February 12, 2020

By Email to: shareholderproposals@sec.gov

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

Re: Atrion Corporation – Stockholder Proposal Submitted by Pro Cap NYC llc

Ladies and Gentlemen:

We are writing on behalf of our client, Atrion Corporation (the “Company), regarding a stockholder proposal (the “Proposal”) received from Pro Cap NYC llc.

On February 6, 2020 we submitted a request on behalf of the Company 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 for its 2020 annual meeting of stockholders. A copy of that request was sent to Pro Cap NYC llc.

Following our submission, we received an email from Pro Cap NYC llc, a copy of which is enclosed, stating that it is not submitting a stockholder proposal. Accordingly, and pursuant to my telephone conversation yesterday with a member of the Staff, on behalf of the Company we are submitting this letter to request the withdrawal of our request for the issuance of a no-action letter respecting the Proposal.
If you have any questions with respect to this matter, please call the undersigned at 205.250.8305.

Sincerely,

B. G. MINISMAN, JR.

Enclosure

cc: Herbert A. Denton, President
Pro Cap NYC llc
1392 Madison Avenue #111
New York, New York 10029
Bert@procapnyc.com
Dear Mr. B.G. Minisman

We are not submitting a shareholder proposal. Simply, a "heads up" to the Board to seize the opportunity to lead and adopt de-classification as a "Best Practice" at the 2020 Annual Meeting. If not, we reserve the right to take the lead in 2021.

Kind regards,
H.A. Denton

---

From: Minisman, B. G. <bminisman@bakerdonelson.com>
Sent: Thursday, February 6, 2020 4:50 PM
To: shareholderproposals@sec.gov; Bert Denton
Subject: Atrion Corporation-Stockholder Proposal Submitted by Pro Cap NYC Ilc

Please see the attached letter submitted pursuant to Rule 14a-8(j).

B. G. Minisman, Jr.
Baker, Donelson, Bearman, Caldwell & Berkowitz, PC
Shipt Tower
420 Twentieth Street North, Suite 1400
Birmingham, AL 35203
Direct: 205.250.8305
Cell: 205.527.2718
Fax: 205.488.3705
E-mail: bminisman@bakerdonelson.com
www.bakerdonelson.com

Baker, Donelson, Bearman, Caldwell & Berkowitz, PC represents clients across the U.S. and abroad from offices in Alabama, Florida, Georgia, Louisiana, Maryland, Mississippi, South Carolina, Tennessee, Texas, Virginia and Washington, D.C.

NOTICE: This electronic mail transmission with any attachments may constitute an attorney-client communication, protected health information (PHI) or other confidential information that is in fact confidential, legally protected from disclosure and protected by the attorney-client privilege. If you are the intended recipient, please maintain confidentiality and be aware that forwarding this e-mail to others may result in a waiver of these protections and privileges and regardless electronic communications may be at times illegally accessed and viewed. If you are not the intended recipient, this e-mail is not intended for transmission to you. Not to be read, reviewed, used, distributed or even received by you or any other unauthorized persons. If you have received this electronic mail transmission in error, please double delete it from your system immediately without copying, reading or disseminating it, and notify the sender by reply e-mail, so that our address record can be corrected. Thank you very much.
February 6, 2020

By Email to: shareholderproposals@sec.gov

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

Re: Atrion Corporation – Stockholder Proposal Submitted by Pro Cap NYC llc

Ladies and Gentlemen:

We are writing on behalf of our client, Atrion Corporation (“Atrion” or the “Company”), pursuant to Rule 14a-8(i) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), regarding a stockholder proposal and statement in support thereof (collectively, the “Proposal”) received from Pro Cap NYC llc (the “Proponent”) for inclusion in the proxy statement to be distributed to the Company’s stockholders in connection with the Company’s 2020 Annual Meeting of Stockholders (the “2020 Proxy Materials”).

