January 24, 2020

Brian V. Breheny
Skadden, Arps, Slate, Meagher & Flom LLP
brian.breheny@skadden.com

Re: AutoNation, Inc.
Incoming letter dated December 18, 2019

Dear Mr. Breheny:

This letter is in response to your correspondence dated December 18, 2019 concerning the shareholder proposal (the “Proposal”) submitted to AutoNation, Inc. (the “Company”) by John Chevedden (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 December 22, 2019, December 29, 2019, January 1, 2020, January 2, 2020, January 8, 2020, January 13, 2020 and January 14, 2020. 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.

Sincerely,

M. Hughes Bates
Acting Deputy Chief Counsel

Enclosure

cc: John Chevedden

***

* FISMA & OMB Memorandum M-07-16
Response of the Office of Chief Counsel
Division of Corporation Finance

Re: AutoNation, Inc.
Incoming letter dated December 18, 2019

The Proposal asks the board to take the steps necessary to amend the appropriate company governing documents to give the owners of a combined 10% of the company’s outstanding common stock the power to call a special meeting (or the lowest percentage under state law).

You have expressed your view that the Proposal is vague and indefinite because it is subject to multiple interpretations regarding what percentage of outstanding common stock would be required to be held in order to call a special meeting. As reflected in the staff’s more recent decisions under rule 14a-8(i)(3), we are unable to conclude that the Proposal, taken as a whole, is so inherently vague or indefinite that neither shareholders voting on the Proposal, nor the Company in implementing the Proposal, would be able to determine with any reasonable certainty exactly what actions or measures the Proposal requires. Accordingly, we do not believe that the Company may omit the Proposal from its proxy materials in reliance on rule 14a-8(i)(3).

Sincerely,

Michael Killoy
Attorney-Adviser
January 14, 2020

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

# 6 Rule 14a-8 Proposal
AutoNation, Inc. (AN)
Special Meeting
John Chevedden

Ladies and Gentlemen:

This is in regard to the December 18, 2019 no-action request.

When Rule 14a-8(i)(3) was written today’s avenues of shareholder engagement were not available. Today if a company truly has any doubt on what shareholders mean by their vote on a well understood and well established topic the company can clarify it through shareholder outreach.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2019 proxy.

Sincerely,

John Chevedden

cc: Thomas Mila <MilaT@autonation.com>
January 13, 2020

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

# 5 Rule 14a-8 Proposal  
AutoNation, Inc. (AN)  
Special Meeting  
John Chevedden

Ladies and Gentlemen:

This is in regard to the December 18, 2019 no-action request.

The company management did not provide any evidence that shareholders typically do a micromanagement reading of a rule 14a-8 proposal on an established topic.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2019 proxy.

Sincerely,

John Chevedden

cc: Thomas Mila <MilaT@autonation.com>
January 8, 2020

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

# 4 Rule 14a-8 Proposal (corrected)
AutoNation, Inc. (AN)
Special Meeting
John Chevedden

Ladies and Gentlemen:

This is in regard to the December 18, 2019 no-action request.

The resolved statement said:
“Shareowners ask our board to take the steps necessary to amend the appropriate company
governing documents to give the owners of a combined 10% of our outstanding common
stock the power to call a special shareowner meeting (or the lowest percentage under state
law).”

Since, according to company management, Delaware law does not call out a specific
percentage – then the “lowest percentage” part does not apply.

“10% of our outstanding common stock” is also reinforced by the second paragraph of the
proposal:
“This proposal could be adopted with a provision that if any shareholder owned 10% or more
of AutoNation stock then such a shareholder would need the participation of another 10% of
company stock to call a special meeting.”

This is to request that the Securities and Exchange Commission allow this resolution to stand
and be voted upon in the 2019 proxy.

Sincerely,

John Chevedden

cc: Thomas Mila <MilaT@autonation.com>
January 1, 2020

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

# 3 Rule 14a-8 Proposal (corrected)  
AutoNation, Inc. (AN)  
Special Meeting  
John Chevedden

Ladies and Gentlemen:

This is in regard to the December 18, 2019 no-action request.

