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October 21, 2019

Via E-mail to shareholderproposals@sec.gov

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

**Re: The Walt Disney Company
Exclusion of Shareholder Proposal by the Karen Lizette Perricone Revocable Trust**

Ladies and Gentlemen:

We are writing on behalf of our client, The Walt Disney Company (the “Company”), to inform you of the Company’s intention to exclude from its proxy statement and proxy to be filed and distributed in connection with its 2020 annual meeting of shareholders (the “Proxy Materials”) the enclosed shareholder proposal and supporting statement (collectively, the “Proposal”) submitted by the Karen Lizette Perricone Revocable Trust (the “Proponent”) requesting that the board of directors of the Company (the “Board”) “limit the total annual compensation of [the Company’s] Chairman and Chief Executive Officer to a ratio not to exceed the total annual compensation of Disney’s median employee by more than 500:1” and “increas[e] the annual total compensation of [the Company’s] lowest paid employees.”

The Company respectfully requests that the staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) advise the Company that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on the basis that the Proposal micromanages the Company or relates to the Company’s ordinary business operations or, alternatively, pursuant to Rule 14a-8(i)(3) of the Exchange Act, on the basis that the Proposal is impermissibly vague and indefinite so as to be materially misleading in violation of Rule 14a-9.

Pursuant to Exchange Act Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008) (“SLB 14D”), the Company is submitting electronically to the Commission this letter, and the

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Proposal and related correspondence (attached as Exhibit A to this letter), and is concurrently sending a copy to the Proponent, no later than eighty calendar days before the Company intends to file its definitive Proxy Materials with the Commission.

Background

On August 28, 2019, the Company received the Proposal from the Proponent, which states in relevant part as follows:

RESOLVED: Shareholders of the Walt Disney Company (“Disney”) request that the board of directors (“Board”) limit the annual total compensation of our Chairman and Chief Executive Officer to a ratio not to exceed the total annual compensation of Disney’s median employee by more than 500:1. This proposed ratio would be attained within a five year timeframe by decreasing the annual total compensation of our Chairman and Chief Executive Officer and by increasing the annual total compensation of our lowest paid employees.

Supporting Statement

...

Quoting from the Disney website (<https://www.thewaltdisneycompany.com/about/#our-businesses>), “From humble beginnings as a cartoon studio in the 1920s to its preeminent name in the entertainment industry today, Disney proudly continues its legacy of creating world-class stories and experiences for every member of the family.” Because Disney’s primary focus is “creating stories and experiences for every member of the family”, Disney should be cognizant of the financial struggles of those families. As such, there is no excuse for Disney to ignore the financial struggles of its own families, the employees who represent Disney to the public. These Disney employees should be able to experience a decent standard of living for themselves and their families. Mr. Iger’s total annual compensation ratios of 1,424:1 and 852:1 indicate that either the Board is not aware of the plight of Disney’s lowest paid workers and their families or the Board does not care about Disney’s lowest paid workers and their families.

A total annual compensation ratio of 500:1 would bring Mr. Iger’s total annual compensation in line with other Chief Executive Officers while increasing the total annual compensation of the lowest paid workers. A timeframe of five years will allow a gradual adjustment to the 500:1 ratio.

To proudly continue Disney’s legacy, approve this shareholder proposal.

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Bases for Exclusion

I. The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(7).

Rule 14a-8(i)(7) permits a company to exclude a shareholder proposal from its proxy materials if the proposal “deals with a matter relating to the company’s ordinary business operations.” The underlying policy of the ordinary business exclusion is “to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.” SEC Release No. 34-40018 (May 21, 1998) (the “1998 Release”). As set out in the 1998 Release, there are two “central considerations” underlying the ordinary business exclusion. The first is 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 is that a proposal should not “seek[] 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.” The Proposal implicates both of these considerations, as described in the following sections, and could be properly excluded from the Proxy Materials under either of these central considerations.

a. The Proposal Micromanages the Company.

