



DIVISION OF  
CORPORATION FINANCE

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

February 28, 2019

Margaret M. Madden  
Pfizer Inc.  
margaret.m.madden@pfizer.com

Re: Pfizer Inc.  
Incoming letter dated December 20, 2018

Dear Ms. Madden:

This letter is in response to your correspondence dated December 20, 2018 and February 14, 2019 concerning the shareholder proposal (the "Proposal") submitted to Pfizer Inc. (the "Company") by the National Center for Public Policy Research (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence from the Proponent dated February 13, 2019. Copies of all of the correspondence on which this response is based 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,

M. Hughes Bates  
Special Counsel

Enclosure

cc: Justin Danhof  
National Center for Public Policy Research  
jdanhof@nationalcenter.org

February 28, 2019

**Response of the Office of Chief Counsel**  
**Division of Corporation Finance**

Re: Pfizer Inc.  
Incoming letter dated December 20, 2018

The Proposal requests that the Company prepare a report on lobbying contributions and expenditures that contains information specified in the Proposal.

We are unable to concur in your view that the Company may exclude the Proposal under rule 14a-8(i)(7). In our view, the Proposal does not seek to micromanage the Company to such a degree that exclusion of the Proposal would be appropriate. Accordingly, we do not believe that the Company may omit the Proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

Jacqueline Kaufman  
Attorney-Adviser

**DIVISION OF CORPORATION FINANCE**  
**INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS**

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.



**Margaret M. Madden**  
Senior Vice President and Corporate Secretary  
Chief Governance Counsel

Pfizer Inc. – Legal Division  
235 East 42nd Street, New York, NY 10017  
Tel 212 733 3451 Fax 646 563 9681  
margaret.m.madden@pfizer.com

**BY EMAIL** (shareholderproposals@sec.gov)

February 14, 2019

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

RE: Pfizer Inc. – 2019 Annual Meeting  
Supplement to Letter dated December 20, 2018  
Relating to Shareholder Proposal of the National  
Center for Public Policy Research

Ladies and Gentlemen:

We refer to our letter dated December 20, 2018 (the “No-Action Request”), pursuant to which we requested that the Staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) concur with our view that the shareholder proposal and supporting statement (the “Proposal”) submitted by the National Center for Public Policy Research (the “Proponent”) may be excluded from the proxy materials to be distributed by Pfizer Inc. (“Pfizer”) in connection with its 2019 annual meeting of shareholders (the “2019 proxy materials”).

This letter is in response to the letter to the Staff, dated February 13, 2019, submitted on behalf of the Proponent (the “Proponent’s Letter”), and supplements the No-Action Request. In accordance with Rule 14a-8(j), a copy of this letter also is being sent to the Proponent.

The focus of the Proponent’s Letter is the Staff’s response in *Eli Lilly and Co.* (Mar. 2, 2018), which addressed a lobbying report proposal similar to the Proposal, arguing that because the proposal at issue in *Eli Lilly* was not excluded, the instant Proposal should not be excluded. The Proponent’s Letter fails to acknowledge, however, that *Eli Lilly* did not address a micromanagement argument. This omission fails to take into account the different prongs underlying the ordinary business exclusion. As described in Staff Legal Bulletin No. 14J (Oct. 23, 2018), one prong of the ordinary business exception relates to the proposal’s subject matter, and “a company’s micromanagement argument does not necessarily mean that the subject matter raised by the proposal is improper for shareholder action.” Pfizer has not challenged the subject matter of the Proposal and, more importantly, the Staff’s decision in *Eli Lilly* did not address the argument raised in the No-Action Request.

For the reasons stated above and in the No-Action Request, we respectfully request that the Staff concur that it will take no action if Pfizer excludes the Proposal from its 2019 proxy materials. Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of Pfizer's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact me at (212) 733-3451 or Marc S. Gerber of Skadden Arps, Slate, Meagher & Flom LLP at (202) 371-7233.

Very truly yours,

A handwritten signature in black ink, appearing to read "Margaret M. Madden". The signature is written in a cursive, flowing style.