The resolved statement said:
“Shareowners ask our board to take the steps necessary to amend the appropriate company governing documents to give the owners of a combined 10% of our outstanding common stock the power to call a special shareowner meeting (or the lowest percentage under state law).”

Since, according to management, Delaware does not call out a percentage – then the “lowest percentage” part does not apply.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2019 proxy.

Sincerely,

John Chevedden

cc: Thomas Mila <MilaT@autonation.com>
January 1, 2020

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

# 3 Rule 14a-8 Proposal  
AutoNation, Inc. (AN)  
Special Meeting  
John Chevedden

Ladies and Gentlemen:

This is in regard to the December 18, 2019 no-action request.

The resolved statement said:
“Shareowners ask our board to take the steps necessary to amend the appropriate company governing documents to give the owners of a combined 10% of our outstanding common stock the power to call a special shareowner meeting (or the lowest percentage under state law).”

Since, according to management, Delaware does call out a percentage – then the “lowest percentage” part does not apply.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2019 proxy.

Sincerely,

John Chevedden

cc: Thomas Mila <MilaT@autonation.com>
December 29, 2019

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

# 2 Rule 14a-8 Proposal  
AutoNation, Inc. (AN)  
Special Meeting  
John Chevedden

Ladies and Gentlemen:

This is in regard to the December 18, 2019 no-action request.

Management omitted to discuss the meaning of the proposal in the context of the attached page from its 2019 proxy.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2019 proxy.

Sincerely,

John Chevedden

cc: Thomas Mila <MilaT@autonation.com>
Table of Contents

**STOCK OWNERSHIP**

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS**

The following table sets forth certain information as of February 20, 2019 regarding beneficial owners of more than five percent of the outstanding shares of our common stock.

<table>
<thead>
<tr>
<th>Name and Address of Beneficial Owner</th>
<th>Number of Shares Beneficially Owned</th>
<th>Percent of Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>William H. Gates III</td>
<td>20,329,879(2)</td>
<td>22.6%</td>
</tr>
<tr>
<td>One Microsoft Way, Redmond, WA 98052</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ESL Investments Inc. and related entities(3)</td>
<td>15,316,425(4)</td>
<td>17.0%</td>
</tr>
<tr>
<td>1170 Kane Concourse, Suite 200, Bay Harbor, FL 33154</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Vanguard Group</td>
<td>5,366,372(5)</td>
<td>6.0%</td>
</tr>
<tr>
<td>100 Vanguard Blvd., Malvern, PA 19355</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BlackRock, Inc.</td>
<td>5,318,363(6)</td>
<td>5.9%</td>
</tr>
<tr>
<td>55 East 52nd Street, New York, NY 10055</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Victory Capital Management Inc.</td>
<td>5,310,429(7)</td>
<td>5.9%</td>
</tr>
<tr>
<td>4900 Tiedeman Rd. 4th Floor, Brooklyn, OH 44144</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Artisan Partners Limited Partnership and related entities(8)</td>
<td>4,964,899(9)</td>
<td>5.5%</td>
</tr>
<tr>
<td>875 East Wisconsin Avenue, Suite 800, Milwaukee, WI 53202</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Based on 90,058,836 shares outstanding at February 20, 2019.

(2) Based on a Schedule 13D/A filed with the SEC on December 17, 2018, the number of shares beneficially owned by Mr. Gates as of February 20, 2019 includes 18,431,162 shares held by Cascade Investment, L.L.C. ("Cascade") and 1,898,717 shares held by the Bill & Melinda Gates Foundation Trust (the "Trust"). All shares of our common stock held by Cascade may be deemed to be beneficially owned by Mr. Gates as the sole member of Cascade, and all shares of our common stock beneficially owned by the Trust may be deemed to be beneficially owned by Mr. Gates as a co-trustee of the Trust. Mr. Gates has sole voting power with respect to 18,431,162 shares and shared voting power with respect to 1,898,717 shares. The address of Cascade is 2365 Carillon Point, Kirkland, WA 98033, and the address of the Trust is 500 Fifth Avenue North, Seattle, WA 98119.

(3) Includes ESL Partners, L.P. ("Partners"), RBS Partners, L.P. ("RBS"), ESL Investments, Inc. ("Investments"), The Lampert Foundation (the "Foundation"), and Edward S. Lampert. Partners, RBS, Investments, the Foundation, and Mr. Lampert are collectively referred to as the "ESL Entities."