The Proposal seeks to “micromanage” the Company by specifying a particular maximum pay ratio as between the Chairman and CEO’s pay and that of other employees as well as a particular means and a specific timeframe for doing so. Compensation decisions regarding the Company’s Chairman and Chief Executive Officer, let alone a global workforce of over 200,000 people, are inherently complex, touching countless facets of day-to-day operations and driven, in part, by the labor market. The Proposal wholly ignores the complexity and nuances of such compensation decisions and requests that the Company cut the Chairman and Chief Executive Officer’s pay while simultaneously granting a raise to the Company’s “lowest paid employees,” all of which is to be accomplished in a specific five-year timeframe, with the result being a ratio of the Chairman and Chief Executive Officer’s compensation that does not exceed 500 times the compensation of the median employee of the Company.

In Staff Legal Bulletin No. 14J (October 23, 2018) (“SLB 14J”), the Staff clarified its approach to requests for exclusion pursuant to Rule 14a-8(i)(7)’s micromanagement prong. As noted in SLB 14J, “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.’” Specifically with regard to proposals that micromanage senior executive and/or director compensation, the Staff noted:

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We have further considered the Commission’s statements on micromanagement discussed above, however, and we do not believe there is a basis for treating executive compensation proposals differently than other types of proposals. Consistent with the Division’s treatment of shareholder proposals on other topics, therefore, the Division may agree that proposals addressing senior executive and/or director compensation that seek intricate detail, or seek to impose specific timeframes or methods for implementing complex policies can be excluded under Rule 14a-8(i)(7) on the basis of micromanagement.

Accordingly, even if one views the Proposal as relating to senior executive compensation, it still is excludable under the micromanagement prong of Rule 14a-8(i)(7).

More recently, in Staff Legal Bulletin No. 14K (October 16, 2019) (“SLB 14K”) the Staff noted that, in evaluating arguments under the micromanagement prong of Rule 14a-8(i)(7), it conducts an “assessment of the level of prescriptiveness of the proposal. When a proposal prescribes specific actions that the company’s management or the board must undertake without affording them sufficient flexibility or discretion in addressing the complex matter presented by the proposal, the proposal may micromanage the company to such a degree that exclusion of the proposal would be warranted.”

As explained below, the Proposal would “unduly limit the ability of management and the board to manage complex matters with a level of flexibility necessary to fulfill their fiduciary duties to shareholders,” as set out in SLB 14K. In fact, the actions requested in the Proposal involve the exact type of prescriptive approach to complex matters at the heart of the micromanagement prong of Rule 14a-8(i)(7). For example, SLB 14J provides that proposals “seek[ing] to impose specific time-frames” for implementation are excludable under Rule 14a-8(i)(7). The Proposal seeks to provide a specific five year time-frame. SLB 14J also provides that proposals “seek[ing] to impose specific . . . methods for implementing complex policies” are excludable under Rule 14a-8(i)(7). As set out in SLB 14J, the Proposal prescribes two specific types of compensation adjustments that the Company shall take with regards to a specified class of employees and the Company’s Chairman and Chief Executive Officer to implement the Proposal. In addition, for purposes of concurring in exclusion of the Proposal, the Staff looks to “the manner in which a proposal raises an issue, and not whether a proposal’s subject matter itself is proper for a shareholder proposal under Rule 14a-8.” SLB 14J. As a result, under SLB 14J, the extent to which the Proposal touches on senior executive compensation is of no consequence because the manner in which the Proposal raises the issue impermissibly micromanages the Company.

The Staff recently has concurred in exclusion pursuant to Rule 14a-8(i)(7) of a number of proposals involving senior executive compensation, on the basis that such proposals sought to