The Company respectfully requests that the staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission” or the “SEC”) advise the Company that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its 2020 Proxy Materials pursuant to Rule 14a-8(e)(2) under the Exchange Act on the basis that the Proponent failed to timely submit the Proposal.

In accordance with Staff Legal Bulletin No. 14D (November 7, 2008), this letter is being submitted by email to shareholderproposals@sec.gov. A copy of this letter is also being sent to the Proponent by email as notice of the Company’s intent to omit the Proposal from the Company’s 2020 Proxy Materials.
THE PROPOSAL

The Proposal states:

"Request to Declassify

In reviewing Atrion Corporation’s corporate governance, we bring your attention its classified Board By-Law. This practice still remains among just 1135 companies in the Russell 3000 Index. However, the recognized arbiter of such matters, Institutional Shareholder Services ("ISS"), does not consider a classified Board By-Law among the ‘best practices’ in corporate governance. In turn, this is reflected negatively in Atrion Corporation’s Corporate Governance score of 6 from ISS.

According, we respectfully request that Atrion Corporation’s Board review and consider changing this By-Law, so that all directors are elected annually by the shareholders; this is our sole agenda.

De-Classification Rationale

➢ Enhance its ISS governance score towards ‘best practices’.
➢ Increase the Board’s accountability to its largely sophisticated shareholder base.

Please note that ISS, which advises institutional investors and, in many cases, votes the shares controlled by institutional investors, does not normally vote off a majority of a Board in favor of a dissident shareholder’s alternative slate. In other words, Atrion Corporation already has, except in extraordinary circumstances, a classified Board.”

The Proposal was dated November 29, 2019, postmarked January 27, 2020, and received by the Company on or about January 30, 2020. A copy of the Proponent’s submission, including the Proposal and the envelope in which the Proposal was received showing the January 27, 2020 postmark, is attached as Exhibit A.

BASIS FOR EXCLUDING THE PROPOSAL

The Proposal may be excluded from the 2020 Proxy Materials pursuant to Rule 14a-8(e)(2) because it was submitted after the Deadline for submitting a Proposal.

Rule 14a-8(e)(2) under the Exchange Act provides that a proposal submitted with respect to a company’s regularly scheduled annual meeting “must be received at the company’s principal executive offices not less than 120 calendar days before the date of the company’s proxy statement
released to shareholders in connection with the previous year’s annual meeting.” The proxy statement for the Company’s 2019 annual meeting of stockholders was released to stockholders on April 8, 2019. Accordingly, the deadline for submitting stockholder proposals for inclusion in the 2020 Proxy Materials was determined to be December 10, 2019, and that date was specified in the proxy statement for the Company’s 2019 annual meeting.

Rule 14a-8(e)(2) provides that the 120-calendar day advance receipt requirement does not apply if the current year’s annual meeting has been changed by more than 30 days from the date of the prior year’s meeting. The Company’s 2019 annual meeting of stockholders was held on May 21, 2019, and the 2020 Annual Meeting is scheduled for May 21, 2020. As the 2020 Annual Meeting has not been changed by more than 30 days from the date of the prior year’s meeting, the deadline for stockholder proposals for inclusion in the Company’s 2020 Proxy Materials remained December 10, 2019, as disclosed in the Company’s 2019 proxy statement.

The Staff has consistently concurred that a proposal may be excluded in its entirety under Rule 14a-8(e)(2) when it is received after the applicable deadline for submitting a stockholder proposal. See, e.g., Caterpillar Inc. (Apr. 4, 2019); Comcast Corporation (Apr. 4, 2019); HollyFrontier Corporation (Feb. 11, 2019); DTE Energy Company (Dec. 18, 2018); Sprint Corporation (Aug. 1, 2018); Wal-Mart Stores, Inc. (Feb. 13, 2017); PepsiCo, Inc. (Jan. 3, 2014).