(4) Based on a Schedule 13D/A filed with the SEC on December 11, 2017 and a Form 4 filed with SEC on May 9, 2018, the total number of AutoNation shares beneficially owned by the ESL Entities consists of 3,613,023 shares held by Partners, 212,821 shares held by the Foundation, and 11,490,581 shares held by Mr. Lampert. Each of Partners, RBS, and Investments has sole voting and dispositive power with respect to 3,613,023 shares and shared dispositive power with respect to 11,490,581 shares; the Foundation has sole voting and dispositive power with respect to 212,821 shares; and Mr. Lampert has sole voting power with respect to 15,316,425 shares, sole dispositive power with respect to 3,825,844 shares, and shared dispositive power with respect to 11,490,581 shares.

(5) Based on a Schedule 13G/A filed with the SEC on February 11, 2019, The Vanguard Group has sole voting power with respect to 27,625 shares, shared voting power with respect to 8,024 shares, sole dispositive power with respect to 5,336,199 shares, and shared dispositive power with respect to 30,173 shares.

(6) Based on a Schedule 13G filed with the SEC on February 4, 2019, BlackRock, Inc. has sole voting power with respect to 5,032,297 shares and sole dispositive power with respect to 5,318,363 shares.

(7) Based on a Schedule 13G filed with the SEC on February 1, 2019, Victory Capital Management Inc. has sole voting power with respect to 5,090,754 shares and sole dispositive power with respect to 5,310,429 shares.

(8) Includes Artisan Partners Limited Partnership ("APLP"), Artisan Investments GP LLC ("Artisan Investments"), Artisan Partners Holdings LP ("Artisan Holdings"), and Artisan Partners Asset Management Inc. ("APAM"). APLP, Artisan Investments, Artisan Holdings, and APAM are collectively referred to as the "Artisan Entities."
December 22, 2019

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

# 1 Rule 14a-8 Proposal
AutoNation, Inc. (AN)
Special Meeting
John Chevedden

Ladies and Gentlemen:

This is in regard to the December 18, 2019 no-action request.

The company has one purported precedent on this proposal topic from 2012. The unique or almost unique resolved statement in the 2012 proposal has not been repeated since 2012. Meanwhile the resolved statement in this proposal, or similar to it, has been voted more than 100-times since 2012.

Since 2012 the topic of this proposal may have received more positive votes than any other rule 14a-8 proposal topic when one adds the number of votes and the 100+ times it appeared on the ballots of dozens of major companies from 2012 through 2019.

The company has thought up an impossible situation to try to bolster its view. However the company does not claim that it has ever happened before that a Delaware company permitted a person who owned only one share of stock to call a special meeting.

The company claims that participating in calling a special meeting could mean that shareholders would need to be present at a special meeting that they participated in calling.

The company seems to claim that a rule 14a-8 proposal must be absolutely clear after the reader puts on blinders to all contextual information.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2019 proxy.

Sincerely,

John Chevedden

cc: Thomas Mila <MilaT@autonation.com>
Proposal [4] – Shareholder Right to Call a Special Meeting

Shareowners ask our board to take the steps necessary to amend the appropriate company governing documents to give the owners of a combined 10% of our outstanding common stock the power to call a special shareowner meeting (or the lowest percentage under state law). The Board of Directors would continue to have its existing power to call a special meeting.

This proposal could be adopted with a provision that if any shareholder owned 10% or more of AutoNation stock then such a shareholder would need the participation of another 10% of company stock to call a special meeting.

Special meetings allow shareholders to vote on important matters, such as electing new directors that can arise between annual meetings. In regard to new directors Thomas Baltimore was new to our Board of Directors in 2019 and yet received 5-times as many negative votes as most of our other directors. Mr. Baltimore’s negative votes could call into question the succession planning by our Board of Directors especially given that some AutoNation directors, once appointed, have extended tenures. For instance, Rick Burdick, our Lead Director has 28-years long-tenure. It is important to have a new director who favorably impresses shareholders right from the start.