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micromanage the company. For instance, in *Abbott Laboratories* (February 28, 2019), the Staff concurred in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting the adoption of a policy requiring compensation committee approval of certain sales of shares by senior executives, on the basis that the proposal “micromanages the Company because, among other things, the Proposal would require the compensation committee to approve each sale by a senior executive during a buyback and for the Company to include explanatory disclosure in the proxy statement describing how the committee concluded that approving the sale was in the Company’s long-term best interest.” Similarly, in *AbbVie Inc.* (February 15, 2019) and *Johnson & Johnson* (February 14, 2019), the Staff concurred in exclusion pursuant to Rule 14a-8(i)(7) of proposals requesting the adoption of a policy that legal or compliance costs not be excluded from financial performance metrics used to evaluate performance for determining the amount or vesting of senior executive incentive compensation awards. In concurring in exclusion, the Staff concluded that each proposal “micromanages the Company by seeking to impose specific methods for implementing complex policies. Specifically, the Proposal, if implemented, would prohibit any adjustment of the broad categories of expenses covered by the Proposal without regard to specific circumstances or the possibility of reasonable exceptions.” Other recent instances in which the Staff has concurred in exclusion of proposals involving senior executive compensation pursuant to Rule 14a-8(i)(7), on the basis that such proposals “micromanage” the company, include *JPMorgan Chase & Co.* (March 22, 2019) (proposal requesting adoption of a policy to prohibit vesting of senior executives’ equity-based awards upon resignation to enter government service) and *General Electric Company* (March 5, 2019) (proposal requesting board committee review of compensation paid to top 25 most highly compensated executives from 2014 through 2017 and directing a board committee to make individualized decisions with respect to the level and potential recoupment of the executives’ compensation, which disclosure was to be provided in the specified manner set forth in the proposal).

The Staff has reached similar conclusions in other contexts, concurring in exclusion of proposals pursuant to Rule 14a-8(i)(7), on the basis that such proposals “micromanage” the company, where the proposals set forth specific targets, analogous to the target timeline and compensation ratio included in the Proposal. See, e.g., *Exxon Mobil Corporation* (April 2, 2019) and *Devon Energy Corporation* (March 4, 2019, recon. denied April 1, 2019) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting, in annual reporting beginning in 2020, a report of short-, medium- and long-term greenhouse gas targets aligned with reduction goals set in the Paris Climate Agreement to maintain global average temperatures substantially below two degrees Celsius and to pursue efforts to limit increases to 1.5 degrees Celsius, on the basis that “the Proposal would micromanage the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors”); *MGE Energy, Inc.* (March 13, 2019) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting a “a public report no later than October 1, 2020, describing how [the company] can provide a secure, low cost energy future for

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their customers and shareholders by eliminating coal and moving to 100% renewable energy by 2050 or sooner,” on the basis that “the Proposal seeks to micromanage the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors”); and *Wells Fargo & Company* (March 5, 2019) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting a policy for reducing greenhouse gas emissions resulting from the company’s loan and investment portfolios to align with the Paris Agreement’s goal to maintain global temperatures substantially below two degrees Celsius, on the basis that “the Proposal would micromanage the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors”).

As described above, the Proposal would micromanage the Company by requesting specific changes to workforce compensation. Decisions regarding the compensation of the Company’s Chairman and Chief Executive Officer are inherently complex and involve a number of business, financial, and legal considerations. Orchestrating changes to the general compensation structure for a broad, global workforce similarly involves complex business, financial and legal considerations, all of which would be unduly constrained if the Company were required to follow the precise requests of the Proposal. All of these items would touch on matters that are integral to the Company’s day-to-day operations and that are driven, in part, by the broader labor market. These changes are requested on a specific time frame. Like the proposals at issue in the no-action letter precedent cited above, the compensation changes requested in the Proposal “prob[e] 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,” and would “unduly limit the ability of management and the board to manage complex matters with a level of flexibility necessary to fulfill their fiduciary duties to shareholders.”

Accordingly, consistent with the Staff’s guidance and the no-action letter precedent cited above, the Proposal would impermissibly micromanage the Company and the Proposal, therefore, may be excluded from the Proxy Materials pursuant to Rule 14a-8(i)(7).

b. *The Proposal Directly Concerns the Company’s Ordinary Business Operations.*

In addition to seeking to micromanage the Company, and notwithstanding its references to CEO pay, a close reading of the Proposal demonstrates that its focus is the compensation that may be paid to employees generally, and, therefore, the topic of the Proposal directly concerns the Company’s ordinary business operations. The Company, together with its subsidiaries, is a diversified worldwide entertainment company operating a number of media outlets, parks and resorts, studio entertainment and consumer products and interactive media businesses. Over 200,000 people are employed to carry out these operations. The Proposal would require the

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Board to “increas[e] the annual total compensation of [the Company’s] lowest paid employees,” which, as a practical matter to reach the target CEO compensation ratio stated in the Proposal, requires that the compensation of at least 50% of the workforce be increased or that the compensation of the “lowest paid employees” be increased above the compensation paid to the current “median employee.” As a result, the Proposal necessarily implicates a host of business, financial and legal matters that must be considered in all jurisdictions where any affected employees are located. As such, the Proposal relates to the ordinary business operations of the Company, specifically compensation that may be paid to employees generally. The day-to-day operation of the Company, including compensation and benefits matters, is driven, in part, by the labor market and necessarily involves a wide array of decision points, including an employee’s position, tenure, full time or part time status, union membership and employment location, among others. Practically speaking, in light of the complexity attendant to general compensation-related decisions, these matters are not appropriate for direct shareholder oversight.