Margaret M. Madden

cc: Justin Danhof  
National Center for Public Policy Research



February 13, 2019

Via email: [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov)

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**RE: Stockholder Proposal of the National Center for Public Policy Research, Securities Exchange Act of 1934 – Rule 14a-8**

Dear Sir or Madam,

This correspondence is in response to the letter of Margaret Madden on behalf of Pfizer, Inc. (the “Company”) dated December 20, 2018, requesting that your office (the “Commission” or “Staff”) take no action if the Company omits our Shareholder Proposal (the “Proposal”) from its 2019 proxy materials for its 2019 annual shareholder meeting.

For the following reasons, we request that the Staff deny the Company’s no-action request and allow our Proposal to properly proceed to Pfizer’s shareholders for a vote.

#### **Analysis**

The Company contends that our Proposal is excludable because it interferes with ordinary business operations under Rule 14a-8(i)(7). This claim does not withstand basic scrutiny. The Staff has a long history of allowing proposals regarding corporate lobbying. Furthermore, corporate lobbying disclosure proposals cannot interfere with ordinary business operations as the Staff has determined that corporate lobbying disclosure is a significant policy issue. Finally, the Staff recently allowed a nearly identical proposal over a similar Rule 14a-8(i)(7) objection.

***Part 1. The Proposal May Not Be Excluded as Interfering with Ordinary Business Operations Since the Staff Previously Ruled That a Substantially Similar Proposal Did Not Interfere with Ordinary Business Operations***

Under Rule 14a-8(i)(7), a company may exclude a shareholder proposal if it deals with matters relating to the company's "ordinary business." The Commission has indicated two central considerations regarding exclusion under Rule 14a-8(i)(7). First, the Commission considers the subject matter of the proposal. Next, the Commission considers the degree to which the proposal seeks to micromanage a company. *Exchange Act Release* No. 40018 (May 21, 1998) (the "1998 Release").

Last March, the Staff allowed a proposal over a Rule 14a-8(i)(7) objection that is nearly identical to our Proposal. In *Eli Lilly, Inc.* (avail. March 2, 2018), the proposal at issue stated:

Whereas, we believe in full disclosure of Eli Lilly and Company's ("Lilly") direct and indirect lobbying activities and expenditures to assess whether Lilly's lobbying is consistent with its expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Lilly request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Lilly used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Lilly's membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of the decision making process and oversight by management and the Board for making payments described in section 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Lilly is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant oversight committees and posted on Lilly's website.

#### Supporting Statement

We encourage transparency in the use of corporate funds to influence legislation and regulation, both directly and indirectly. Since 2010, Lilly has spent over \$64 million on federal lobbying (opensecrets.org). This figure does not include lobbying expenditures to influence legislation in states, where Lilly also lobbies in 48 states ("Amid Federal Gridlock, Lobbying Rises in the States," Center for Public Integrity, February 11, 2016), but disclosure is uneven or absent.

Lilly is a member of the Pharmaceutical Research and Manufacturers of America (PhRMA), which spent over \$100 million fighting a California drug pricing initiative ("Big Pharma Fights 'Tooth and Nail' against California Drug Vote," Bloomberg, October 25, 2016), and belongs to the Chamber of Commerce, which has spent over \$1.3 billion on lobbying since 1998. Lilly does not disclose its payments to trade associations, or the amounts used for lobbying. We are concerned that Lilly's lack of trade association lobbying disclosure presents reputational risks. For example, Lilly believes in providing affordable medicines, yet helps fund PhRMA's opposition to lower drug price initiatives, and Lilly supports smoking cessation, yet the Chamber works to block global smoking laws.

And Lilly does not disclose its contributions to tax-exempt organizations that write and endorse model legislation, such as its membership in the American Legislative Exchange Council (ALEC). Lilly's ALEC membership has drawn media scrutiny ("Kendall: Businesses Should Cut Ties with Union-busting Lobbyists," Indianapolis Star, July 27, 2016). Over 100 companies have publicly left ALEC, including Allergan, Amgen, AstraZeneca, GlaxoSmithKline, Medtronic and Merck.

Our Proposal is nearly identical. It states:

#### **Political Lobbying and Contributions**

**Whereas**, we believe in full disclosure of our Company's direct and indirect lobbying activities and expenditures to assess whether Pfizer's lobbying is consistent with the Company's expressed goals and in the best interest of shareowners.

**Resolved**, the shareowners of Pfizer request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Pfizer used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Pfizer's membership and payments to any tax-exempt organization that writes and/or endorses model legislation.
4. Description of management's and the Board's decision-making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Pfizer is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to all relevant oversight committees and posted on Pfizer's website.