Dozens of Fortune 500 companies provide for both shareholder rights – to act by written consent and to call a special meeting. This proposal will make our company more competitive from a corporate governance standpoint.

This proposal topic, sponsored by William Steiner, won 78% support at a Sprint annual meeting with 1.7 Billion yes-votes. This 78% support might have been even higher if more shareholders had access to independent proxy voting advice.

Any claim that a shareholder right to call a special meeting can be costly – may be moot. When shareholders have a good reason to call a special meeting – our Directors should be able to take positive responding action to make a special meeting unnecessary.

Please vote to improve shareholder engagement:
Shareholder Right to Call a Special Meeting – Proposal [4]
U.S. Securities and Exchange Commission  
Division of Corporation Finance  
Office of Chief Counsel  
100 F Street, N.E.  
Washington, D.C.  20549

RE:  AutoNation, Inc. – 2020 Annual Meeting  
Omission of Shareholder Proposal of John Chevedden

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), we are writing on behalf of our client, AutoNation, Inc., a Delaware corporation (“AutoNation”), to request that the Staff of the Division of Corporation Finance (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) concur with AutoNation’s view that, for the reasons stated below, it may exclude the shareholder proposal and supporting statement (the “Proposal”) submitted by John Chevedden (the “Proponent”) from the proxy materials to be distributed by AutoNation in connection with its 2020 annual meeting of shareholders (the “2020 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 AutoNation’s intent to omit the Proposal from the 2020 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 the Proponent submits correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to AutoNation.

I. The Proposal

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

Shareowners ask our board to take the steps necessary to amend the appropriate company governing documents to give the owners of a combined 10% of our outstanding common stock the power to call a special shareowner meeting (or the lowest percentage under state law). The Board of Directors would continue to have its existing power to call a special meeting.

This proposal could be adopted with a provision that if any shareholder owned 10% or more of AutoNation stock then such a shareholder would need the participation of another 10% of company stock to call a special meeting.

II. Basis for Exclusion

We hereby respectfully request that the Staff concur in AutoNation’s view that it may exclude the Proposal from the 2020 proxy materials pursuant to Rule 14a-8(i)(3) because the Proposal is impermissibly vague and indefinite so as to be materially false and misleading.

III. Background

AutoNation received the initial version of the Proposal, accompanied by a cover letter from the Proponent, on October 15, 2019. On October 16, 2019, AutoNation sent a letter to the Proponent requesting a written statement verifying that the Proponent owned the requisite number of shares of AutoNation common stock for at least one year as of October 15, 2019 (the “Deficiency Letter”). On October 18, 2019, AutoNation received a letter from Fidelity Investments verifying the Proponent’s stock ownership in AutoNation (the “Broker Letter”). On November 7, 2019, AutoNation received a revised version of the Proposal. Copies of the initial Proposal, the revised Proposal, the Deficiency Letter, the Broker Letter and related correspondence are attached hereto as Exhibit A.
IV. **The Proposal May be Excluded Pursuant to Rule 14a-8(i)(3) Because It Is Impermissibly Vague and Indefinite so as to be Materially False and Misleading in Violation of Rule 14a-9.**

Rule 14a-8(i)(3) permits companies to exclude 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 a company’s proxy materials. The Staff has recognized that exclusion is permitted pursuant to Rule 14a-8(i)(3) if “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.” 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.”); Capital One Financial Corp. (Feb. 7, 2003) (permitting the exclusion of a proposal under Rule 14a-8(i)(3) where the company argued that its shareholders “would not know with any certainty what they are voting either for or against”).