In SLB 14J, the Staff offered the following guidance when evaluating proposals that include senior executive compensation along with broader employee compensation matters:

In evaluating proposals that raise both ordinary business and senior executive and/or director compensation matters, the staff examines whether the focus of the proposal is an ordinary business matter or aspects of senior executive and/or director compensation. Where the focus appears to be on the ordinary business matter, the proposal may be excludable under Rule 14a-8(i)(7). This framework ensures that form is not elevated over substance and that a proposal is not included simply because it addresses an excludable matter in a manner that is connected to or touches upon senior executive or director compensation matters. Including an aspect of senior executive or director compensation in a proposal that otherwise focuses on an ordinary business matter will not insulate a proposal from exclusion under Rule 14a-8(i)(7).

The Proposal clearly focuses on the ordinary business matter of general compensation matters, in light of the Proposal’s (a) specific resolution to increase compensation for the Company’s “lowest paid employees” and (b) supporting statement that dedicates significant discussion to the “plight of Disney’s lowest paid workers and their families” and includes arguments in support of why “Disney employees should be able to experience a decent standard of living for themselves and their families.” Consistent with the guidance in SLB 14J, including aspects of the compensation of the Company’s Chairman and Chief Executive Officer should not insulate the Proposal from exclusion under Rule 14a-8(i)(7).

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The Staff consistently has permitted companies to exclude shareholder proposals involving compensation that may be paid to employees generally as relating to companies’ “ordinary business operations” within the meaning of Rule 14a-8(i)(7). For example, the Staff has concurred in exclusion pursuant to Rule 14a-8(i)(7), of proposals requesting that companies adopt and publish principles for minimum wage reform, on the basis that each such “proposal relates to general compensation matters, and does not otherwise transcend day-to-day business matters.” *Amazon.com, Inc., The Home Depot, Inc., and The TJX Companies, Inc.* (March 1, 2017); *see also McDonald’s Corporation* (March 18, 2015) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting an increased minimum wage of \$11.00 per hour, on the basis that the proposal “relates to general compensation matters”). Moreover, even where a proposal touches on compensation payable to senior executives, the Staff has concurred in exclusion pursuant to Rule 14a-8(i)(7), on the basis that such proposal relates to the company’s ordinary business practices. *See, e.g., Baxter International Inc.* (January 6, 2016) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting a reduction in benefits and stock options, on the basis that the proposal “relates to compensation that may be paid to employees generally and is not limited to compensation that may be paid to senior executive officers and directors”); *Yum! Brands, Inc.* (February 24, 2015) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting the compensation committee to review executive compensation policies and report on a comparison of total senior executive compensation to employees’ median wage with an analysis of changes in the size of any gap and the rationale justifying any identified trends, on the basis that the proposal “relates to compensation that may be paid to employees generally and is not limited to compensation that may be paid to senior executive officers and directors”); *Green Bankshares, Inc.* (February 7, 2011) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting that the company “cut salaries by 9% on all employees making more than \$25,000 dollars [sic] in salary per year,” on the basis that the proposal “relates to compensation that may be paid to employees generally and is not limited to compensation that may be paid to senior executive officers and directors”); *Exxon Mobil Corporation* (February 16, 2010, *recon. denied* March 23, 2010) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting that the board “eliminate all remuneration for any one of Management in an amount above \$500,000.00 per year, eliminating possible severance pay and funds placed yearly in a retirement account,” on the basis that the proposal “relates to compensation that may be paid to employees generally and is not limited to compensation that may be paid to senior executive officers and directors”); and *General Motors Corporation* (March 24, 2006) and *Mattel, Inc.* (March 13, 2006) (concurring in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting elimination of all management compensation in excess of \$500,000 per year and to refrain from entering into severance contracts, on the basis that the proposal relates “to [the company’s] ordinary business operations (i.e., general compensation matters)”).

