DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-4561

December 6, 2011

John W. White
Cravath, Swaine & Moore LLP
JWhite@cravath.com

Re: The Walt Disney Company

Dear Mr. White:

This is in regard to your letter dated December 1, 2011 concerning the shareholder proposal submitted by Unite Here for inclusion in Disney's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the proponent has withdrawn the proposal and that Disney therefore withdraws its October 27, 2011 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Charles Kwon
Special Counsel

cc: Andrew Kahn
Davis, Cowell & Bowe, LLP
ajk@dcbsf.com

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December 1, 2011

The Walt Disney Company
Shareholder Proposal of Unite Here
Securities Exchange Act of 1934 Rule 14a-8

Ladies and Gentlemen:

We are submitting this letter on behalf of our client the Walt Disney Company ("Disney") to advise the Staff of the Division of Corporation Finance (the "Staff") that at Disney's direction we are formally withdrawing our request that the Staff concur in our view that Disney may properly exclude the shareholder proposal and supporting statement (collectively, the "Proposal") previously submitted by Unite Here (the "Proponent") from Disney's proxy statement and form of proxy for its 2012 Annual Meeting of Shareholders (collectively, the "2012 Proxy Materials"). We have enclosed for your reference a copy of our letter dated October 27, 2011, in which we had made our initial request on Disney's behalf.

We are withdrawing our request of the Staff in light of the fact that the Proponent has withdrawn the Proposal and no longer seeks to have it included in the 2012 Proxy Materials. We are also therefore enclosing a copy of the email we received on November 30, 2011, from Andrew Kahn, Esq., of Davis, Cowell & Bowe, LLP, counsel for the Proponent, in which he confirms that the Proponent has withdrawn the Proposal.

If the Staff has any questions with respect to the foregoing, please do not hesitate to contact me at (212) 474-1732 or Kimberley Drexler at (212) 474-1434.

Very truly yours,

/s/ John W. White
John W. White

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
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Encls.

Copy w/encls. to:

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VIA EMAIL

UNITE HERE withdraws its shareholder proposal at Disney

Andy Kahn <ajk@dcbsf.com> to: JWhite 11/30/2011 11:45 PM

Cc ***FISMA & OMB Memorandum M-07-16***

History: This message has been forwarded.

As you know, I am counsel to UNITE HERE on the shareholder proposal and no-action request you filed. UNITE HERE hereby withdraws the proposal. Andy Lee who was on submission letter is being cc'd: if you need any further confirming document from him or me, feel free to contact either of us.

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The Walt Disney Company
Shareholder Proposal of Unite Here
Securities Exchange Act of 1934 Rule 14a-8

October 27, 2011

Ladies and Gentlemen:

On behalf of our client, the Walt Disney Company ("Disney"), we write to inform you of Disney's intention to exclude from its proxy statement and form of proxy for its 2012 Annual Meeting of Shareholders (collectively, the "2012 Proxy Materials") a shareholder proposal and related supporting statement (the "Proposal") received from Unite Here (the "Proponent").

We hereby respectfully request that the Staff of the Division of Corporation Finance (the "Staff") concur in our view that Disney may, for the reasons set forth below, properly exclude the Proposal from the 2012 Proxy Materials. Disney has advised us as to the factual matters set forth below.

In accordance with Rule 14a-8(j), we have filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before the Company intends to file its definitive 2012 Proxy Materials with the Commission. Also in accordance with Rule 14a-8(j), a copy of this letter and its attachments is being sent concurrently to the Proponent. Pursuant to Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008) ("SLB 14D"), we have submitted this letter, together with the Proposal to the Staff via e-mail at shareholderproposals@sec.gov in lieu of mailing paper copies.

Rule 14a-8(k) and SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence

should be furnished concurrently to the undersigned on behalf of Disney pursuant to Rule 14a-8(k) and SLB 14D.

I. The Proposal

The Proponent requests that the following matter be submitted to a vote of the shareholders at the next Annual Meeting of Shareholders:

"RESOLVED: That the shareholders of The Walt Disney Company ("Company") urge the Board of Directors to adopt a policy of obtaining shareholder approval for any future severance agreements with senior executives providing benefits exceeding 2.99 times the sum of the executive's base salary plus bonus.

'Benefits' include lump-sum cash payments, including payments in lieu of medical and other benefits; tax liability 'gross ups'; the estimated present value of periodic retirement payments; equity and the accelerated vesting of equity; fringe benefits; and consulting fees (including reimbursable expenses) to be paid to the executive."

Disney received the Proposal on September 23, 2011. A copy of the Proposal, the Proponent's cover letter submitting the Proposal, and other correspondence relating to the Proposal are attached hereto as Exhibit A.

II. Grounds for Omission

As discussed more fully below, Disney believes that it may properly omit the Proposal from its 2012 Proxy Materials in reliance on Rule 14a-8(i)(3) since the Proposal, as it relates to Disney's specific executive compensation program, is impermissibly vague and indefinite so as to be inherently misleading.

Rule 14a-8(i)(3) provides that a company may exclude from its proxy materials a shareholder proposal if the proposal or supporting statement is "contrary to any of the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials." The Staff consistently has taken the position that vague and indefinite shareholder proposals are inherently misleading and therefore excludable under Rule 14a-8(i)(3) because "neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." Staff Legal Bulletin No. 14B (Sept. 15, 2004) ("SLB 14B"). *See also* Dyer v. SEC, 287 F.2d 773, 781 (8th Cir. 1961) ("[I]t appears to us that the proposal, as drafted and submitted to the company, is so vague and indefinite as to make it impossible for either the board of directors or the stockholders at large to comprehend precisely what the proposal would entail.").

In this regard, the Staff has concurred with the exclusion of a variety of shareholder proposals with vague terms or references, including proposals regarding changes to compensation policies and procedures. *See Prudential Financial Inc.* (Feb. 16, 2007) (concurring with the exclusion of a proposal requiring shareholder approval for

certain senior management incentive compensation programs because the proposal was vague and indefinite); *Woodward Governor Co.* (Nov. 26, 2003) (concurring in the exclusion of a proposal which called for a policy for compensating the "executives in the upper management . . . based on stock growth" because the proposal was vague and indefinite as to what executives and time periods were referenced). In *General Electric Co.* (Feb. 5, 2003), the proposal sought "shareholder approval for all compensation for Senior Executives and Board members" which exceeded certain thresholds. There, the Staff concurred with the company's argument that the proposal was vague because shareholders would not be able to determine what the critical terms "compensation" and "average wage" referred to and thus would not be able to understand which types of compensation the proposal would have affected.

Moreover, the Staff has on numerous occasions concurred that a shareholder proposal was sufficiently misleading so as to justify exclusion where a company and its shareholders might interpret the proposal differently, such that "any action ultimately taken by the [c]ompany upon implementation [of the proposal] could be significantly different from the actions envisioned by shareholders voting on the proposal." *Fuqua Industries, Inc.* (Mar. 12, 1991). *See also Bank of America Corp.* (June 18, 2007) (concurring with the exclusion of a proposal calling for the board of directors to compile a report "concerning the thinking of the Directors concerning representative payees" as "vague and indefinite"); *Puget Energy, Inc.* (Mar. 7, 2002) (concurring with the exclusion of a proposal requesting that the company's board of directors "take the necessary steps to implement a policy of 'improved corporate governance'").

Analysis

1. The Design of Disney's Executive Compensation Program

Disney's executive compensation program is disclosed on pages 14 to 53 of the proxy statement for Disney's 2011 Annual Meeting of Shareholders (the "2011 Proxy Statement"). The 2011 Proxy Statement explains that the total annual compensation for named executive officers is composed of both a fixed component, which includes base salary, benefits, perquisites and pension benefits, and a performance-based component, which includes an annual bonus, stock options, restricted stock units whose vesting is conditioned upon the passage of time and satisfaction of a performance test to determine eligibility for tax deductibility ("Time Vested RSUs"), and restricted stock units whose vesting is conditioned upon the satisfaction of performance conditions in addition to those related to tax deductibility ("Performance Vested RSUs").

Most of these compensation components are specified in employment agreements that commonly have terms ranging from three to five years and are executed by many of Disney's named executive officers. The employment agreements also contain the terms of an executive's severance arrangements, which, upon termination of employment without "cause" or for "good reason" (each, a "qualifying termination"), typically include:

- the payment of the remaining base salary that is due through the end of the employment agreement's term;
- a prorated target annual bonus for the year of termination;
- continued vesting in and exercisability of stock options as though the executive remained employed until the original expiration date; and
- continued vesting of Time Vested RSUs and (subject to satisfaction of applicable performance tests) Performance Vested RSUs through the end of the employment agreement's term as though the executive remained employed until the original expiration date.

These fixed and performance-based compensation components are subject to alteration by Disney's Compensation Committee from time to time.