In accordance with SLB 14B, the Staff has permitted companies to exclude shareholder proposals under Rule 14a-8(i)(3) as vague and indefinite where the proposal is susceptible to multiple interpretations or where the proposal fails to sufficiently define or explain key terms or phrases. See, e.g., The Boeing Co. (Mar. 2, 2011) (permitting exclusion under Rule 14a-8(i)(3) of a proposal regarding executive compensation where the term “executive pay rights” was not sufficiently defined and thus subject to multiple reasonable interpretations). See also AT&T Inc. (Feb. 21, 2014) (permitting exclusion under Rule 14a-8(i)(3) of a proposal requesting that the board review the company’s policies and procedures relating to “directors’ moral, ethical and legal fiduciary duties and opportunities” to ensure the protection of privacy rights, where it was unclear how the term “moral, ethical and legal fiduciary” applied to the directors’ duties and opportunities); Abbott Laboratories (Jan. 13, 2014) (permitting exclusion under Rule 14a-8(i)(3) of a proposal requesting that the board adopt a bylaw to provide for an independent lead director with the standard of independence defined as someone “whose directorship constitutes his or her only connection” to the company, where the Staff agreed that the proposal was vague and indefinite and the term “connection” was so broad that “neither shareholders nor the company would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires”); USA Technologies, Inc. (Mar. 27, 2013) (permitting exclusion under Rule 14a-8(i)(3) of a
proposal requesting a policy that the chairman of the board be an independent
director who has not served as an executive officer of the company, where the
proposal directly conflicted with the company’s existing bylaws, which specifically
required that the company’s chairman serve as its chief executive officer, such that it
was unclear whether the board would have been required to apply the company’s
bylaws or the policy requested in the proposal).

For example, in *Newell Rubbermaid, Inc.* (Feb. 21, 2012), which involved a
proposal similar to the Proposal here, the Staff permitted exclusion under Rule
14a-8(i)(3) where the resolution requested that the board take the steps necessary to
amend the company’s governing documents to provide the right to call a special
meeting by 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.” The company argued that corporate law in
Delaware, where the company was incorporated, provided no minimum shareholder
ownership requirement to call a special meeting and, as a result, the proposal could
reasonably be subject to different interpretations. In particular, the company
explained that the proposal could have been interpreted, on the one hand, as
requiring ownership of 10% or more of the company’s common stock to call a
special meeting or, on the other hand, as requiring the lowest ownership percentage
permitted by law, which could amount to far less than 10% or even only a single
share. The proposal also provided no guidance on how to resolve this ambiguity. In
permitting exclusion, the Staff noted that “neither shareholders nor the company
would be able to determine with any reasonable certainty exactly what actions or
measures the proposal requires.” *See also The Western Union Co.* (Feb. 21, 2012)
(same); *Danaher Corp.* (Feb. 16, 2012) (same); *Verizon Communications Inc.* (Feb.
21, 2008) (permitting exclusion under Rule 14a-8(i)(3) of a proposal that included a
specific requirement and general requirement regarding the size of compensation
awards, which were not adequately defined and inconsistent with each other).

In this instance the Proposal is vague and indefinite both because it contains a
number of conflicting statements that render it subject to multiple interpretations and
because it fails to define a key term. As a result, neither shareholders nor
AutoNation would be able to determine with any reasonable certainty exactly what
actions or measures the Proposal requires.

In particular, as in *Newell* described above, the Proposal is subject to multiple
interpretations because it contains conflicting statements regarding the outstanding
stock shareholders would be required to hold in order to call a special meeting.
Specifically, the Proposal requests that AutoNation’s Board of Directors “amend the
appropriate company governing documents to give the owners of a combined 10% of
[AutoNation’s] outstanding common stock the power to call a special shareowner meeting (or the lowest percentage under state law).” Like the company in Newell, AutoNation is incorporated in Delaware. Section 211(d) of the Delaware General Corporation Law (“DGCL”) provides that a special shareholders meeting may be called by “the board of directors or by such person or persons as may be authorized by the certificate of incorporation or by the bylaws.” As a result, the DGCL allows companies to decide whether, and under what conditions, to allow shareholders to call a special meeting, and a Delaware corporation conceivably could permit shareholders holding no more than a single share of common stock to do so. Thus, as in Newell, the Proposal’s request to grant the right to call a special meeting to owners of a combined 10% of AutoNation’s outstanding common stock or the lowest percentage under state law is confusing and could be interpreted in multiple different ways. Specifically, the Proposal could be interpreted, on the one hand, as requiring shareholders to own 10% or more of the company’s common stock to call a special meeting or, on the other hand, as requiring shareholders to own the lowest ownership percentage permitted by law, which could amount to far less than 10% or even only a single share (although that would conflict with the language in the same sentence of the Proposal that requires “a combined” percentage). Moreover, the Proposal provides no guidance on how to resolve this ambiguity.