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In addition, the Proponent seems to be trying to cast the Proposal as relating to senior executive compensation by reference to the Company’s CEO pay ratio. The Staff provided guidance in Staff Legal Bulletin No. 14C (June 28, 2005), noting that, in determining whether a proposal focuses on a significant social policy issue, the Staff considers “both the proposal and the supporting statement as a whole.” Based on the text of its resolution and its supporting statement, the Proposal is not concerned with the compensation of the Company’s Chairman and CEO as reflected in a compensation ratio, but rather on the wages received by the Company’s “lowest paid employees.” In short, the Proposal does not relate exclusively to senior executive compensation, or any other topic deemed by the Staff to constitute a significant policy issue, but rather to the compensation of the Company’s workforce generally and, in accordance with the above-cited no-action letters, does not otherwise transcend day-to-day business matters. As in the above-cited letters, the Proposal addresses the fundamental ordinary business matter of compensation that may be paid to employees generally – precisely the type of matter that is consistently deemed excludable under Rule 14a-8(i)(7) and which this exclusion is intended to address. Accordingly, the Proposal involves the type of day-to-day operational oversight of the Company’s business that the ordinary business exclusion in Rule 14a-8(i)(7) was meant to address, thus the Proposal should be deemed excludable pursuant to Rule 14a-8(i)(7), consistent with the above-cited no-action letters.

II. The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(3).

Rule 14a-8(i)(3) permits a company to exclude all or portions of a shareholder proposal “[i]f 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 Commission has determined that a proposal may be excluded pursuant to Rule 14a-8(i)(3) where “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 (September 15, 2004). The Staff also has noted that a proposal may be materially misleading as vague and indefinite when the “meaning and application of terms and conditions . . . in the proposal would have to be made without guidance from the proposal and would be subject to differing interpretations” such that “any action ultimately taken by the company upon implementation [of the proposal] could be significantly different from the actions envisioned by shareholders voting on the proposal.” *See Fuqua Industries, Inc.* (March 12, 1991).

The Staff has routinely concurred in the exclusion of shareholder proposals pursuant to Rule 14a-8(i)(3) in instances where the proposal is “vague and indefinite.” *See, e.g., Cisco Systems, Inc.* (October 7, 2016) (concurring in exclusion of a proposal requesting that “[t]he board shall not take any action whose primary purpose is to prevent the effectiveness of shareholder vote without a compelling justification for such action” without further specifying what actions or measures were required to implement the proposal); *Walgreens Boots Alliance, Inc.* (October 7,

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2016) (concurring in exclusion of a proposal requesting that “[b]efore the board takes any action whose primary purpose is to prevent the effectiveness of shareholder vote, it shall make a determination as to whether there is a compelling justification for such action”); *Alaska Air Group, Inc.* (March 10, 2016) (concurring in exclusion of a proposal requesting that the board amend the company’s bylaws and other governing documents that would require management to “strictly honor shareholders rights to disclosure identification and contact information to the fullest extent possible by technology”); *United Continental Holdings, Inc.* (March 6, 2014) (concurring in exclusion of a proposal requesting the adoption of a bylaw providing that preliminary voting results would be unavailable for solicitations made for “other purposes” but would be available for solicitations made for “other proper purposes”); *The Home Depot, Inc.* (March 28, 2013) (concurring in exclusion of a proposal requesting that the board of directors take necessary steps “to strengthen [the] weak shareholder right to act by written consent” where the proposal referenced two requested actions that the proposal “would include” but did not specify whether there were additional actions required to implement the proposal); *Newell Rubbermaid Inc.* (February 21, 2012) (concurring in exclusion of a proposal requesting the board to take the steps necessary to amend the proper governing documents to provide the right to call a special meeting to shareholders “holding not less than one-tenth of the voting power of the Corporation . . . [o]r the lowest percentage of [the Corporation’s] outstanding common stock permitted by state law,” on the basis that “neither shareholders nor the company would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires”); *Amazon.com, Inc.* (March 22, 2010, recon. granted April 7, 2010) (concurring in exclusion of a proposal requesting that the board of directors take steps “to the fullest extent permitted by law” to give holders of 10% of the company’s outstanding stock the power to call a special shareholder meeting, including “that shareholders will have no less rights at management-called special meetings than management has at shareholder-called special meetings to the fullest extent permitted by law,” on the basis that “it is not clear what ‘rights’ the proposal intends to regulate”); and *The Coca-Cola Company* (January 30, 2002) (concurring in exclusion of a proposal regarding inclusion of “ordinary” persons with certain characteristics on the board of directors where the proposal did not provide guidance as to its implementation or clarify whether the proposal mandates or recommends that such “ordinary” persons be on the board of directors).