2. The Specific Features of Disney's Executive Compensation Program Yield Highly Variable Severance Awards

Primarily as a result of the performance-based features of Disney's executive compensation plan (the annual bonus, stock option awards and restricted stock units) and the fact that equity awards do not accelerate on termination but instead continue to vest (subject to applicable performance tests), the actual realized amount of any named executive officer's severance package is highly variable and dependant on the date of termination and the facts in existence at and after the time of the termination. For example, target annual bonuses for the named executive officers (other than the chief executive officer) typically range from 100% to 200% of the executive's base salary, with an executive receiving a prorated target annual bonus in the year he/she has a qualifying termination. Thus, if an executive is terminated at the beginning of his/her employment agreement term, he/she will receive little or nothing in the way of a bonus, while at other termination dates, the amount of the prorated bonus will depend upon the amount of time that has elapsed from either the execution of the employment agreement or the beginning of the applicable performance year.

With respect to stock option awards, an executive realizes value only if the fair market value of Disney's common stock at the time of exercise exceeds the fair market value of such stock on the date of grant; if the stock option's exercise price is lower than the fair market value at the time of exercise, the executive will not realize any value on such "underwater" stock options.

With respect to Time Vested RSUs, the value of the RSUs will similarly depend on the value of Disney's common stock at the time the RSUs vest, which will occur over time following termination. The value of these RSUs therefore cannot be determined until the vesting dates occur.

Finally, with respect to the Performance Vested RSUs, an executive realizes value from them only to the extent that a test that depends on total shareholder return ("TSR") and earnings per share ("EPS") is met. The TSR element of the test compares the total three-year shareholder return of Disney, on the one hand, to shareholder return of the S&P 500 companies, on the other hand, over the three years from the date of the award to shortly before the vesting date. If Disney's TSR is above the 50th percentile of the TSR for the component companies of the S&P 500, then the number of units that will vest will range from 100% to 150% of the target number of units awarded. If Disney's TSR is below the 50th percentile for S&P 500 companies, then the EPS element of the test will come into play, and the number of units that vest will range from 0% to 100% of the target number of units, depending on Disney's growth in EPS from continuing operations relative to the growth in EPS from continuing operations of the companies in the S&P 500 and how far below the 50th percentile the TSR fell.

As a result of such variability, some or all the value of the compensation an executive may receive upon termination may never be realized because:

- annual bonuses can be zero or minimal depending on when a qualifying termination occurs;
- stock option awards may be "underwater" and never have value;
- the value of Time Vested RSUs will depend on stock prices at the time of vesting; and
- Performance Vested RSUs may not vest because specific TSR or EPS targets may not be met in a particular year.

Finally, it is worth noting that up to 90% of a named executive officer's compensation is variable performance-based compensation, with upwards of 39% of such compensation tied to equity awards.

3. Given the Structure of Disney's Severance Arrangements, the Proposal Would Not Be Possible To Implement Because It Is Not Possible To Calculate in Advance the Value of Benefits Received on Termination

As a result of the aforementioned variability in Disney's specific severance arrangements, Disney would be unable to implement the Proposal since Disney could not calculate whether the benefits paid to an executive will exceed 2.99 times that executive's base salary plus bonus upon termination. Any calculation of benefits would require an extensive series of assumptions and would result in a value that would be theoretical, at best. Amounts derived from such a calculation would not provide a reliable or workable basis for deciding whether to submit a particular severance arrangement to a vote of shareholders.

Pursuant to regulatory requirements, Disney disclosed numerical values for "Payments and Rights on Termination" in its 2011 Proxy Statement using various

methodologies. However, these values are simply estimates that are made in accordance with and based on explicit assumptions set out in extensive guidance from Item 402 of Regulation S-K, which in turn references an intricate set of guidelines contained in FASB ASC Topic 718. The extensive detail provided in these documents provides some example of what would be needed for Disney to make even an estimate of future severance benefits. Even then the estimates are provided with the caveat that: "Any actual compensation received by our named executive officers in the circumstances described below may be different than we describe because many factors affect the amount of any compensation received." The 2011 Proxy Statement then identifies factors that can vary the amount of actual compensation received by the executive such as the date of the executive's termination of employment, the executive's base salary at the time of termination and Disney's stock price at the time of termination. With respect to equity awards in particular, page 51 of Disney's 2011 Proxy Statement explains that: "[t]he actual value of the options realized by an executive when they become exercisable may . . . be more or less than that shown . . . depending on movements in the stock price pending actual vesting of the options" and "[t]he value of restricted stock units realized by an executive may again be more or less than that shown . . . depending on movements in the stock price pending actual vesting of the restricted stock units and depending on the number of units that will vest, which depends on the extent to which performance test are satisfied." Hence, the estimated values provided in the disclosure are fully acknowledged as being imprecise and to differ from what actual values will be.

As a result, these estimated values would not be suitable for assessing whether Disney should or should not submit a particular severance package to a vote of shareholders if the Proposal were to be adopted. First, these values depend on the assumption that an executive terminated employment as of a specified point in the past. While that allows Disney to calculate a value based on the facts that existed at that time, it does not represent what will happen at any specified point in the future, when actual severance might be paid. If the termination values were calculated on a date in the past under a policy adopted pursuant to the Proposal, Disney may be required to obtain shareholder approval of an arrangement that does not at any time in the future result in payments exceeding the 2.99 threshold or, to the contrary, may be relieved of the obligation to seek shareholder approval for an arrangement that does in fact result in payments exceeding the threshold under various assumptions about the future.[1] Moreover, some of the facts necessary to determine whether the threshold had been exceeded may not be available at the time Disney enters into an agreement with the executive, including historical salary and bonus for a newly hired executive. In deciding under the Proposal whether to submit a potential executive's compensation arrangements

[1] Somewhat anomalously, given the relationship between Disney's performance and compensation for executives, the value of termination payments is likely to be higher – and thus more likely to exceed the 2.99 threshold – when Disney's performance is best. If Disney's stock price is high when options are exercised and its TSR is relatively strong when stock units vest, the value realized by an executive on exercise and the value of stock units on vesting will be higher than if the stock price and TSR are low. Thus, shareholder approval is more likely to be required if good performance is assumed than if poor performance is assumed.

to the vote of shareholders, Disney would need to be more certain of the amounts it may pay an individual over time.

Thus, given the structure of Disney's specific severance arrangements, it would not be possible to implement the Proposal since Disney could not make a determination in advance as to whether a particular's executive's benefits would exceed the 2.99 threshold upon termination. Although certain assumptions are used to calculate values for the purposes of proxy statement disclosure, the Proposal does not suggest, nor, based on the reasons stated above, would it be appropriate for it to suggest, that such theoretical values ought to be used to determine whether any particular severance package should be subject to the vote of shareholders.

4. The Proposal Is Vague and Ambiguous Because It Fails To Adequately Specify How To Determine Compensation Values Referred to in the Proposal

Even if the Proposal could be implemented, the Proposal does not supply any of the necessary assumptions needed and its terms offer no other guidance to Disney or its shareholders with regards to the Proposal's proper implementation. As a result, shareholders could not know what they are voting on should the Proposal be presented and Disney cannot determine how it should implement the Proposal should it be approved.

First, the Proposal fails to specify any of the relevant assumptions necessary to make a determination as to whether the "benefits" received by an executive upon termination will exceed the 2.99 threshold set forth in the Proposal. The Proposal attempts to provide some guidance by stating that the "benefits" calculation should include "equity and the accelerated vesting of equity". The Proposal does not, however, specify how the value of equity awards should be determined, which creates particular difficulty given the particular design of Disney's specific employment agreements, under which equity awards do not accelerate but instead continue to vest, subject to performance conditions. Neither shareholders in evaluating the Proposal, nor Disney if it were attempting to implement the Proposal, would know whether the value of equity awards should be determined using the intrinsic value of the awards, a value based on a valuation model such as the Black-Scholes or binomial valuation model or some other method. Even if one or the other of these methods were specified, the Proposal does not specify how these values should be calculated, as each depends on a variety of assumptions, including the date of termination, Disney's TSR and EPS through a variety of possible vesting dates, its stock prices during an extended period of exercisability, or, in the case of valuation models, measures such as the historic volatility of Disney's stock price, prevailing interest rates and the stock's dividend yield as of an assumed date.

The Proposal also states that the "benefits" to be valued upon termination include the "estimated present value of periodic retirement payments." This value will depend on an executive's age at the date of termination and the executive's compensation (including salary and bonus) during the years prior to termination, and therefore cannot be determined until the date of termination.

