

No. A shareholder must submit proof from the record holder that the shareholder continuously owned the securities for a period of one year as of the time the shareholder submits the proposal.

For the foregoing reasons, the Proponent has not provided, within the period set forth in Rule 14a-8(f), adequate verification that the Proponent satisfies the eligibility requirements of Rule 14a-8(b).

¹ We further note that the Broker Letter’s statement that the shares were held continuously for at least one year is also deficient as it states that Morgan Stanley continuously held these shares on behalf of the Proponent “prior to November 12, 2006”: even if one were to use the date of the Broker Letter (i.e., November 12, 2007) as the appropriate date for verification, the relevant period for the continuous holding of the shares is the one-year period prior to November 12, 2007, not 2006.

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Conclusion

We respectfully submit, for the foregoing reasons, that the Proposal may be omitted in accordance with Rules 14a-8(b) and 14a-8(f). We respectfully request that the Staff confirm that it will not recommend any enforcement action if the Proposal is omitted in its entirety from the Company's 2008 Proxy Materials. Should the Staff disagree with the Company's position or require any additional information, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of its response.

If you have any questions regarding this request or require additional information, please contact the undersigned at (212) 403-1228 or fax (212) 403-2228.

Very truly yours,



Elliott V. Stein

cc: Julie N.W. Goodridge, President, Northstar Asset Management, Inc.

RECYCLED

FYI

Tessy

11/19/07

ORTHSTAR ASSET MANAGEMENT INC

November 19, 2007

KMV RECEIVED

11/19

Mr. Harold McGraw III
Chief Executive Officer
McGraw Hill Cos.
1221 Avenue of the Americas
New York, NY 10020-1095

Dear Mr. McGraw:

As a longtime shareholder of McGraw Hill, we appreciate our company's commitment to enhancing and protecting shareholder value and to good corporate citizenship. Changes in federal statutes require corporations to report detailed and specific information. Corporate transparency and accountability are key ingredients of an effective compliance program. The shareholder proposal I submit to you today seeks to enhance our Company's transparency and accountability.

Therefore as the beneficial owner, as defined under Rule 13(d)-3 of the General Rules and Regulations under the Securities Act of 1934, of 3,500 shares of McGraw Hill Cos. common stock, we are submitting for inclusion in the next proxy statement, in accordance with Rule 14a-8 of these General Rules, the enclosed shareholder proposal. The proposal asks the Board of Directors to disclose its policies and procedures for making political contributions and an accounting of the funds contributed.

As required by Rule 14a-8 we have held these shares for more than one year and will continue to hold the requisite number of shares through the date of the next stockholders' annual meeting. Proof of ownership will be provided upon request. One of the filing shareholders or our appointed representative will be present at the annual meeting to introduce the proposal.

A commitment from McGraw Hill to adopt meaningful guidelines for its political contributions and to require oversight by our Board of Directors of the company's political spending and political spending guidelines would allow for the withdrawal of the resolution. We believe that this proposal is in the best interest of McGraw Hill and its shareholders.

Sincerely,



Julie N. W. Goodridge,
President

Corporate Political Contributions and Trade Association Payments

Resolved, that the shareholders of The McGraw Hill Companies ("Company") hereby request that the Company provide a report, updated semi-annually, disclosing the Company's:

1. Policies and procedures for political contributions and expenditures (both direct and indirect) made with corporate funds.
2. Monetary and non-monetary political contributions and expenditures not deductible under section 162 (e)(1)(B) of the Internal Revenue Code, including but not limited to contributions to or expenditures on behalf of political candidates, political parties, political committees and other political entities organized and operating under 26 USC Sec. 527 of the Internal Revenue Code and any portion of any dues or similar payments made to any tax exempt organization that is used for an expenditure or contribution if made directly by the corporation would not be deductible under section 162 (e)(1)(B) of the Internal Revenue Code. The report shall include the following:
 - a. An accounting of the Company's funds that are used for political contributions or expenditures as described above;
 - b. Identification of the person or persons in the Company who participated in making the decisions to make the political contribution or expenditure; and
 - c. The internal guidelines or policies, if any, governing the Company's political contributions and expenditures.

The report shall be presented to the board of directors' audit committee or other relevant oversight committee and posted on the company's website to reduce costs to shareholders.

Supporting Statement

As long-term shareholders of McGraw Hill, we support policies that apply transparency and accountability to corporate spending on political activities. Such disclosure is consistent with public policy and is in the best interest of the Company's shareholders.