In addition, the second paragraph of the Proposal’s resolution presents even more ambiguity, which leads to other conflicting interpretations of the Proposal. For example, it provides that the proposal could be implemented by requiring an additional percentage (“another 10%”) of outstanding common stock to “participate” in order to call a special meeting. This additional percentage suggests that the Proposal’s required ownership threshold could be 20%, which conflicts with both of the potential interpretations discussed above. Further, the term “participation,” when used in the phrase “such a shareholder would need the participation of another 10% of company stock to call a special meeting,” is unclear and undefined. “Participation” could be interpreted as requiring that any shareholder holding more than 10% of AutoNation’s stock who wishes to call a special meeting would need to form a group with another 10% shareholder in order to request a special meeting. Alternatively, the use of “participation” in the Proposal could be included to convey that a shareholder holding more than 10% of AutoNation’s stock who wishes to call a special meeting would be required to convince other shareholders holding at least an additional 10% of AutoNation’s stock to be present and participate at such special meeting. Similarly, it also is unclear as of what date a shareholder’s ownership would need to be measured for determining if he or she “owned 10% or more of AutoNation stock.” In this respect, “owned” could be read to apply to any shareholder who has ever held 10% or more of AutoNation’s common stock, who
might hold that amount at the time a special meeting is requested, or who might have held such amount during some other period of time.

Given the failure of the Proposal to reconcile the conflicting statements and clearly define key terms, as described above, the Proposal is susceptible to multiple different interpretations. As a result, neither shareholders voting on the Proposal, nor AutoNation in implementing the Proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the Proposal requires. Thus, any action taken by AutoNation upon implementation of the Proposal could be significantly different from the actions envisioned by shareholders voting on the Proposal.

Accordingly, consistent with Newell and the other precedent described above, the Proposal may be excluded from the 2020 proxy materials pursuant to Rule 14a-8(i)(3) as impermissibly vague and indefinite and materially false and misleading.

V. Conclusion

Based upon the foregoing analysis, AutoNation respectfully requests that the Staff concur that it will take no action if AutoNation excludes the Proposal from its 2020 proxy materials.
Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of AutoNation’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 the undersigned at (202) 371-7180.

Very truly yours,

[Signature]

Brian V. Breheny

Enclosures

cc: John Chevedden

Coleman Edmunds, Executive Vice President, General Counsel and Corporate Secretary
Thomas J. Mila, Vice President, Corporate Law and Assistant Secretary
AutoNation, Inc.

Hagen J. Ganem
Skadden, Arps, Slate, Meagher & Flom LLP
EXHIBIT A

(see attached)
Mr. Coleman Edmunds  
Corporate Secretary  
AutoNation, Inc. (AN)  
200 SW 1st Ave.  
Ft. Lauderdale, FL 33301  
PH: 954-769-6000  
PH: 954-769-2347  
FX: 954-769-6340

Dear Mr. Edmunds,

This Rule 14a-8 proposal is respectfully submitted in support of the long-term performance of our company.

This Rule 14a-8 proposal is intended as a low-cost method to improve company performance – especially compared to the substantial capitalization of our company.

This proposal is for the annual shareholder meeting. Rule 14a-8 requirements will be met including the continuous ownership of the required stock value until after the date of the respective shareholder meeting and presentation of the proposal at the annual meeting. This submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication. This proposal is intended to be implement as soon as possible.  

Your consideration and the consideration of the Board of Directors is appreciated in support of the long-term performance of our company. Please acknowledge receipt of this proposal by email to

Sincerely,

John Chevedden

cc: Thomas Mila <MilaT@autonation.com>  
PH: 954-769-4168  
FX: 954-769-6527  
Susie Chance <ChanceS@AutoNation.com>  
Julie Morgan <MorganJ4@autonation.com>
Proposition [4] – Shareholder Right to Call Special Meeting

Shareowners ask our board to take the steps necessary to amend the appropriate company governing documents to give the owners of a combined 10% of our outstanding common stock the power to call a special shareowner meeting (or the lowest percentage under state law). The Board of Directors would continue to have its existing power to call a special meeting.