In addition, the Proposal fails to specify at what point in time Disney ought to measure the "benefits" to see whether a particular compensation arrangement crosses the 2.99 threshold. This is a critical flaw because each of the assumptions needed to determine a value of the aforementioned equity awards depends on the date that is chosen. In addition, the value of both historical "salary and bonus" (which form the base of the calculation for the 2.99 threshold) and cash payments upon termination will depend on facts as of the date of termination, and those facts may change over time. The Proposal does not specify over what period historical salary and bonus should be measured in determining the base of the calculation: is it salary in effect at the time of termination and bonus for that fiscal year (which may not yet be determined), salary and bonus for the prior fiscal year, average salary and bonus over some number of prior years, or salary and bonus based on yet some other measure? Moreover, Disney's Compensation Committee has the authority to raise and in some cases lower an executive's salary throughout the term of his/her employment, and an executive's bonus in any given year depends to a significant extent on performance during the year. As a result, the actual 2.99 threshold may vary dramatically based on whether Disney performs the test at the time the employment agreement is executed, at the time of termination, after termination when all contingencies are resolved or at some other date.

In short, in light of the particular circumstances of Disney's executive compensation program, the same severance arrangement could be expected to result in compensation that is far less than the 2.99 threshold in some circumstances and more than the 2.99 threshold in other circumstances. The Proposal, however, simply fails to provide the guidance necessary for Disney to determine whether a severance arrangement should be subject to shareholder approval.

III. Conclusion

Therefore, due to the fact that:

- Disney's specific severance arrangements render it impossible to calculate the value of benefits received by an executive upon termination as requested by the Proposal;
- the Proposal does not take into account the inherent variability in the Company's incentive and equity compensation arrangements;
- the Proposal provides no guidance on which one of numerous severance scenarios Disney ought to consider in making a prospective assessment of whether any particular severance agreement exceeds the "2.99 threshold";
- the phrase "equity and accelerated vesting of equity" when discussing "benefits" provides no useful information on which particular valuation method Disney should use in valuing the equity;

- the phrase "estimated present value of periodic retirement payments" when discussing "benefits" is meaningless absent further assumptions regarding an executive's age and compensation level upon termination; and

- the timing when the "2.99 threshold" determination should be made (whether at the signing of the agreement, at termination of employment or at some other time) is unclear,

the terms in the Proposal as they relate to Disney's specific executive compensation program are vague and indefinite such that shareholders would be unable to determine the circumstances under which the Proposal would apply and Disney would be unable to implement the Proposal with any confidence that it was in accordance with shareholder intent, even if it were approved by shareholders. As a result "neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires."

Moreover, if the Proposal were implemented as it is presently written, Disney could be placed in a precarious situation when it decided to enter into an employment agreement with an executive as it sought to correctly make the many interpretive decisions left unanswered in the Proposal. The differing interpretations of what key terms in the Proposal should mean may expose a company to expensive derivative litigation as well as other potential sanctions. In *Indiana Electrical Workers Pensions Trust Fund, IBEW v. Dunn,* 2008 WL 878424 (N.D. Cal.), Hewlett-Packard implemented a proposal similar to the Proposal at issue here, and later faced derivative litigation by shareholders that involved interpretive issues, including whether certain payments should or should not qualify as "severance" under the company's severance program. The vagueness of the Proposal would, if implemented, leave Disney inescapably vulnerable to such claims because there is ample freedom for shareholders to interpret the proper implementation of the Proposal in ways that are far different from Disney's interpretation.

Based on the foregoing, we hereby respectfully request that the Staff agree in our view that the Proposal may be properly excluded from Disney's 2012 Proxy Materials. If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that Disney may omit the Proposal from its 2012 Proxy Materials, please contact me at (212) 474-1732. I would appreciate your sending your response by facsimile to me at (212) 474-3700 as well as to Disney, attention of Roger Patterson, Managing Vice President and Counsel at (818) 560-2092.

Very truly yours,

/s/ John W. White

John W. White

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

Encls.

Copy w/encls. to:

Andy Lee
Strategic Affairs Coordinator, Unite Here Los Angeles
464 S. Lucas Avenue, Suite #201
Los Angeles, CA 90017

Roger J. Patterson
Managing Vice President, Counsel, The Walt Disney Company
500 S. Buena Vista Street
Burbank, CA 91521-0615

VIA EMAIL AND FEDEX

EXHIBIT A

UNITEHERE!

275 SEVENTH AVENUE, 10TH FLOOR, NEW YORK, NY 10001 • TEL (212) 265-7000 • WWW.UNITEHERE.ORG

Andy Lee
Strategic Affairs Coordinator
Unite Here Los Angeles
464 S. Lucas Avenue, Suite #201
Los Angeles, CA 90017
Tel: (213) 481-8530, ext. 286
Fax: (213) 481-0352
alee@unitehere.org

September 23, 2011

Mr. Alan N. Braverman, Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, CA 91521-1030

Dear Mr. Braverman:

I am submitting the enclosed stockholder proposal by Unite Here for inclusion in the proxy statement and form of proxy relating to the 2012 Annual Meeting of Stockholders of The Walt Disney Company, pursuant to Rule 14a-8.

I am the authorized agent of Unite Here, which has continuously held 120 shares of the Company's securities entitled to be voted on the proposal at the meeting for at least one year as of the date of submitting the proposal. I affirm that Unite Here intends to hold the same shares continuously through the date of the Company's 2012 Annual Meeting of Stockholders.

In addition to this stockholder proposal, we reserve the right to conduct independent solicitation campaigns pursuant to Rule 14a-4. If we do so, we will provide the required notification and information specified in our Company's bylaws between November 23 and December 23, 2011.

Enclosed is proof of Unite Here's stock ownership. In case this documentation is considered too old, we will provide more recent ownership documentation prior to the September 30 deadline.

If you have any questions about this proposal, please contact me at (213) 481-8530, ext. 286. Thank you for your attention to this matter.

Sincerely,

Andy Lee

Andy Lee

Enclosure: Stockholder Proposal by Unite Here, Proof of Stock Ownership

RESOLUTION TO BE PRESENTED AT 2012 ANNUAL STOCKHOLDERS MEETING:

RESOLVED: That the shareholders of The Walt Disney Company (the "Company") urge the Board of Directors to adopt a policy of obtaining shareholder approval for any future severance agreements with senior executives providing benefits exceeding 2.99 times the sum of the executive's base salary plus bonus.

"Benefits" include lump-sum cash payments, including payments in lieu of medical and other benefits; tax liability "gross-ups"; the estimated present value of periodic retirement payments; equity and the accelerated vesting of equity; fringe benefits; and consulting fees (including reimbursable expenses) to be paid to the executive.

SUPPORTING STATEMENT:
Severance agreements may be appropriate in some circumstances but we believe their potential cost entitles shareholders to be heard when a company contemplates paying out more than 2.99 times the amount of an executive's salary and bonus.

If CEO Robert Iger had been terminated without cause at the end of either 2008, 2009 or 2010, he would have received, respectively, over $65 million, over $48 million, or over $54 million. These amounts exceed 2.99 times Mr. Iger's base salary and bonus in each year. Like other senior executives of our Company, Mr. Iger would also have been entitled to this severance even if he terminated his own employment for good reason (as defined in the employment agreements of Mr. Iger and the other senior executives).

Management may argue it needs flexibility in order to attract and retain the best talent, but our Company's executives already enjoy highly attractive compensation. GovernanceMetrics International (GMI), a leading independent provider of corporate governance research, released a CEO Compensation Survey in June 2011 noting that our CEO was the highest paid among 747 companies analyzed, with a 2010 total realized compensation exceeding $54.9 million.

Management may argue the resolution is unnecessary because the Dodd-Frank Act already requires a shareholder vote on executive compensation, but such a "say on pay" vote is advisory. We are asking the board to adopt a binding policy.

The Dodd-Frank Act also requires a vote on severance agreements in change-in-control situations, but it is unlikely our Company will face such a situation in the near future. Instead, the Company has made large severance payments without change-in-control: for example, to former CEO Michael Eisner and former President Michael Ovitz. The latter received a severance package valued at more than $100 million at the time of departure after only 14 months of employment.

Requiring shareholder approval of severance agreements may have the beneficial effects of inducing restraint when our Company and executives negotiate such agreements, and preventing the Board from being manipulated if a senior executive's employment must be terminated.

Because it is not always practical to obtain prior shareholder approval, our Company would have the option of seeking approval after the agreement had been tentatively agreed upon.

Institutional Shareholder Services (ISS) and CALPERS have guidelines backing the policy recommended here.

We urge shareholders to vote FOR this proposal.

Pages 14 through 15 redacted for the following reasons:

*** FISMA & OMB Memorandum M-07-16 ***

The Walt Disney Company

Roger J. Patterson
Managing Vice President, Counsel
Registered In-House Counsel

October 6, 2011

VIA OVERNIGHT COURIER

Andy Lee
Unite Here Los Angeles
464 Lucas Ave., Suite #201
Los Angeles, CA 90017

Dear Mr. Lee:

This letter will acknowledge that we received on September 26, 2011, your letter dated September 23, 2011 submitting a proposal for consideration at the Company's 2012 annual meeting of stockholders regarding severance arrangement policies. As the time for the annual meeting comes closer, we will be in touch with you further regarding our response to your proposal.