### **Supporting Statement**

The Company lobbies on a broad array of issues and works with groups that do the same. That's a good thing as the Company is rightfully exercising free speech. As such, the Company has become a target for anti-free speech activists. These activists are working to defund pro-business organizations by attacking their corporate members.

The Company should take an active role in combating this narrative and attacks on its freedom of association rights.

The Company should be proud of its memberships in trade associations and non-profit groups that promote pro-business, pro-growth initiatives.

For example, the Company's relationships with groups such as the American Legislative Exchange Council, PhRMA, and the U.S. Chamber of Commerce should be applauded and endorsed by shareholders. These groups advance initiatives that are designed to unburden corporations such as Pfizer, allowing them the freedom to create jobs and economic prosperity in the United States.

Rather than letting outside agitators set the message that these relationships are somehow nefarious, the Company should explain the benefits of its involvement with groups that advocate for smaller government, lower taxes, and free-market reforms. The Company should show how these relationships benefit shareholders, increase jobs and wages, help local communities, and generally advance the Company's interests.

The proponent supports the Company's free speech rights and freedom to associate with groups that advance economic liberty. The Company should stand up for those rights.

The operative language of the two proposals are identical. The only difference is in the tone of the Supporting Statements, not the substance. The proponent in *Eli Lilly* simply expressed disdain for corporate relationships with pro-business groups that support and promote capitalism. Our Supporting Statement expresses support for corporate relationships with such organizations. However, the operative requests remain identical.

Just as Pfizer does now, Eli Lilly argued that this request interfered with its ordinary business operations contravening Rule 14a-8(i)(7). The Staff disagreed. We request that the Staff affirm its *Eli Lilly* decision and find that our Proposal may not be omitted under Rule 14a-8(i)(7).<sup>1</sup>

***Part 2: Corporate Lobbying is a Significant Policy Issue Meaning that Our Proposal Cannot be Said to Interfere with Ordinary Business Operations***

The Commission has made it clear that proposals relating to ordinary business matters that center on "sufficiently significant social policy issues . . . would not be considered to be excludable because the proposals would transcend the day-to-day business matters." Staff Legal Bulletin

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<sup>1</sup> In its *Eli Lilly* decision, the Staff also noted that the proposal at issue had received approximately 25 percent support the prior year. It should be noted that a substantially similar proposal was voted on at Pfizer's 2018 annual meeting and more than 40 percent of the votes cast were in favor of the resolution.

No. 14E (the “SLB 14E”). SLB 14E signaled an expansion in the Staff’s interpretation of significant social policy issues noting that “[i]n those cases in which a proposal’s underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7).”

The proponent in *Eli Lilly* aptly detailed the Staff’s position that corporate lobbying disclosure is a significant policy issue. The proponent explained:

The Staff has previously stated that for a proposal to be found to transcend ordinary business it must address a subject of widespread debate that has a “nexus” to the Company. The topic of nexus has been only informally described as relating to “factors such as the nature of the proposal and the circumstances of the company to which it is directed.”<sup>4</sup> In Staff Legal Bulletin 14E and the initial Staff rulings under the Bulletin the Staff has made it clear that “nexus” relates to “significance to the company” of the significant social policy issue.

...the Staff has long declined to grant no action relief under 14a-8(i)(7) on lobbying disclosure. The Staff has repeatedly found that proposals relating to lobbying disclosure address a significant policy issue of widespread public debate, and has found that the proposals are not excludable — the nexus of lobbying efforts has been evident for all companies. For example, in *International Business Machines* (avail. January 24, 2011) essentially the same proposal was found by the Staff to not be excludable under Rule 14a-8(i)(7) because it addressed a significant policy issue. The significance of lobbying as a policy issue for the company was briefed extensively in by the proponent in *International Business Machines*, arguing successfully that the intense public and media focus on corporate lobbying and its effect on the political process makes it a significant social policy issue.

As shown above, our Proposal’s operative request is identical to the one in *Eli Lilly*. For the above reasons, we urge the Staff to find that our Proposal may not be omitted under Rule 14a-8(i)(7).

### **Conclusion**

The Company has clearly failed to meet its burden that it may exclude our Proposal under Rule 14a-8(g). Therefore, based upon the analysis set forth above, we respectfully request that the Staff reject Pfizer’s request for a no-action letter concerning our Proposal.