Company executives exercise wide discretion over the use of corporate resources for political activities. These decisions involve political contributions, called "soft money," and payments to trade associations and related groups that are used for political activities. Most of these expenditures are not disclosed.

However, its payments to trade associations used for political activities are undisclosed and unknown. These activities include direct and indirect political contributions to candidates, political parties or political organizations; independent expenditures; or electioneering communications on behalf of a federal, state or local candidate. The result: shareholders and, in many cases, management do not know how trade associations use their company's money politically. The proposal asks the Company to disclose its political contributions and payments to trade associations and other tax-exempt organizations.

Absent a system of accountability, company assets can be used for political objectives that are not shared by and may be inimical to the interests of the Company and its shareholders. Relying on publicly available data does not provide a complete picture of the Company's political expenditures. The Company's Board and its shareholders need complete disclosure to be able to fully evaluate the political use of corporate assets. Thus, we urge your support for this critical governance reform.

RECEIVED

Exhibit B

CFOCC-00036295

November 19, 2007

REGISTERED MAIL, RETURN RECEIPT REQUESTED

Ms. Julie N.W. Goodridge
President
Northstar Asset Management Inc.
P.O. Box 301840
Boston, Massachusetts 02130

Dear Ms. Goodridge:

A letter and stockholder proposal from Northstar Asset Management Inc. ("Northstar") addressed to Mr. Harold McGraw III was faxed to our offices on November 19, 2007.

Pursuant to Rule 14a-8 of Regulation 14A of the United States Securities and Exchange Commission (the "SEC"), in order to be eligible to submit a proposal for consideration at McGraw-Hill's 2007 Annual Meeting, Northstar must have continuously held at least \$2,000 in market value, or 1% of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date the proposal was submitted. In addition, Northstar must also continue to hold such securities through the date of the meeting.

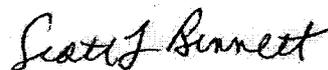
Following receipt of the proposal, we searched our shareholder records, but were unable to find Northstar listed as a record holder of McGraw-Hill stock. We are therefore now requesting proof of Northstar's stockholdings, as required by Rule 14a-8. A copy of the applicable SEC provision is also enclosed with this letter.

If Northstar is a McGraw-Hill stockholder of record, we apologize for not locating it in our own records. In such case, we will need for you to advise us precisely how the McGraw-Hill shares are listed on our records. If Northstar is not a registered stockholder, you must prove its eligibility to the company in one of two ways. The first way is to submit to the company a written statement from the "record" holder of the securities (usually a broker or bank) verifying that, at the time Northstar submitted the proposal, Northstar continuously held the securities for at least one year. The second way to prove ownership applies only if Northstar has filed a Schedule 13D, Schedule 13G, Form 3, Form 4 and/or Form 5 with the SEC (or amendments to those documents or updated forms), reflecting

Northstar's ownership of the shares as of or before the date on which the one-year eligibility period begins. If Northstar has filed one of these documents with the SEC, you may demonstrate Northstar's eligibility by submitting to the company (i) a copy of the schedule and/or form, and any subsequent amendments, reporting a change in Northstar's ownership level and (ii) Northstar's written statement that Northstar continuously held the required number of shares for the one-year period as of the date of the statement.

Please note that all of the required documentation set forth in this letter must be sent directly to my attention within 14 calendar days of the date you receive this request, and that the Company reserves the right to exclude the proposal under the applicable provisions of Regulation 14A.

Very truly yours,



Scott L. Bennett

Enclosure

MEK013

Exhibit C

CFOCC-00036303

Fenwick Corporate Center
35 Village Road, Suite 601
Middleton, MA 01949

toll free 800 730 3326
tel 978 739 9600
fax 978 739 9650

Morgan Stanley

November 12, 2007

*Harold McGraw III
Chief Executive Officer
McGraw Hill Cos.
1221 Avenue of the Americas
New York, NY 10020-1095*

Dear Mr. McGraw:

Morgan Stanley acts as the custodian for NorthStar Asset Management, Inc. As of November 12, 2007, Morgan Stanley held on behalf of NorthStar Asset Management, Inc. 3500 shares of McGraw Hill Cos. common stock in its clients' account. Morgan Stanley has continuously held these shares on behalf of NorthStar prior to November 12, 2006.

Sincerely,



*Donna K. Colahan
Vice President
Financial Advisor*

Investments and Services are offered through Morgan Stanley & Co. Inc. Member SIPC

The information contained herein is based on data obtained from sources believed to be reliable. However, such data is not guaranteed as to its accuracy or completeness and is for informational purposes only. Clients should refer to their confirmations and statements for tax purposes as the official record of their account.