Sincerely yours,

Roger J. Patterson

Roger J. Patterson

500 S. Buena Vista Street, Burbank, CA 91521-0615
Tel 818.560.6126 Fax 818.563.4160 roger.patterson@disney.com

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November 7, 2011

By email shareholderproposals@sec.gov
and UPS overnight mail

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

RE: Disney Request for No-Action Letter on 14a-8 severance proposal of UNITE HERE

Dear SEC Staff:

We represent the shareholder proponent here. Disney's request to exclude its proposal as excessively vague must be denied because neither shareholders nor the Company could have any reasonable doubt what is requested: a policy of obtaining shareholder approval before agreeing in the future to severance benefits that might be 3 or more times the executive's base salary and bonus.[1]

This proposal is nearly-identical to 12 other severance proposals against which no-action requests were filed on vagueness grounds, and the SEC Staff rejected all these requests. See Ex. A hereto. There is no good reason for Staff to reverse itself here.

Disney's real argument is that its *current* severance agreements might result in a payout exceeding this amount, but this argument is irrelevant because the proposal only applies to *future* severance agreements.

Disney is apparently arguing that it would be impractical as a business matter to come up with agreements capping severance at the specified sum because stock benefits are hard to value, but business practicality arguments are for the shareholders to resolve, not SEC Staff. Of course, this is not to credit such argument

[1] The proposal states: "RESOLVED: That the shareholders of The Walt Disney Company ('Company') urge the Board of Directors to adopt a policy of obtaining shareholder approval for any future severance agreements with senior executives providing benefits exceeding 2.99 times the sum of the executive's base salary plus bonus. 'Benefits' include lump-sum cash payments, including payments in lieu of medical and other benefits; tax liability 'gross ups'; the estimated present value of periodic retirement payments; equity and the accelerated vesting of equity; fringe benefits; and consulting fees (including reimbursable expenses) to be paid to the executive."

in the least, as Disney's sophisticated legal team could no doubt insert into any future severance agreement the simple language needed to comply with the policy that simply states "notwithstanding any other provision of this agreement, the Company shall not pay severance benefits to Executive exceeding 2.99 times Executive's base salary plus bonus unless the Company's shareholders have approved this agreement."

If Disney management is unsure whether a future agreement for stock-based severance benefits could ultimately exceed the policy's cap, then all management needs do to implement the recommended policy is put this new arrangement up for a vote, as the proposal is *not* for a flat ban on severance benefits over the specified amount. The essential implementing action under the proposed policy is getting a shareholder vote, and there is nothing unclear about this implementing action. Moreover, this proposal as a purely-precatory one correctly leaves to board discretion the defining of present value and timing. As this is not a binding proposal, the argument by management's attorney that a shareholder could sue the Company over how the Board chooses to interpret and apply the proposal is a frivolous one.

As you know, the only type of impermissible vagueness is that so serious as to make the proposal violative of the proxy rule against misleading statements. *See* Staff Bulletin 14B ("Specifically, reliance on rule 14a-8(i)(3) to exclude or modify a statement may be appropriate where: *** the resolution contained in the proposal is so inherently vague or indefinite that neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires ...Further, rule 14a-8(g) makes clear that the company bears the burden of demonstrating that a proposal or statement may be excluded. As such, the staff will concur in the company's reliance on rule 14a-8(i)(3) to exclude or modify a proposal or statement only where that company has demonstrated objectively that the proposal or statement is materially false or misleading.").

The proposal here is far less vague than the proposals involved in the cases cited by Disney of the Staff permitting exclusion: for example, in *Puget Energy* (3/7/02), the requested policy was merely stated as "improved corporate governance", a far cry from the clarity of requesting a shareholder vote if a severance agreement can result in added compensation exceeding a simple numerical multiple of salary plus bonus. The instant proposal is also a far cry from vaguely proposing the board provide a report "concerning the thinking of the Directors concerning representative payees". *Bank of America* (6/18/07).

The proposal here is far less uncertain than many other proposals which Staff has nonetheless found insufficiently-vague to block submitting to shareholders. See, e.g., *Yahoo Inc.* (4/5/11)(proposal to "review, report to shareholders and improve all policies and actions ... that might affect human rights observance in countries where it does business."); *Caterpillar* (3/11/11)("to review and amend, where applicable, Caterpillar's policies related to human rights that guide international and U.S. operations, extending policies to include franchisees, licensees and agents that market, distribute or sell its products, to conform more fully with international

human rights and humanitarian standards, . . . "); *Intel Corp.* (3/14/11)(requesting bonus adjustments "not require achievement of new performance goals but should focus on the quality and sustainability of performance on the Financial Metric(s) during the Deferral Period."); *General Electric Co.* (requesting withdrawal of recently-awarded options "to leave the remainder close to levels granted in the years 2002 through 2008.").[2]

Thank you for your consideration.

Respectfully,

Andrew Kahn
Attorneys for UNITE HERE

AJK:ja
cc: John White, Esq., jwhite@cravath.com

[2] It is in the nature of a shareholder proposal process where only 500 words are allowed proponents that their proposals cannot be as precise and comprehensive in addressing all contingencies than if proponents were themselves drafting executive compensation agreements or other legal documents typically requiring many thousands of words each.

EXHIBIT A

SEC STAFF RESPONSES TO NO-ACTION REQUESTS CLAIMING SEVERANCE PROPOSALS TOO VAGUE

February 22, 2010
Re: Verizon Communications Inc.

Incoming letter dated December 23, 2009

The proposal urges the board to adopt a policy of obtaining shareholder approval for any future agreements and corporate policies that would obligate the company to make payments, grants, or awards following the death of a senior executive in the form of salary, bonuses, accelerated vesting of awards or other benefits, or the continuation of unvested equity grants, perquisites and other payments or benefits in lieu of compensation.

We are unable to concur in your view that Verizon may exclude the proposal under rule 14a-8(i)(10). Accordingly, we do not believe that Verizon may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(10).

We are unable to concur in your view that Verizon may exclude the proposal under rule 14a-8(i)(3). Accordingly, we do not believe that Verizon may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Jessica S. Kane
Attorney-Advisor

Proposal:
Resolved: The shareholders of Verizon Communications Inc. (the "Company") urge the board of directors to adopt a policy of obtaining shareholder approval for any future agreements and corporate policies that would obligate the Company to make payments, grants, or awards following the death of a senior executive in the form of salary, bonuses, accelerated vesting of awards or other benefits, or the continuation of unvested equity grants, perquisites and other payments or benefits in lieu of compensation. This policy would not affect compensation that the executive earns and chooses to defer during his or her lifetime.

February 26, 2007
Re: Verizon Communications Inc.

Incoming letter dated December 27, 2006

The proposal urges the board to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus.

We are unable to concur in your view that Verizon may exclude the proposal under rule 14a-8(i)(3). Accordingly, we do not believe that Verizon may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(3).

We are unable to concur in your view that Verizon may exclude the proposal under rule 14a-8(i)(10). Accordingly, we do not believe that Verizon may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(10).

Sincerely,
Tamara M. Brightwell
Special Counsel

Proposal:
RESOLVED: that the shareholders of Verizon Communications Inc. (the "Company") urge the Board of Directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus.

"Severance agreements" include any agreements or arrangements that provide for payments or awards in connection with a senior executive's severance from the Company, including employment agreements; retirement agreements; settlement agreements; change in control agreements; and agreements renewing, modifying or extending such agreements.

"Benefits" include lump-sum cash payments (including payments in lieu of medical and other benefits); the payment of any "gross-up" tax liability; the estimated present value of periodic retirement payments; any stock or option awards that are awarded under any severance agreement; any prior stock or option awards as to which the executive's access is accelerated under the severance agreement; fringe benefits; and consulting fees (including reimbursable expenses) to be paid to the executive.

February 13, 2006
Re: McDonald's Corporation

Incoming letter dated January 13, 2006

The proposal urges the board of directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus.

We are unable to concur in your view that McDonald's may exclude the proposal under rule 14a-8(i)(3). Accordingly, we do not believe that McDonald's may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Tamara M. Brightwell
Attorney-Adviser

Proposal:
"RESOLVED: that the shareholders of McDonald's Corporation (the "Company") urge the Board of Directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus. "Future severance agreements" include employment agreements containing severance provisions, retirement agreements and agreements renewing, modifying or extending existing [sic] such agreements. "Benefits" include lump-sum cash payments (including payments in lieu of medical and other benefits); the payment of any "gross-up" tax liability; the estimated present value of periodic retirement payments; any stock or option awards that are awarded under any severance agreement; any prior stock or option awards as to which the executive's access is accelerated under the severance agreement; fringe benefits; and consulting fees (including reimbursable expenses) to be paid to the executive."