Office of the Chief Counsel  
Division of Corporation Finance  
February 13, 2019  
Page 7 of 7

A copy of this correspondence has been timely provided to the Company. If I can provide additional materials to address any queries the Staff may have with respect to this letter, please do not hesitate to call me at 202-507-6398 or email me at [JDanhof@nationalcenter.org](mailto:JDanhof@nationalcenter.org).

Sincerely,

A handwritten signature in blue ink, appearing to read "Justin Danhof". The signature is stylized with a large initial "J" and a long horizontal stroke at the end.

Justin Danhof, Esq.

cc: Margaret Madden, Pfizer



**Margaret M. Madden**  
Senior Vice President and Corporate Secretary  
Chief Governance Counsel

Pfizer Inc. – Legal Division  
235 East 42nd Street, New York, NY 10017  
Tel 212 733 3451 Fax 646 563 9681  
margaret.m.madden@pfizer.com

**BY EMAIL** (shareholderproposals@sec.gov)

December 20, 2018

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

RE: Pfizer Inc. – 2019 Annual Meeting  
Omission of Shareholder Proposal of  
the National Center for Public Policy Research

Ladies and Gentlemen:

We are writing pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended, to request that the Staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) concur with our view that, for the reasons stated below, Pfizer Inc., a Delaware corporation (“Pfizer”), may exclude the shareholder proposal and supporting statement (the “Proposal”) submitted by the National Center for Public Policy Research (the “Proponent”), from the proxy materials to be distributed by Pfizer in connection with its 2019 annual meeting of shareholders (the “2019 proxy materials”).

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”), we are emailing this letter and its attachments to the Staff at shareholderproposals@sec.gov. In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of Pfizer’s intent to omit the Proposal from the 2019 proxy materials.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if it submits correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned.

## **I. The Proposal**

The text of the resolution contained in the Proposal is set forth below:

**Resolved**, the shareowners of Pfizer request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Pfizer used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Pfizer's membership and payments to any tax-exempt organization that writes and/or endorses model legislation.
4. Description of management's and the Board's decision-making process and oversight for making payments described in section 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Pfizer is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to all relevant oversight committees and posted on Pfizer's website.

## **II. Basis for Exclusion**

We hereby respectfully request that the Staff concur with Pfizer's view that the Proposal may be excluded from the 2019 proxy materials pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters relating to Pfizer's ordinary business operations.

## **III. Background**

On October 8, 2018, Pfizer received the Proposal, accompanied by a cover letter from the Proponent dated October 4, 2018. On October 17, 2018, after confirming that the Proponent was not a shareholder of record, in accordance with Rule 14a-8(f)(1), Pfizer sent a letter to the Proponent requesting a written statement from the record owner of the

Proponent's shares verifying that it had beneficially owned the requisite number of shares of Pfizer common stock continuously for at least one year as of October 4, 2018, the date the Proposal was submitted to Pfizer (the "Deficiency Letter"). On October 18, 2018, Pfizer received a letter from UBS, dated October 17, 2018, verifying the Proponent's stock ownership for at least one year as of October 4, 2018, the date the Proposal was submitted to Pfizer (the "Broker Letter"). Copies of the Proposal, cover letter, Deficiency Letter, Broker Letter and related correspondence are attached hereto as Exhibit A.

**IV. The Proposal May be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to Pfizer's Ordinary Business Operations.**

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. As the Commission has explained, a proposal may probe too deeply into matters of a complex nature if it "involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies." *See* 1998 Release.

The Commission has stated that a proposal requesting the dissemination of a report is excludable under Rule 14a-8(i)(7) if the substance of the proposal involves a matter of ordinary business of the company. *See* Exchange Act Release No. 34-20091 (Aug. 16, 1983) (the "1983 Release") ("[T]he staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)."); *see also, e.g., Sempra Energy* (Jan. 12, 2012, *recon. denied* Jan. 23, 2012) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that asked the board "to conduct an independent oversight review" of the company's management of risks posed by the company's operations in certain countries, noting that the proposal related to the company's ordinary business matters).

We are aware that, in certain circumstances, the Staff has declined to permit exclusion under Rule 14a-8(i)(7) of similar proposals relating to lobbying activities. *See, e.g., Citigroup Inc.* (Mar. 6, 2018) (declining to permit exclusion under Rule 14a-8(i)(7) of a proposal that requested a report on the company's lobbying contributions and expenditures).