In accordance with Rule 14a-8(f)(1) and Section C.6.c of Staff Legal Bulletin No. 14 (July 13, 2001), the Company has not provided the Proponent with notice of the Proposal’s deficiency because the deficiency cannot be remedied. Inasmuch as the Proposal was received by the Company less than 80 days before the date on which the Company is planning to release its 2020 Proxy Materials to stockholders (April 6, 2020), the Company is unable to meet the requirement of Rule 14a-8(f)(1) that it file its reasons with the Commission no later than 80 days before it files its 2020 Proxy Materials with the Commission.

**CONCLUSION**

The Company believes the Proposal may be omitted in its entirety from the Company’s 2020 Proxy Materials under Rule 14a-8(e)(2) because the Proponent failed to timely submit the Proposal. Accordingly, the Company respectfully requests the concurrence of the Staff that it will not recommend enforcement action against the Company if the Company excludes the Proposal in its entirety from its 2020 Proxy Materials.
Please send any correspondence regarding this letter to bminisman@bakerdonelson.com. If you have any questions with respect to this matter, please call the undersigned at 205.250.8305.

Sincerely,

B. G. MINISMAN, JR.

cc: Herbert A. Denton, President
Pro Cap NYC llc
1392 Madison Avenue #111
New York, New York 10029
Bert@procapnyc.com

Emile A Battat, Chairman
Atrion Corporation
Pro Cap NYC llc  
1392 Madison Avenue #111  
New York, NY 10029  
+1-347-215-1406

Mr. Ronald N. Spaulding  
Atrion Corporation  
One Allentown Parkway  
Allen, Texas 75002-4206  
Attention: Chairman Emile A. Battat

November 29th, 2019

Dear Mr. Ronald N. Spaulding,

RE: Corporate Governance Best Practices

Request to Declassify

In reviewing Atrion Corporation’s corporate governance, we bring to your attention its classified Board By-Law. This practice still remains among just 1135 of the companies in the Russell 3000 Index. However, the recognized arbiter of such matters, Institutional Shareholder Services (“ISS”), does not consider a classified Board By-Law among the ‘best practices’ in corporate governance. In turn, this is reflected negatively in Atrion Corporation’s Corporate Governance score of 6 from ISS.

Accordingly, we respectfully request that Atrion Corporation’s Board review and consider changing this By-Law, so that all directors are elected annually by the shareholders; this is our sole agenda.

De-Classification Rationale

> Enhance its ISS governance score towards ‘best practices’.

> Increase the Board’s accountability to its largely sophisticated shareholder base.

Please note that ISS, which advises institutional investors and, in many cases, votes the shares controlled by institutional investors, does not normally vote off a majority of a Board in favor of a dissident shareholder’s alternative slate. In other words, Atrion Corporation already has, except in extraordinary circumstances, a classified Board.

Background of Pro Cap NYC llc (“Pro Cap”)

Pro Cap is my third career iteration of applying corporate governance on behalf of shareholders—previously head of Jefferies Group’s M&A Department and then President of Providence Capital, Inc. (1985 – Present.) I have personally led dozens of proxy contests as well as precursors including Time Warner, USX-Marathon, COMSAT, Lockheed and Campbell Soup on behalf of shareholders from CalPERS to the Dorrance family to Carl Icahn.
The most relevant experience was successfully causing seven out of seven companies to redeem, rescind, or modify their respective 'poison pills' in 2002. Now, just 16 poison pills exist (See ISS's article “Will Bert Kill the Pill?)

Moreover, I have served on ten Boards of Directors and witnessed the alacrity of my fellow directors to enhance governance practices in all ten companies. Consequently, I am encouraged to believe that upon review and due consideration Atrion Corporation's Board will declassify itself prior to its 2020 Annual Meeting of Shareholders.

Thank you.

Sincerely,

[Signature]

Herbert A. Denton
President
Pro Cap NYC llc
Bert@procapnyc.com

Cc: B. McNew, Cooch and Taylor P.A.