January 18, 2006
Re: Exelon Corporation

Incoming letter dated December 14, 2005

The proposal urges the board of directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus.

We are unable to concur in your view that Exelon may exclude portions of the supporting statement under rule 14a-8(i)(3). Accordingly, we do not believe that Exelon may omit portions of the supporting statement from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Tamara M. Brightwell
Attorney-Adviser

Proposal:
RESOLVED: that the shareholders of Exelon Corporation ("the Company") urge the Board of Directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus. "Future severance agreements" include employment agreements containing severance provisions, retirement agreements and agreements renewing, modifying or extending existing such agreements. "Benefits" include lump-sum cash payments and the estimated present value of periodic retirement payments, fringe benefits, perquisites and consulting fees to be paid to the executive.

January 18, 2006
Re: The Ryland Group, Inc.

Incoming letter dated December 16, 2005

The proposal urges the board of directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus.

We are unable to concur in your view that Ryland may exclude the proposal under rule 14a-8(i)(3). Accordingly, we do not believe that Ryland may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Tamara M. Brightwell
Attorney-Adviser

Proposal:
RESOLVED: that the shareholders of Ryland Group (the "Company") urge the Board of Directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of executives' base salary plus bonus. "Future severance agreements" include employment agreements containing severance provisions, retirement agreements and agreements renewing, modifying or extending existing such agreements. "Benefits" include lump-sum cash payments and the estimated present values of periodic retirement payments, fringe benefits, perquisites and consulting fees to be paid to the executive.

October 24, 2005
Re: Emerson Electric Co.

Incoming letter dated September 19, 2005

The proposal urges the board of directors' compensation and human resources committee to establish a policy to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executive's base salary plus bonus.

We are unable to concur in your view that Emerson may exclude the proposal under rule 14a-8(i)(2). Accordingly, we do not believe that Emerson may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(2).

We are unable to concur in your view that Emerson may exclude the proposal under rule 14a-8(i)(3). Accordingly, we do not believe that Emerson may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(3).

We are unable to concur in your view that Emerson may exclude the proposal under rule 14a-8(i)(6). Accordingly, we do not believe that Emerson may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(6).

We are unable to concur in your view that Emerson may exclude the proposal under rule 14a-8(i)(7). Accordingly, we do not believe that Emerson may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,
Mark F. Vilardo
Special Counsel

Proposal:
RESOLVED, that stockholders of Emerson Electric Co. ("Emerson" or the "Company") urge the Compensation and Human Resources Committee of the Board of Directors (the "Board") to establish a policy to seek stockholder approval for future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executive's base salary plus bonus. "Future severance agreements" mean employment agreements containing severance provisions; change of control agreements; retirement agreements; and agreements renewing, modifying or extending existing such agreements. "Benefits" include lump-sum cash payments; and the estimated present value of periodic retirement payments, fringe benefits, perquisites, consulting fees and other amounts to be paid to the executive after or in connection with termination of employment.

March 24, 2005
Re: Hilton Hotels Corporation

Incoming letter dated January 19, 2005

The proposal urges the board of directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus.

We are unable to concur in your view that Hilton may exclude the proposal or portions of the supporting statement under rule 14a-8(i)(3). Accordingly, we do not believe that Hilton may omit the proposal or portions of the supporting statement from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Kurt K. Murao
Attorney-Advisor

Proposal:
"RESOLVED: that the shareholders of Hilton Hotels Corp. ("the Company") urge the Board of Directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus. "Future severance agreements" include employment agreements containing severance provisions, retirement agreements and agreements renewing, modifying or extending existing such agreements. "Benefits" include lump-sum cash payments and the estimated present value of periodic retirement payments, fringe benefits, perquisites and consulting fees to be paid to the executive."

March 1, 2004
Re: Massey Energy Company

Incoming letter dated January 20, 2004

The proposal would amend the company's bylaws to require shareholder ratification of executive severance agreements in excess of 2.99 times the executive's base salary plus bonus.

We are unable to conclude that Massey Energy has met its burden of establishing that the proposal would violate applicable state law. Accordingly, we do not believe that Massey Energy may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(2).

We are unable to concur in your view that Massey Energy may exclude the proposal under rule 14a-8(i)(3). Accordingly, do not believe that Massey Energy may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Anne Nguyen
Attorney-Advisor

Proposal:
"RESOLVED: That the shareholders of Massey Energy Company ('Massey Energy' or the 'Company') hereby amend the Company's Bylaws to add the following Section 4.05 to Article IV:
'Section 4.05 Shareholder Approval of Certain Executive Severance Agreements. The Board of Directors shall seek shareholder approval of severance agreements with senior executive officers that provide benefits with a total value exceeding 2.99 times the sum of the executive's base salary plus bonus. "Severance agreements" include employment agreements containing severance provisions; retirement agreements; and agreements renewing, modifying or extending existing such agreements. "Benefits" include lump-sum cash payments (including payments in lieu of medical and other benefits) and the estimated present value of periodic retirement payments, fringe benefits and consulting fees (including reimbursable expenses) to be paid to the executive. If the Board finds that it is not practicable to obtain shareholder approval in advance, the Board may seek approval after the material terms have been agreed upon. This section shall take effect upon adoption and apply only to severance agreements adopted after that date.'"

March 1, 2004
Re: PMC-Sierra, Inc.

Incoming letter dated January 16, 2004

The proposal urges the board of directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus.

We are unable to concur in your view that PMC-Sierra may exclude the proposal under rule 14a-8(f). Accordingly, we do not believe that PMC-Sierra may omit the proposal from its proxy materials in reliance on rule 14a-8(f).

We are unable to concur in your view that PMC-Sierra may exclude the proposal under rule 14a-8(i)(3). There appears to be some basis for your view, however, that portions of the supporting statement may be materially false or misleading under rule 14a-9. In our view, the proponent must:
• delete the phrase "commonly known as 'golden parachutes'" from the sentence that begins "In our opinion, severance agreements ..." and ends "... U.S. corporations in general" and provide a citation to a specific source for the remaining sentence; and
• provide a citation to a specific source for the statement that begins "The California Public Employees Retirement System ..." and ends "... generally favor shareholder approval of these types of severance agreements."
Accordingly, unless the proponent provides PMC-Sierra with a proposal and supporting statement revised in this manner, within seven calendar days after receiving this letter, we will not recommend enforcement action to the Commission if PMC-Sierra omits only these portions of the supporting statement from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Lesli L. Sheppard-Warren
Attorney-Advisor

Proposal:
RESOLVED that the shareholders of PMC-Sierra, Inc. ("the Company") urge the Board of Directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus. "Future severance agreements" include employment agreements containing severance provisions, retirement agreements and agreements renewing, modifying or extending existing such agreements. "Benefits" include lump-sum cash payments and the estimated present value of periodic retirement payments, fringe benefits, perquisites and consulting fees to be paid to the executive.

February 26, 2004
Re: FirstEnergy Corp.

Incoming letter dated January 9, 2004

The proposal urges the board of directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus.

We are unable to concur in your view that FirstEnergy may exclude the proposal under rule 14a-8(i)(3). There appears to be some basis for your view, however, that portions of the supporting statement may be materially false or misleading under rule 14a-9. In our view, the proponent must:
• delete the phrase "commonly known as 'golden parachutes'" from the sentence that begins "In our opinion, severance agreements ..." and ends "... U.S. corporations in general" and provide a citation to a specific source for the remaining sentence; and
• provide a citation to a specific source for the statement that begins "The California Public Employees Retirement System ..." and ends "... generally favor shareholder approval of these types of severance agreements."
Accordingly, unless the proponent provides FirstEnergy with a proposal and supporting statement revised in this manner, within seven calendar days after receiving this letter, we will not recommend enforcement action to the Commission if FirstEnergy omits only these portions of the supporting statement from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Daniel Greenspan
Attorney-Advisor

Proposal:
RESOLVED: that the shareholders of First Energy ("the Company") urge the Board of Directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times include employment agreements containing severance provisions, retirement agreements and agreements renewing, modifying or extending such agreements. "Benefits" include lump-sum cash payments and the estimated present value of periodic retirement payments, fringe benefits, perquisites and consulting fees to be paid to the executive.

February 2, 2004
Re: Verizon Communications, Inc.

Incoming letter dated December 18, 2003

The proposal would amend the company's bylaws to require shareholder ratification of executive severance agreements in excess of 2.99 times the executive's base salary plus bonus.

We are unable to conclude that Verizon has met its burden of establishing that Verizon may exclude the proposal under rule 14a-8(i)(1), as an improper subject for shareholder action under applicable state law. Accordingly, we do not believe that Verizon may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(1).

We are unable to conclude that Verizon has met its burden of establishing that the proposal would violate applicable state law. Accordingly, we do not believe that Verizon may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(2).