Consistent with this precedent, the Proposal is also excludable on the basis that it is impermissibly vague and indefinite so as to be materially misleading. Though the Proposal relates to compensation of the Company’s employees, the Proposal is flawed in that what is being asked of the Company would not result in the goal set out in the Proposal. In addition, a key term in the proposal, “lowest paid employees,” is not defined.

The Proposal makes reference to two specific actions intended to reduce the ratio of the compensation of the Company’s CEO to the Company’s “median employee” to a ratio that does

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not exceed 500:1 – (a) “decreasing the annual total compensation of [the Company’s] Chairman and Chief Executive Officer” and (b) “increasing the annual total compensation of [the Company’s] lowest paid employees.” With respect to the latter, such specified action may not, as a matter of arithmetic, be an effective means to arrive at the CEO compensation ratio targeted by the Proposal. Because the compensation ratio is relative to a “median employee,” unless the compensation of the “lowest paid employees” is increased to amounts well above the compensation of the current “median employee,” or if the “lowest paid employees” refers to more than 50% of the workforce, the compensation paid to such median employee would not change at all based on the language of the Proposal. Put another way, if “lowest paid employees” were to refer to, for example, 20% of employees, the compensation of the current “median employee” would not be affected by the Proposal; only in an instance where the compensation of the “lowest paid employees” exceeds the current median employee’s compensation, or the median employee is included among the lowest compensated employees, would there be a new median employee identified with possibly higher compensation. Different outcomes, of course, would result if the Proposal dealt in averages or a statistical measure other than median. Accordingly, if the Proposal were implemented in a manner designed to achieve the targeted CEO compensation ratio stated in the proposal, the outcome could severely misalign with the Proponent’s stated intentions.

As a result, the Proposal may be open to more than one interpretation and is impermissibly vague and indefinite such that neither shareholders voting on the Proposal nor the Company in implementing the Proposal, if adopted, may be able to determine with reasonable certainty what actions would be taken under the Proposal. Accordingly, the Proposal may properly be excluded pursuant to Rule 14a-8(i)(3) as impermissibly vague and indefinite so as to be materially misleading in violation of Rule 14a-9.

Conclusion

For the foregoing reasons, and consistent with the Staff’s prior no-action letters, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7), on the basis that the Proposal micromanages the Company or deals with matters that relate to the ordinary business operations of the Company or, alternatively, pursuant to Rule 14a-8(i)(3) of the Exchange Act, on the basis that the Proposal is impermissibly vague and indefinite so as to be materially misleading in violation of Rule 14a-9.

If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that the Company may exclude the Proposal from its Proxy Materials, please do not hesitate to contact me at lillian.brown@wilmerhale.com or (202) 663-6743, or Jolene Negre, Associate General Counsel and Assistant Secretary, The Walt Disney Company at

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Jolene.E.Negre@disney.com. In addition, should the Proponent choose to submit any response or other correspondence to the Commission, we request that the Proponent concurrently submit that response or other correspondence to the Company, as required pursuant to Rule 14a-8(k) and SLB 14D, and copy the undersigned.

Best regards,



Lillian Brown

Enclosures

cc: Jolene Negre, Associate General Counsel and Assistant Secretary
The Walt Disney Company

Karen Perricone, Trustee
Karen Lizette Perricone Revocable Trust

EXHIBIT A

RECEIVED

AUG 28 2019

BY: TWDC Corp Sec

August 21, 2019

Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, CA 91521-1030

Secretary,

I am a shareholder of the Walt Disney Co and have been since September 4, 2013. As of today, I own 81.7688 shares. I intend to continue to hold these shares through the date of the next shareholder meeting and beyond. I have included a written statement to substantiate my ownership from Brianna Cox, Sr. Resolution Specialist, Partner Support, at Charles Schwab.