Nevertheless, the Staff has consistently agreed that shareholder proposals attempting to micromanage a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, are not in a position to make an informed judgment are excludable under Rule 14a-8(i)(7). *See* the 1998 Release; *see also, e.g., Walgreens Boots*

*Alliance, Inc.* (Nov. 20, 2018) (permitting exclusion under Rule 14a-8(i)(7) on the basis of micromanagement of a proposal that requested open market share repurchase programs or stock buybacks subsequently adopted by the board not become effective until approved by shareholders); *JPMorgan Chase & Co.* (Mar. 30, 2018) (permitting exclusion under Rule 14a-8(i)(7) on the basis of micromanagement of a proposal that requested a report on the reputational, financial and climate risks associated with project and corporate lending, underwriting, advising and investing on tar sands projects).

In addition, in Staff Legal Bulletin No. 14J (Oct. 23, 2018) (“SLB 14J”), the Staff reminded companies that micromanagement remains a potential basis to exclude a proposal under Rule 14a-8(i)(7). In particular, the Staff reiterated that a proposal micromanages a company when it “involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” The Staff explained that the micromanagement basis of exclusion “also applies to proposals that call for a study or report” and, therefore, a proposal that seeks an intricately detailed study or report may be excluded on micromanagement grounds. Further, the Staff stated that it “would, consistent with Commission guidance, consider the underlying substance of the matters addressed by the study or report” to determine whether a proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.

In this case, the Proposal seeks to micromanage Pfizer by requesting an intricately detailed report. In particular, the Proposal’s resolution requests an annual report on Pfizer’s lobbying activities and payments, which is to be subdivided into four distinct sections, with each section containing multiple subsections. The first section of the report requests disclosure of Pfizer’s “policy and procedures governing” both “direct and indirect lobbying” and “grassroots lobbying communications.” The Proposal’s resolution clarifies the term “grassroots lobbying communications” by defining it as a “communication directed to the general public” that falls within a three-part test. Moreover, the terms “direct and indirect lobbying” and “grassroots lobbying communications” are defined by the Proposal to broadly include Pfizer’s operations at three separate political levels: local, state and federal.

The Proposal goes on to request the report feature a second section that seeks disclosure of payments by Pfizer related to direct or indirect lobbying or grassroots lobbying communications, “in each case including the amount of the payment and the recipient.” The Proposal continues on to request a third section of the report, which asks for disclosure of Pfizer’s “membership and payments” to any “tax-exemption organization,” which “writes and/or endorse model legislation.” The fourth and final section of the report requests disclosure of Pfizer’s management and board of directors’ “decision-making process” and “oversight” of payments covered by the second and third sections. Finally, the Proposal instructs Pfizer to present the four-part, annual report to “all relevant oversight committees.”

By its plain terms, the Proposal is complex and requests a highly detailed report, which includes multiple subsections, defined terms and intricate tests. This is the epitome of an attempt to micromanage Pfizer, a global biopharmaceutical company with tens of thousands of employees and operations across numerous states and localities. By requesting

such an intricately detailed report on Pfizer's lobbying activities and payments, the Proposal seeks to micromanage Pfizer's business. Therefore, the Proposal is precisely the type of effort that Rule 14a-8(i)(7) is intended to prevent.

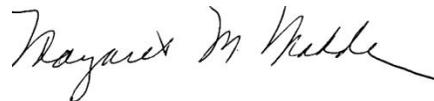
Accordingly, for the reasons discussed above, the Proposal should be excluded from Pfizer's 2019 proxy materials pursuant to Rule 14a-8(i)(7) as relating to Pfizer's ordinary business operations.

**V. Conclusion**

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if Pfizer excludes the Proposal from its 2019 proxy materials.

Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of Pfizer's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact me at (212) 733-3451 or Marc S. Gerber of Skadden, Arps, Slate, Meagher & Flom LLP at (202) 371-7233.

Very truly yours,



Margaret M. Madden

Enclosures

cc: Justin Danhof  
General Counsel  
National Center for Public Policy Research

EXHIBIT A

(see attached)



Via FedEx

October 4, 2018

Margaret M. Madden  
Corporate Secretary  
Pfizer Inc.  
235 East 42nd Street  
New York, New York 10017-5703



Dear Ms. Madden,

I hereby submit the enclosed shareholder proposal (“Proposal”) for inclusion in the Pfizer Inc. (the “Company”) proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission’s proxy regulations.