We are unable to concur in your view that Verizon may exclude the proposal under rule 14a-8(i)(3). Accordingly, we do not believe that Verizon may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Michael McCoy
Attorney-Advisor

Proposal:
RESOLVED, pursuant to Article VII, Section 7.06 of the Bylaws of Verizon Communications Inc., the shareholders hereby amend the Bylaws to add the following Section 5.06 to Article V:
"Shareholder Approval of Certain Executive Severance Agreements--The Board of Directors shall seek shareholder ratification of severance agreements with senior executive officers that provide benefits with a total value exceeding 2.99 times the sum of the executive's base salary plus bonus. 'Benefits' include the present value of all post-termination payments (in cash or in kind) not earned or vested prior to termination, including any lump sum payments, fringe benefits, perquisites, consulting fees or the accelerated vesting of stock options or of restricted stock. If the Board finds that it is not practicable to obtain shareholder approval in advance, the Board may seek approval after the material terms have been agreed upon. This section shall take effect upon adoption and apply only to agreements adopted after that date."

January 7, 2003
Re: Hewlett-Packard Company

Incoming letter dated December 9, 2002

The proposal urges the board of directors to seek shareholder approval for future severance agreements with senior executives that provide benefits exceeding 2.99 times the sum of the executive's base salary plus bonus.

We are unable to concur with your view that Hewlett-Packard may omit the entire proposal under rule 14a-8(i)(3). However, there appears to be some basis for your view that portions of the supporting statement may be materially false or misleading under rule 14a-9. In our view, the proponent must:
• revise the sentence that begins "The amended agreement also granted ..." and ends "... when he resigned in November" to clarify that the agreement applied to unvested options and that the options vested when shareholders approved the merger agreement with Hewlett-Packard and Compaq Computers;
• delete the sentence that begins "According to Jeffrey Sonnenfeld ..." and ends "... abuse of HP corporate governance";
• revise the sentence that begins "We recognize that severance agreements ..." and ends "... in some circumstances" to clarify that the employment agreement was negotiated with Compaq Computers and that Hewlett-Packard assumed the agreement; and
• provide factual support in the form of a citation to a specific source for the sentences that begin "Institutional investors such as ..." and end "... executive's annual base salary."
Accordingly, unless the proponent provides Hewlett-Packard with a proposal and supporting statement revised in this manner, within seven calendar days after receiving this letter, we will not recommend enforcement action to the Commission if Hewlett-Packard omits only these portions of the supporting statement from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,
Gail A. Pierce
Attorney-Advisor

Proposal:
RESOLVED, That the shareholders of Hewlett Packard ("HP" or the "Company") urge the Board of Directors to seek shareholder approval for future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executive's base salary plus bonus. "Future severance agreements" include agreements renewing, modifying or extending existing severance agreements or employment agreements containing severance provisions.

CRAVATH, SWAINE & MOORE LLP

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The Walt Disney Company
Shareholder Proposal of Unite Here
Securities Exchange Act of 1934 Rule 14a-8

October 27, 2011

Ladies and Gentlemen:

On behalf of our client, the Walt Disney Company ("Disney"), we write to inform you of Disney's intention to exclude from its proxy statement and form of proxy for its 2012 Annual Meeting of Shareholders (collectively, the "2012 Proxy Materials") a shareholder proposal and related supporting statement (the "Proposal") received from Unite Here (the "Proponent").

We hereby respectfully request that the Staff of the Division of Corporation Finance (the "Staff") concur in our view that Disney may, for the reasons set forth below, properly exclude the Proposal from the 2012 Proxy Materials. Disney has advised us as to the factual matters set forth below.

In accordance with Rule 14a-8(j), we have filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before the Company intends to file its definitive 2012 Proxy Materials with the Commission. Also in accordance with Rule 14a-8(j), a copy of this letter and its attachments is being sent concurrently to the Proponent. Pursuant to Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008) ("SLB 14D"), we have submitted this letter, together with the Proposal to the Staff via e-mail at shareholderproposals@sec.gov in lieu of mailing paper copies.

Rule 14a-8(k) and SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence

should be furnished concurrently to the undersigned on behalf of Disney pursuant to Rule 14a-8(k) and SLB 14D.

I. The Proposal

The Proponent requests that the following matter be submitted to a vote of the shareholders at the next Annual Meeting of Shareholders:

"RESOLVED: That the shareholders of The Walt Disney Company ("Company") urge the Board of Directors to adopt a policy of obtaining shareholder approval for any future severance agreements with senior executives providing benefits exceeding 2.99 times the sum of the executive's base salary plus bonus.

'Benefits' include lump-sum cash payments, including payments in lieu of medical and other benefits; tax liability 'gross ups'; the estimated present value of periodic retirement payments; equity and the accelerated vesting of equity; fringe benefits; and consulting fees (including reimbursable expenses) to be paid to the executive."

Disney received the Proposal on September 23, 2011. A copy of the Proposal, the Proponent's cover letter submitting the Proposal, and other correspondence relating to the Proposal are attached hereto as Exhibit A.

II. Grounds for Omission

As discussed more fully below, Disney believes that it may properly omit the Proposal from its 2012 Proxy Materials in reliance on Rule 14a-8(i)(3) since the Proposal, as it relates to Disney's specific executive compensation program, is impermissibly vague and indefinite so as to be inherently misleading.

Rule 14a-8(i)(3) provides that a company may exclude from its proxy materials a shareholder proposal if the proposal or supporting statement is "contrary to any of the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials." The Staff consistently has taken the position that vague and indefinite shareholder proposals are inherently misleading and therefore excludable under Rule 14a-8(i)(3) because "neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." Staff Legal Bulletin No. 14B (Sept. 15, 2004) ("SLB 14B"). *See also* Dyer v. SEC, 287 F.2d 773, 781 (8th Cir. 1961) ("[I]t appears to us that the proposal, as drafted and submitted to the company, is so vague and indefinite as to make it impossible for either the board of directors or the stockholders at large to comprehend precisely what the proposal would entail.").

In this regard, the Staff has concurred with the exclusion of a variety of shareholder proposals with vague terms or references, including proposals regarding changes to compensation policies and procedures. *See Prudential Financial Inc.* (Feb. 16, 2007) (concurring with the exclusion of a proposal requiring shareholder approval for

certain senior management incentive compensation programs because the proposal was vague and indefinite); *Woodward Governor Co.* (Nov. 26, 2003) (concurring in the exclusion of a proposal which called for a policy for compensating the "executives in the upper management . . . based on stock growth" because the proposal was vague and indefinite as to what executives and time periods were referenced). In *General Electric Co.* (Feb. 5, 2003), the proposal sought "shareholder approval for all compensation for Senior Executives and Board members" which exceeded certain thresholds. There, the Staff concurred with the company's argument that the proposal was vague because shareholders would not be able to determine what the critical terms "compensation" and "average wage" referred to and thus would not be able to understand which types of compensation the proposal would have affected.

Moreover, the Staff has on numerous occasions concurred that a shareholder proposal was sufficiently misleading so as to justify exclusion where a company and its shareholders might interpret the proposal differently, such that "any action ultimately taken by the [c]ompany upon implementation [of the proposal] could be significantly different from the actions envisioned by shareholders voting on the proposal." *Fuqua Industries, Inc.* (Mar. 12, 1991). *See also Bank of America Corp.* (June 18, 2007) (concurring with the exclusion of a proposal calling for the board of directors to compile a report "concerning the thinking of the Directors concerning representative payees" as "vague and indefinite"); *Puget Energy, Inc.* (Mar. 7, 2002) (concurring with the exclusion of a proposal requesting that the company's board of directors "take the necessary steps to implement a policy of 'improved corporate governance'").

Analysis

1. The Design of Disney's Executive Compensation Program

Disney's executive compensation program is disclosed on pages 14 to 53 of the proxy statement for Disney's 2011 Annual Meeting of Shareholders (the "2011 Proxy Statement"). The 2011 Proxy Statement explains that the total annual compensation for named executive officers is composed of both a fixed component, which includes base salary, benefits, perquisites and pension benefits, and a performance-based component, which includes an annual bonus, stock options, restricted stock units whose vesting is conditioned upon the passage of time and satisfaction of a performance test to determine eligibility for tax deductibility ("Time Vested RSUs"), and restricted stock units whose vesting is conditioned upon the satisfaction of performance conditions in addition to those related to tax deductibility ("Performance Vested RSUs").

Most of these compensation components are specified in employment agreements that commonly have terms ranging from three to five years and are executed by many of Disney's named executive officers. The employment agreements also contain the terms of an executive's severance arrangements, which, upon termination of employment without "cause" or for "good reason" (each, a "qualifying termination"), typically include:

- the payment of the remaining base salary that is due through the end of the employment agreement's term;

- a prorated target annual bonus for the year of termination;

- continued vesting in and exercisability of stock options as though the executive remained employed until the original expiration date; and

- continued vesting of Time Vested RSUs and (subject to satisfaction of applicable performance tests) Performance Vested RSUs through the end of the employment agreement's term as though the executive remained employed until the original expiration date.