As a shareholder, I am submitting the attached shareholder proposal for consideration at the annual shareholder meeting. Please do not include my address, telephone number, or email address in the 2020 Proxy Statement.

Thank you,

Karen Perricone

Karen Perricone

CEO Compensation Ratio

RESOLVED: Shareholders of the Walt Disney Company (“Disney”) request that the board of directors (“Board”) limit the annual total compensation of our Chairman and Chief Executive Officer to a ratio not to exceed the total annual compensation of Disney’s median employee by more than 500:1. This proposed ratio would be attained within a five year timeframe by decreasing the annual total compensation of our Chairman and Chief Executive Officer and by increasing the annual total compensation of our lowest paid employees.

Supporting Statement

The 2019 Proxy Statement indicated that the 2018 ratio (in accordance with the Securities and Exchange Commission rules) of the annual total compensation of our Chairman and Chief Executive Officer to the annual total compensation of Disney’s median employee was 1,424:1. Mr. Iger’s total annual compensation was \$65,662,806. Excluding the value of the time-vested restricted stock unit award, the ratio was 852:1, and Mr. Iger’s total annual compensation was \$39,322,124. The median employee’s total annual compensation was \$46,127.

According to a study by the Economic Policy Institute, based on Chief Executive Officers of the 350 largest United States firms:

- Average total compensation for Chief Executive Officers was \$17,200,000 in 2018.
- Using a stock-options-realized measure, the ratio of Chief Executive Officer-to-worker compensation was 20:1 in 1965, rising to 278:1 in 2018.
- Using a stock-options-granted measure, the ratio of Chief Executive Officer-to-worker compensation was 16:1 in 1965, rising to 221:1 in 2018.

This study indicates that even compared to other top companies, both of Mr. Iger’s total annual compensation ratios of 1,424:1 and 852:1 are excessive.

Quoting from the Disney website (<https://www.thewaltdisneycompany.com/about/#our-businesses>), “From humble beginnings as a cartoon studio in the 1920s to its preeminent name in the entertainment industry today, Disney proudly continues its legacy of creating world-class stories and experiences for every member of the family.” Because Disney’s primary focus is “creating stories and experiences for every member of the family”, Disney should be cognizant of the financial struggles of those families. As such, there is no excuse for Disney to ignore the financial struggles of its own families, the employees who represent Disney to the public. These Disney employees should be able to experience a decent standard of living for themselves and their families. Mr. Iger’s total annual compensation ratios of 1,424:1 and 852:1 indicate that either the Board is not aware of the plight of Disney’s lowest paid workers and their families or the Board does not care about Disney’s lowest paid workers and their families.

A total annual compensation ratio of 500:1 would bring Mr. Iger’s total annual compensation in line with other Chief Executive Officers while increasing the total annual compensation of the lowest paid workers. A timeframe of five years will allow a gradual adjustment to the 500:1 ratio.

To proudly continue Disney’s legacy, approve this shareholder proposal.



August 21, 2019

Karen Perricone, Trustee
Karen Lizette Perricone Revocable Trust

Account #: _____
Questions: +1 (800) 378-0685
x49807

Walt Disney Co. Share Ownership

Dear Karen Perricone,

I am writing in regards to the request for confirmation of Walt Disney Co (CUSIP 254687106) in the above referenced account, over which you have authority.

As of the writing of this letter this account holds 81.7688 shares of Walt Disney Co (DIS). Shares of DIS were first purchased on 09/04/2013 and have remained in this account since then.

Please note: This letter is for informational purposes only and is not an official record of the account. Please refer to statements and trade confirmations as they are the official record of account transactions.

Thank you for choosing Schwab. We appreciate your business and look forward to serving you in the future. If you have any questions, please call me or any Client Service Specialist at +1 (800) 378-0685 x49807.

Sincerely,

Brianna Cox

Brianna Cox
Sr. Resolution Specialist, Partner Support
9875 Schwab Way
Lone Tree, CO 80124