I submit the Proposal as General Counsel of the National Center for Public Policy Research, which has continuously owned Pfizer Inc. stock with a value exceeding \$2,000 for a year prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company’s 2019 annual meeting of shareholders. A Proof of Ownership letter is forthcoming and will be delivered to the Company.

Copies of correspondence or a request for a “no-action” letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to [JDanhof@nationalcenter.org](mailto:JDanhof@nationalcenter.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Danhof". The signature is written in a cursive style with a large, sweeping initial "J".

Justin Danhof, Esq.

Enclosure: Shareholder Proposal

## Political Lobbying and Contributions

**Whereas**, we believe in full disclosure of our Company's direct and indirect lobbying activities and expenditures to assess whether Pfizer's lobbying is consistent with the Company's expressed goals and in the best interest of shareowners.

**Resolved**, the shareowners of Pfizer request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Pfizer used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Pfizer's membership and payments to any tax-exempt organization that writes and/or endorses model legislation.
4. Description of management's and the Board's decision-making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Pfizer is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to all relevant oversight committees and posted on Pfizer's website.

### Supporting Statement

The Company lobbies on a broad array of issues and works with groups that do the same. That's a good thing as the Company is rightfully exercising free speech. As such, the Company has become a target for anti-free speech activists. These activists are working to defund pro-business organizations by attacking their corporate members.

The Company should take an active role in combating this narrative and attacks on its freedom of association rights.

The Company should be proud of its memberships in trade associations and non-profit groups that promote pro-business, pro-growth initiatives.



For example, the Company's relationships with groups such as the American Legislative Exchange Council, PhRMA, and the U.S. Chamber of Commerce should be applauded and endorsed by shareholders. These groups advance initiatives that are designed to unburden corporations such as Pfizer, allowing them the freedom to create jobs and economic prosperity in the United States.

Rather than letting outside agitators set the message that these relationships are somehow nefarious, the Company should explain the benefits of its involvement with groups that advocate for smaller government, lower taxes, and free-market reforms. The Company should show how these relationships benefit shareholders, increase jobs and wages, help local communities, and generally advance the Company's interests.

The proponent supports the Company's free speech rights and freedom to associate with groups that advance economic liberty. The Company should stand up for those rights.



ORIGIN ID: TSGA (603) 557-3873  
JUSTIN DANHOF  
NCP/PR  
20 F STREET, NW  
SUITE 700  
WASHINGTON, DC 20001  
UNITED STATES US

SHIP DATE: 04OCT18  
ACTWGT: 0.10 LB  
\* \* \*

BILL SENDER

TO MARGARET MADDEN

PFIZER

235 EAST 42ND STREET

ATTN: CORPORATE SECRETARY

NEW YORK CITY NY 10017

(212) 733-2323 REF INV



FRI - 05 OCT 3:00P

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**Suzanne Y. Rolon**  
Director – Corporate Governance  
Legal Division

Pfizer Inc.  
235 East 42nd Street, 19/6, New York, NY 10017  
Tel +1 212 733 5356 Fax +1 212 573 1853  
suzanne.y.rolon@pfizer.com

Via FedEx

October 17, 2018

Justin Danhof, Esq.  
National Center for Public Policy Research  
20 F Street, NW Suite 700  
Washington, DC 20001

***Re: Shareholder Proposal for 2019 Annual Meeting of Shareholders***

Dear Mr. Danhof:

This letter will acknowledge receipt on October 8, 2018 of a letter from the National Center for Public Policy Research (the “proponent”), dated October 4, 2018, to Pfizer Inc. submitting a shareholder proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934 (the “Exchange Act”) for consideration at our 2019 Annual Meeting of Shareholders.

Rule 14a-8(b) of the Exchange Act provides that the proponent must submit sufficient proof that it has continuously held at least \$2,000 in market value, or 1%, of the company’s common stock that would be entitled to be voted on the proposal for at least one year, preceding and including October 4, 2018, the date the proposal was submitted to the company.