These fixed and performance-based compensation components are subject to alteration by Disney's Compensation Committee from time to time.

2. The Specific Features of Disney's Executive Compensation Program Yield Highly Variable Severance Awards

Primarily as a result of the performance-based features of Disney's executive compensation plan (the annual bonus, stock option awards and restricted stock units) and the fact that equity awards do not accelerate on termination but instead continue to vest (subject to applicable performance tests), the actual realized amount of any named executive officer's severance package is highly variable and dependant on the date of termination and the facts in existence at and after the time of the termination. For example, target annual bonuses for the named executive officers (other than the chief executive officer) typically range from 100% to 200% of the executive's base salary, with an executive receiving a prorated target annual bonus in the year he/she has a qualifying termination. Thus, if an executive is terminated at the beginning of his/her employment agreement term, he/she will receive little or nothing in the way of a bonus, while at other termination dates, the amount of the prorated bonus will depend upon the amount of time that has elapsed from either the execution of the employment agreement or the beginning of the applicable performance year.

With respect to stock option awards, an executive realizes value only if the fair market value of Disney's common stock at the time of exercise exceeds the fair market value of such stock on the date of grant; if the stock option's exercise price is lower than the fair market value at the time of exercise, the executive will not realize any value on such "underwater" stock options.

With respect to Time Vested RSUs, the value of the RSUs will similarly depend on the value of Disney's common stock at the time the RSUs vest, which will occur over time following termination. The value of these RSUs therefore cannot be determined until the vesting dates occur.

Finally, with respect to the Performance Vested RSUs, an executive realizes value from them only to the extent that a test that depends on total shareholder return ("TSR") and earnings per share ("EPS") is met. The TSR element of the test compares the total three-year shareholder return of Disney, on the one hand, to shareholder return of the S&P 500 companies, on the other hand, over the three years from the date of the award to shortly before the vesting date. If Disney's TSR is above the 50th percentile of the TSR for the component companies of the S&P 500, then the number of units that will vest will range from 100% to 150% of the target number of units awarded. If Disney's TSR is below the 50th percentile for S&P 500 companies, then the EPS element of the test will come into play, and the number of units that vest will range from 0% to 100% of the target number of units, depending on Disney's growth in EPS from continuing operations relative to the growth in EPS from continuing operations of the companies in the S&P 500 and how far below the 50th percentile the TSR fell.

As a result of such variability, some or all the value of the compensation an executive may receive upon termination may never be realized because:

- annual bonuses can be zero or minimal depending on when a qualifying termination occurs;
- stock option awards may be "underwater" and never have value;
- the value of Time Vested RSUs will depend on stock prices at the time of vesting; and
- Performance Vested RSUs may not vest because specific TSR or EPS targets may not be met in a particular year.

Finally, it is worth noting that up to 90% of a named executive officer's compensation is variable performance-based compensation, with upwards of 39% of such compensation tied to equity awards.

3. Given the Structure of Disney's Severance Arrangements, the Proposal Would Not Be Possible To Implement Because It Is Not Possible To Calculate in Advance the Value of Benefits Received on Termination

As a result of the aforementioned variability in Disney's specific severance arrangements, Disney would be unable to implement the Proposal since Disney could not calculate whether the benefits paid to an executive will exceed 2.99 times that executive's base salary plus bonus upon termination. Any calculation of benefits would require an extensive series of assumptions and would result in a value that would be theoretical, at best. Amounts derived from such a calculation would not provide a reliable or workable basis for deciding whether to submit a particular severance arrangement to a vote of shareholders.

Pursuant to regulatory requirements, Disney disclosed numerical values for "Payments and Rights on Termination" in its 2011 Proxy Statement using various

methodologies. However, these values are simply estimates that are made in accordance with and based on explicit assumptions set out in extensive guidance from Item 402 of Regulation S-K, which in turn references an intricate set of guidelines contained in FASB ASC Topic 718. The extensive detail provided in these documents provides some example of what would be needed for Disney to make even an estimate of future severance benefits. Even then the estimates are provided with the caveat that: "Any actual compensation received by our named executive officers in the circumstances described below may be different than we describe because many factors affect the amount of any compensation received." The 2011 Proxy Statement then identifies factors that can vary the amount of actual compensation received by the executive such as the date of the executive's termination of employment, the executive's base salary at the time of termination and Disney's stock price at the time of termination. With respect to equity awards in particular, page 51 of Disney's 2011 Proxy Statement explains that: "[t]he actual value of the options realized by an executive when they become exercisable may . . . be more or less than that shown . . . depending on movements in the stock price pending actual vesting of the options" and "[t]he value of restricted stock units realized by an executive may again be more or less than that shown . . . depending on movements in the stock price pending actual vesting of the restricted stock units and depending on the number of units that will vest, which depends on the extent to which performance test are satisfied." Hence, the estimated values provided in the disclosure are fully acknowledged as being imprecise and to differ from what actual values will be.

As a result, these estimated values would not be suitable for assessing whether Disney should or should not submit a particular severance package to a vote of shareholders if the Proposal were to be adopted. First, these values depend on the assumption that an executive terminated employment as of a specified point in the past. While that allows Disney to calculate a value based on the facts that existed at that time, it does not represent what will happen at any specified point in the future, when actual severance might be paid. If the termination values were calculated on a date in the past under a policy adopted pursuant to the Proposal, Disney may be required to obtain shareholder approval of an arrangement that does not at any time in the future result in payments exceeding the 2.99 threshold or, to the contrary, may be relieved of the obligation to seek shareholder approval for an arrangement that does in fact result in payments exceeding the threshold under various assumptions about the future.[1] Moreover, some of the facts necessary to determine whether the threshold had been exceeded may not be available at the time Disney enters into an agreement with the executive, including historical salary and bonus for a newly hired executive. In deciding under the Proposal whether to submit a potential executive's compensation arrangements

[1] Somewhat anomalously, given the relationship between Disney's performance and compensation for executives, the value of termination payments is likely to be higher – and thus more likely to exceed the 2.99 threshold – when Disney's performance is best. If Disney's stock price is high when options are exercised and its TSR is relatively strong when stock units vest, the value realized by an executive on exercise and the value of stock units on vesting will be higher than if the stock price and TSR are low. Thus, shareholder approval is more likely to be required if good performance is assumed than if poor performance is assumed.

to the vote of shareholders, Disney would need to be more certain of the amounts it may pay an individual over time.

Thus, given the structure of Disney's specific severance arrangements, it would not be possible to implement the Proposal since Disney could not make a determination in advance as to whether a particular's executive's benefits would exceed the 2.99 threshold upon termination. Although certain assumptions are used to calculate values for the purposes of proxy statement disclosure, the Proposal does not suggest, nor, based on the reasons stated above, would it be appropriate for it to suggest, that such theoretical values ought to be used to determine whether any particular severance package should be subject to the vote of shareholders.

4. The Proposal Is Vague and Ambiguous Because It Fails To Adequately Specify How To Determine Compensation Values Referred to in the Proposal

Even if the Proposal could be implemented, the Proposal does not supply any of the necessary assumptions needed and its terms offer no other guidance to Disney or its shareholders with regards to the Proposal's proper implementation. As a result, shareholders could not know what they are voting on should the Proposal be presented and Disney cannot determine how it should implement the Proposal should it be approved.

First, the Proposal fails to specify any of the relevant assumptions necessary to make a determination as to whether the "benefits" received by an executive upon termination will exceed the 2.99 threshold set forth in the Proposal. The Proposal attempts to provide some guidance by stating that the "benefits" calculation should include "equity and the accelerated vesting of equity". The Proposal does not, however, specify how the value of equity awards should be determined, which creates particular difficulty given the particular design of Disney's specific employment agreements, under which equity awards do not accelerate but instead continue to vest, subject to performance conditions. Neither shareholders in evaluating the Proposal, nor Disney if it were attempting to implement the Proposal, would know whether the value of equity awards should be determined using the intrinsic value of the awards, a value based on a valuation model such as the Black-Scholes or binomial valuation model or some other method. Even if one or the other of these methods were specified, the Proposal does not specify how these values should be calculated, as each depends on a variety of assumptions, including the date of termination, Disney's TSR and EPS through a variety of possible vesting dates, its stock prices during an extended period of exercisability, or, in the case of valuation models, measures such as the historic volatility of Disney's stock price, prevailing interest rates and the stock's dividend yield as of an assumed date.

The Proposal also states that the "benefits" to be valued upon termination include the "estimated present value of periodic retirement payments." This value will depend on an executive's age at the date of termination and the executive's compensation (including salary and bonus) during the years prior to termination, and therefore cannot be determined until the date of termination.