Special meetings allow shareholders to vote on important matters, such as electing new directors that can arise between annual meetings. In regard to new directors Thomas Baltimore was new to our Board of Directors in 2019 and yet received 5-times as many negative votes as most of our other directors. Mr. Baltimore’s negative votes could call into question the succession planning by our Board of Directors especially given that some AutoNation directors, once appointed, have extended tenures. For instance, Rick Burdick, our Lead Director has 28-years long-tenure. It is important to have a new director who favorably impresses shareholders right from the start.

Dozens of Fortune 500 companies provide for both shareholder rights – to act by written consent and to call a special meeting. This proposal will make our company more competitive from a corporate governance standpoint.

This proposal topic, sponsored by William Steiner, won 78% support at a Sprint annual meeting with 1.7 Billion yes-votes. This 78% support might have been even higher if more shareholders had access to independent proxy voting advice.

Any claim that a shareholder right to call a special meeting can be costly – may be moot. When shareholders have a good reason to call a special meeting – our Board of Directors should be able to take positive responding action to make a special meeting unnecessary.

Please vote yes:

Shareholder Right to Call Special Meeting – Proposal [4]

[The line above is for publication.]
John Chevedden, sponsors this proposal.

Notes:
This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(I)(3) in the following circumstances:

• the company objects to factual assertions because they are not supported;
• the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
• the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
• the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email [...].
October 16, 2019

BY EMAIL AND FEDERAL EXPRESS

John Chevedden

RE: Notice of Deficiency

Dear Mr. Chevedden:

I am writing to acknowledge receipt of your shareholder proposal dated October 15, 2019 (the “Proposal”), submitted to AutoNation, Inc. (“AutoNation”) pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended. Under the proxy rules of the Securities and Exchange Commission (the “SEC”), in order to be eligible to submit a stockholder proposal, a proponent must have continuously held at least $2,000 in market value of AutoNation common stock for at least one year preceding and including the date that the proposal is submitted. In addition, the proponent must continue to hold at least this amount of common stock through the date of the applicable annual meeting. For your reference, a copy of Rule 14a-8 is attached to this letter as Exhibit A.

Please provide a written statement from the record holder of your shares of AutoNation common stock (usually a bank or broker) and a participant in the Depository Trust Company (“DTC”), or an affiliate of a DTC participant, verifying that you have beneficially held the requisite amount of AutoNation common stock continuously for at least one year preceding and including October 15, 2019, which is the date you submitted the Proposal to AutoNation.

In order to determine if the bank or broker 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. If the bank or broker holding your shares is not a DTC participant or an affiliate of a DTC participant, you also will need to obtain proof of ownership from the DTC participant or affiliate of the DTC participant through which the shares are held. You should be able to identify the DTC participant or affiliate of the DTC participant by asking your broker or bank. If the DTC participant or affiliate of the DTC participant knows your broker or bank’s holdings, but does not know your holdings, you can satisfy Rule 14a-8 by obtaining and submitting two proof of ownership statements verifying that,
preceding and including the date you submitted the Proposal, the required amount of shares were continuously held for at least one year - with one statement from your broker or bank confirming your ownership, and the other statement from the DTC participant or affiliate of the DTC participant confirming the broker or bank’s ownership. For additional information regarding the acceptable methods of proving your ownership of the requisite amount of AutoNation common stock, please see Rule 14a-8(b)(2) in Exhibit A.

The SEC rules require that the documentation be postmarked or transmitted electronically to us no later than 14 calendar days from the date you receive this letter. Once we receive this documentation, we will be in a position to determine whether the Proposal is eligible for inclusion in our proxy materials. AutoNation reserves the right to seek relief from the SEC as appropriate.

Very truly yours,

[Signature]

Thomas J. Mila
Vice President, Corporate Law and
Assistant Secretary AutoNation, Inc.

Enclosure
October 18, 2019

John R Chevedden

Dear Mr. Chevedden:

This letter is provided at the request of Mr. John R. Chevedden, a customer of Fidelity Investments.

Please accept this letter as confirmation that as of the date of this letter, Mr. Chevedden has continuously owned no fewer than the share quantity listed in the following table in the following securities, since September 1, 2018.