Our records indicate that the proponent is not a registered holder of Pfizer common stock. Please provide a written statement from the record holder of the proponent’s shares (usually a bank or broker) and a participant in the Depository Trust Company (DTC) verifying that, at the time the proposal was submitted, which was October 4, 2018, the proponent had beneficially held the requisite number of shares of Pfizer common stock continuously for at least one year preceding and including October 4, 2018.

Justin Danhof, Esq.

October 17, 2018

Page 2

Sufficient proof may be in the form of a written statement from the record holder of the proponent's shares (usually a broker or bank) and a participant in the Depository Trust Company (DTC)<sup>1</sup> verifying that, at the time the proposal was submitted, the proponent continuously held the requisite number of shares for at least one year.

If the broker or bank holding the proponent's shares is not a DTC participant, the proponent also will need to obtain proof of ownership from the DTC participant through which the shares are held. You should be able to find out who this DTC participant is by asking the proponent's broker or bank. If the DTC participant knows the proponent's broker or bank's holdings, but does not know the proponent's holdings, the proponent can satisfy Rule 14a-8 by obtaining and submitting two proof of ownership statements verifying that, at the time the proposal was submitted, the required amount of shares were continuously held for at least one year – one from the proponent's broker or bank confirming the proponent's ownership, and the other from the DTC participant confirming the broker or bank's ownership.

The rules of the SEC require that your response to this letter be postmarked or transmitted electronically no later than 14 days from the date you receive this letter. Please send any response to me at the address or email address provided above. For your reference, please find enclosed a copy of Rule 14a-8.

Once we receive any response, we will be in a position to determine whether the proposal is eligible for inclusion in the proxy materials for our 2019 Annual Meeting of Shareholders. We reserve the right to seek relief from the SEC as appropriate.

If you have any questions, please feel free to contact me directly.

Sincerely,



Suzanne Y. Rolon

cc: Margaret M. Madden, Pfizer Inc.

Attachment

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<sup>1</sup> In order to determine if the broker or bank holding your shares is a DTC participant, you can check the DTC's participant list, which is currently available on the Internet at <http://www.dtcc.com/client-center/dtc-directories>.



Via FedEx

October 17, 2018

Margaret M. Madden  
Corporate Secretary  
Pfizer Inc.  
235 East 42nd Street  
New York, New York 10017-5703



Dear Ms. Madden,

Enclosed please find a Proof of Ownership letter from UBS Financial Services Inc. in connection with the shareholder proposal submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations by the National Center for Public Policy Research to Pfizer on October 4, 2018.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to [JDanhof@nationalcenter.org](mailto:JDanhof@nationalcenter.org).

Sincerely,

A handwritten signature in blue ink, appearing to read "Justin Danhof".

Justin Danhof, Esq.

Enclosure: Ownership Letter



**UBS Financial Services Inc.**  
1501 K Street NW, Suite 1100  
Washington, DC 20005  
Tel. 855-594-1054  
<http://www.ubs.com/team/cfsgroup>

CFS Group

Anthony Connor  
Senior Vice President – Wealth Management  
Portfolio Management Program

Bryon Fusini  
Senior Vice President – Wealth Management  
Financial Advisor

Richard Stein  
Senior Wealth Strategy Associate

Dianne Scott  
Sr. Registered Client Service Associate

[www.ubs.com](http://www.ubs.com)

Ms. Margaret M. Madden, Corporate Secretary  
Pfizer Inc.  
235 East 42<sup>nd</sup> Street  
New York, New York 10017-5703

October 17<sup>th</sup>, 2018

## Confirmation: Information regarding the account of The National Center for Public Policy Research

Dear Ms. Madden,

The following client has requested UBS Financial Services Inc. to provide you with a letter of reference to confirm its banking relationship with our firm.

The National Center for Public Policy Research has been a valued client of ours since October 2002. As of the close of business on 10/04/2018, the National Center for Public Research held, and has held continuously for at least one year 80 shares of the Pfizer Inc. common stock. UBS continues to hold the said stock.

Please be aware this account is a securities account not a "bank" account. Securities, mutual funds and other non-deposit investment products are not FDIC-insured or bank guaranteed and are subject to market fluctuation.

### Questions

If you have any questions about this information, please contact Dianne Scott at (202) 585-5412.

UBS Financial Services is a member firm of the Securities Investor Protection Corporation (SIPC).

Sincerely,

Dianne Scott  
UBS Financial Services Inc.

cc: Justin Danhof, Esq., National Center for Public Policy Research