In addition, the Proposal fails to specify at what point in time Disney ought to measure the "benefits" to see whether a particular compensation arrangement crosses the 2.99 threshold. This is a critical flaw because each of the assumptions needed to determine a value of the aforementioned equity awards depends on the date that is chosen. In addition, the value of both historical "salary and bonus" (which form the base of the calculation for the 2.99 threshold) and cash payments upon termination will depend on facts as of the date of termination, and those facts may change over time. The Proposal does not specify over what period historical salary and bonus should be measured in determining the base of the calculation: is it salary in effect at the time of termination and bonus for that fiscal year (which may not yet be determined), salary and bonus for the prior fiscal year, average salary and bonus over some number of prior years, or salary and bonus based on yet some other measure? Moreover, Disney's Compensation Committee has the authority to raise and in some cases lower an executive's salary throughout the term of his/her employment, and an executive's bonus in any given year depends to a significant extent on performance during the year. As a result, the actual 2.99 threshold may vary dramatically based on whether Disney performs the test at the time the employment agreement is executed, at the time of termination, after termination when all contingencies are resolved or at some other date.

In short, in light of the particular circumstances of Disney's executive compensation program, the same severance arrangement could be expected to result in compensation that is far less than the 2.99 threshold in some circumstances and more than the 2.99 threshold in other circumstances. The Proposal, however, simply fails to provide the guidance necessary for Disney to determine whether a severance arrangement should be subject to shareholder approval.

III. Conclusion

Therefore, due to the fact that:

- Disney's specific severance arrangements render it impossible to calculate the value of benefits received by an executive upon termination as requested by the Proposal;
- the Proposal does not take into account the inherent variability in the Company's incentive and equity compensation arrangements;
- the Proposal provides no guidance on which one of numerous severance scenarios Disney ought to consider in making a prospective assessment of whether any particular severance agreement exceeds the "2.99 threshold";
- the phrase "equity and accelerated vesting of equity" when discussing "benefits" provides no useful information on which particular valuation method Disney should use in valuing the equity;

- the phrase "estimated present value of periodic retirement payments" when discussing "benefits" is meaningless absent further assumptions regarding an executive's age and compensation level upon termination; and

- the timing when the "2.99 threshold" determination should be made (whether at the signing of the agreement, at termination of employment or at some other time) is unclear,

the terms in the Proposal as they relate to Disney's specific executive compensation program are vague and indefinite such that shareholders would be unable to determine the circumstances under which the Proposal would apply and Disney would be unable to implement the Proposal with any confidence that it was in accordance with shareholder intent, even if it were approved by shareholders. As a result "neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires."

Moreover, if the Proposal were implemented as it is presently written, Disney could be placed in a precarious situation when it decided to enter into an employment agreement with an executive as it sought to correctly make the many interpretive decisions left unanswered in the Proposal. The differing interpretations of what key terms in the Proposal should mean may expose a company to expensive derivative litigation as well as other potential sanctions. In *Indiana Electrical Workers Pensions Trust Fund, IBEW v. Dunn*, 2008 WL 878424 (N.D. Cal.), Hewlett-Packard implemented a proposal similar to the Proposal at issue here, and later faced derivative litigation by shareholders that involved interpretive issues, including whether certain payments should or should not qualify as "severance" under the company's severance program. The vagueness of the Proposal would, if implemented, leave Disney inescapably vulnerable to such claims because there is ample freedom for shareholders to interpret the proper implementation of the Proposal in ways that are far different from Disney's interpretation.

Based on the foregoing, we hereby respectfully request that the Staff agree in our view that the Proposal may be properly excluded from Disney's 2012 Proxy Materials. If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that Disney may omit the Proposal from its 2012 Proxy Materials, please contact me at (212) 474-1732. I would appreciate your sending your response by facsimile to me at (212) 474-3700 as well as to Disney, attention of Roger Patterson, Managing Vice President and Counsel at (818) 560-2092.

Very truly yours,

/s/ John W. White
John W. White

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

Encls.

Copy w/encls. to:

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Roger J. Patterson
Managing Vice President, Counsel, The Walt Disney Company
500 S. Buena Vista Street
Burbank, CA 91521-0615

VIA EMAIL AND FEDEX

EXHIBIT A

UNITEHERE!
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September 23, 2011

Mr. Alan N. Braverman, Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, CA 91521-1030

Dear Mr. Braverman:

I am submitting the enclosed stockholder proposal by Unite Here for inclusion in the proxy statement and form of proxy relating to the 2012 Annual Meeting of Stockholders of The Walt Disney Company, pursuant to Rule 14a-8.

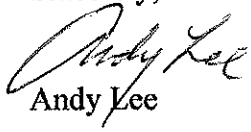
I am the authorized agent of Unite Here, which has continuously held 120 shares of the Company's securities entitled to be voted on the proposal at the meeting for at least one year as of the date of submitting the proposal. I affirm that Unite Here intends to hold the same shares continuously through the date of the Company's 2012 Annual Meeting of Stockholders.

In addition to this stockholder proposal, we reserve the right to conduct independent solicitation campaigns pursuant to Rule 14a-4. If we do so, we will provide the required notification and information specified in our Company's bylaws between November 23 and December 23, 2011.

Enclosed is proof of Unite Here's stock ownership. In case this documentation is considered too old, we will provide more recent ownership documentation prior to the September 30 deadline.

If you have any questions about this proposal, please contact me at (213) 481-8530, ext. 286. Thank you for your attention to this matter.

Sincerely,



Andy Lee

Enclosure: Stockholder Proposal by Unite Here, Proof of Stock Ownership

RESOLUTION TO BE PRESENTED AT 2012 ANNUAL STOCKHOLDERS MEETING:

RESOLVED: That the shareholders of The Walt Disney Company (the "Company") urge the Board of Directors to adopt a policy of obtaining shareholder approval for any future severance agreements with senior executives providing benefits exceeding 2.99 times the sum of the executive's base salary plus bonus.

"Benefits" include lump-sum cash payments, including payments in lieu of medical and other benefits; tax liability "gross-ups"; the estimated present value of periodic retirement payments; equity and the accelerated vesting of equity; fringe benefits; and consulting fees (including reimbursable expenses) to be paid to the executive.

SUPPORTING STATEMENT:
Severance agreements may be appropriate in some circumstances but we believe their potential cost entitles shareholders to be heard when a company contemplates paying out more than 2.99 times the amount of an executive's salary and bonus.

If CEO Robert Iger had been terminated without cause at the end of either 2008, 2009 or 2010, he would have received, respectively, over $65 million, over $48 million, or over $54 million. These amounts exceed 2.99 times Mr. Iger's base salary and bonus in each year. Like other senior executives of our Company, Mr. Iger would also have been entitled to this severance even if he terminated his own employment for good reason (as defined in the employment agreements of Mr. Iger and the other senior executives).

Management may argue it needs flexibility in order to attract and retain the best talent, but our Company's executives already enjoy highly attractive compensation. GovernanceMetrics International (GMI), a leading independent provider of corporate governance research, released a CEO Compensation Survey in June 2011 noting that our CEO was the highest paid among 747 companies analyzed, with a 2010 total realized compensation exceeding $54.9 million.

Management may argue the resolution is unnecessary because the Dodd-Frank Act already requires a shareholder vote on executive compensation, but such a "say on pay" vote is advisory. We are asking the board to adopt a binding policy.

The Dodd-Frank Act also requires a vote on severance agreements in change-in-control situations, but it is unlikely our Company will face such a situation in the near future. Instead, the Company has made large severance payments without change-in-control: for example, to former CEO Michael Eisner and former President Michael Ovitz. The latter received a severance package valued at more than $100 million at the time of departure after only 14 months of employment.

Requiring shareholder approval of severance agreements may have the beneficial effects of inducing restraint when our Company and executives negotiate such agreements, and preventing the Board from being manipulated if a senior executive's employment must be terminated.

Because it is not always practical to obtain prior shareholder approval, our Company would have the option of seeking approval after the agreement had been tentatively agreed upon.

Institutional Shareholder Services (ISS) and CALPERS have guidelines backing the policy recommended here.

We urge shareholders to vote FOR this proposal.

Pages 14 through 15 redacted for the following reasons:
- -
*** FISMA & OMB Memorandum M-07-16 ***

The Walt Disney Company

Roger J. Patterson
Managing Vice President, Counsel
Registered In-House Counsel

October 6, 2011

VIA OVERNIGHT COURIER

Andy Lee
Unite Here Los Angeles
464 Lucas Ave., Suite #201
Los Angeles, CA 90017

Dear Mr. Lee:

This letter will acknowledge that we received on September 26, 2011, your letter dated September 23, 2011 submitting a proposal for consideration at the Company's 2012 annual meeting of stockholders regarding severance arrangement policies. As the time for the annual meeting comes closer, we will be in touch with you further regarding our response to your proposal.

Sincerely yours,

Roger J. Patterson

Roger J. Patterson

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