<table>
<thead>
<tr>
<th>Security Name</th>
<th>CUSIP</th>
<th>Symbol</th>
<th>Share Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boeing Co</td>
<td>097023105</td>
<td>BA</td>
<td>100.000</td>
</tr>
<tr>
<td>Dana Inc</td>
<td>235825205</td>
<td>DAN</td>
<td>300.000</td>
</tr>
<tr>
<td>Goldman Sachs Group Inc</td>
<td>38141G104</td>
<td>GS</td>
<td>20.000</td>
</tr>
<tr>
<td>PacCar Inc</td>
<td>693718108</td>
<td>PCAR</td>
<td>100.000</td>
</tr>
<tr>
<td>Auto Nation Inc</td>
<td>05329W102</td>
<td>AN</td>
<td>100.00</td>
</tr>
</tbody>
</table>

These securities are registered in the name of National Financial Services LLC, a DTC participant (DTC number: 0226) and Fidelity Investments subsidiary.

I hope you find this information helpful. If you have any questions regarding this issue, please feel free to contact me by calling 800-397-9945 between the hours of 8:30 a.m. and 5:00 p.m. Eastern Standard Time (Monday through Friday) and entering my extension 13813 when prompted.

Sincerely,

Stormy Delehanty
Operations Specialist

Our File: W869761-18OCT19
Mr. Coleman Edmunds  
Corporate Secretary  
AutoNation, Inc. (AN)  
200 SW 1st Ave.  
Ft. Lauderdale, FL 33301  
PH: 954-769-6000  
PH: 954-769-2347  
FX: 954-769-6340

Dear Mr. Edmunds,

This Rule 14a-8 proposal is respectfully submitted in support of the long-term performance of our company.

This Rule 14a-8 proposal is intended as a low-cost method to improve company performance—especially compared to the substantial capitalization of our company.

This proposal is for the annual shareholder meeting. Rule 14a-8 requirements will be met including the continuous ownership of the required stock value until after the date of the respective shareholder meeting and presentation of the proposal at the annual meeting. This submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication. This proposal is intended to be implement as soon as possible.

Your consideration and the consideration of the Board of Directors is appreciated in support of the long-term performance of our company. Please acknowledge receipt of this proposal by email to

Sincerely,

John Chevedden

October 15, 2019

cc: Thomas Mila <MilaT@autonation.com>  
PH: 954-769-4168  
FX: 954-769-6527  
Susie Chance <ChanceS@AutoNation.com>  
Julie Morgan <MorganJ4@autonation.com>
Proposal [4] – Shareholder Right to Call a Special Meeting

Shareowners ask our board to take the steps necessary to amend the appropriate company governing documents to give the owners of a combined 10% of our outstanding common stock the power to call a special shareowner meeting (or the lowest percentage under state law). The Board of Directors would continue to have its existing power to call a special meeting.

This proposal could be adopted with a provision that if any shareholder owned 10% or more of AutoNation stock then such a shareholder would need the participation of another 10% of company stock to call a special meeting.

Special meetings allow shareholders to vote on important matters, such as electing new directors that can arise between annual meetings. In regard to new directors Thomas Baltimore was new to our Board of Directors in 2019 and yet received 5-times as many negative votes as most of our other directors. Mr. Baltimore's negative votes could call into question the succession planning by our Board of Directors especially given that some AutoNation directors, once appointed, have extended tenures. For instance, Rick Burdick, our Lead Director has 28-years long-tenure. It is important to have a new director who favorably impresses shareholders right from the start.

Dozens of Fortune 500 companies provide for both shareholder rights – to act by written consent and to call a special meeting. This proposal will make our company more competitive from a corporate governance standpoint.

This proposal topic, sponsored by William Steiner, won 78% support at a Sprint annual meeting with 1.7 Billion yes-votes. This 78% support might have been even higher if more shareholders had access to independent proxy voting advice.

Any claim that a shareholder right to call a special meeting can be costly – may be moot. When shareholders have a good reason to call a special meeting – our Directors should be able to take positive responding action to make a special meeting unnecessary.

Please vote to improve shareholder engagement:
Shareholder Right to Call a Special Meeting – Proposal [4]
[The line above is for publication.]
John Chevedden, sponsors this proposal.

Notes:
This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(I)(3) in the following circumstances:

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- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email [***].