



DIVISION OF
CORPORATION FINANCE

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

September 1, 2016

Via Facsimile and U.S. Mail

Brad Brassler, Esq.
Jones Day
77 W. Wacker, Suite 3500
Chicago, Illinois 60601-1692

RE: The Procter & Gamble Company Exchange Offer

Dear Mr. Brassler:

We are responding to your letter dated September 1, 2016 addressed to Michele M. Anderson and Perry J. Hindin, as supplemented by telephone conversations with the Staff, with regard to the Procter and Gamble Company's request for no-action relief. To avoid having to recite or summarize the facts set forth in your letter, our response is attached to the enclosed copy of your letter. Unless otherwise noted, capitalized terms in this letter have the same meaning as in your letter.

On the basis of your representations and facts presented in your letter, the Staff of the Division of Corporation Finance will not recommend that the Commission take enforcement action under Rules 13e-4(d)(1), 13e-4(e)(3), 13e-4(f)(1)(ii) or 14e-1(b) under the Exchange Act if P&G conducts the Exchange Offer in the manner described in your letter. In issuing these no-action positions, we considered the following facts, among others:

- P&G's disclosure of a specified dollar value of Galleria common stock (which will be converted into the right to receive Coty class A common stock in the Merger on a one for one merger conversion ratio) that tendering P&G security holders will receive in exchange for a dollar value of tendered P&G common stock (subject to an upper limit on the exchange ratio);
- The Pricing Mechanism for determining the number of shares of Galleria common stock to be received in exchange for shares of P&G common stock will be disclosed in the tender offer materials disseminated to security holders;
- The Pricing Mechanism will remain constant throughout the duration of the Exchange Offer, and if there is a change in the Pricing Mechanism, the Exchange Offer will remain open for at least ten business days thereafter;
- P&G will provide a toll-free number and a website that its security holders can use to obtain daily indicative exchange ratios and, after announcement of the final

exchange ratio, the final exchange ratio (including whether the upper limit to the exchange ratio is in effect);

- P&G will publish the final exchange ratio (including an announcement whether the limit on the exchange ratio is in effect) in a press release and on the website no later than 9:00 a.m., New York City time, on the trading day immediately preceding the expiration date, file the information as a Rule 425 filing pursuant to Rule 165 of the Securities Act of 1933, and file an amendment to its Schedule TO on the same date setting forth the same information;
- P&G will make available forms of notice of guaranteed delivery and a notice of withdrawal in its printed materials, and will disclose the procedures for after-hours tenders and withdrawal, including the times and methods by which tenders and withdrawals must be made;
- P&G common stock and Coty class A common stock are listed on the NYSE; and
- P&G's view that the trading prices for Coty class A common stock are an appropriate proxy for the price of Galleria common stock.

The foregoing no-action positions are based solely on your representations and the facts presented in your letter dated September 1, 2016, as supplemented by telephone conversations with the Commission Staff. This relief is strictly limited to the application of the rules listed above to use of the Pricing Mechanism and with respect to P&G's specification of the number of shares of P&G common stock sought in the Exchange Offer. P&G should discontinue the Exchange Offer pending further consultations with the Staff if any of the facts or representations set forth in your letter change.

Brad Brassler, Esq.
Jones Day
September 1, 2016
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We also direct your attention to the anti-fraud and anti-manipulation provisions of the federal securities laws, including Sections 9(a), 10(b) and 14(e) of the Exchange Act and Rules 10b-5 and 14e-3 thereunder. Responsibility for compliance with these and any other applicable provisions of the federal securities laws rests with the participants in the Exchange Offer. The Division of Corporation Finance expresses no view with respect to any other questions that the Exchange Offer may raise, including, but not limited to, the adequacy of the disclosure concerning, and the applicability of any other federal or state laws to, the Exchange Offer. This response expresses the Division's position on enforcement action only and does not express any legal conclusion on the question presented.

Sincerely,

For the Division of Corporation
Finance,

A handwritten signature in cursive script that reads "Michele M. Anderson".

Michele M. Anderson
Associate Director, Legal
Division of Corporation Finance

JONES DAY

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September 1, 2016

*No-Action Request
Rules 13e-4(d)(1), 13e-4(e)(3),
13e-4(f)(1)(ii) and 14e-1(b)*

Via Email

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Mergers and Acquisitions
100 F Street, N.E.
Washington, D.C. 20549-3628

Attn: Michele Anderson, Associate Director (Legal)
Perry J. Hindin, Special Counsel

Re: The Procter & Gamble Company Exchange Offer

Ladies and Gentlemen:

We are writing on behalf of our client, The Procter & Gamble Company (“P&G”), an Ohio corporation, in connection with a proposed exchange offer. P&G, Galleria Co., a wholly owned subsidiary of P&G (“Galleria Company”), Coty Inc. (“Coty”), and Green Acquisition Sub Inc., a wholly owned subsidiary of Coty (“Merger Sub”) have entered into a Transaction Agreement (the “Transaction Agreement”) to implement a combination (the “Transaction”) of certain assets and liabilities relating to the beauty business of P&G (the “Subject Business”) with Coty in a “Reverse Morris Trust” transaction. As part of the implementation of the Transaction, P&G will conduct an offer to exchange all the outstanding shares of Galleria Company common stock (“Galleria Company common stock”) for shares of P&G common stock (“P&G common stock”) as described below (the “Exchange Offer”).¹ As promptly as practicable following completion of the Exchange Offer, Merger Sub will merge (the “Merger”) with and into Galleria Company, with Galleria Company surviving the merger and becoming a wholly owned subsidiary of Coty, and each share of Galleria Company common stock will be automatically converted into the right to receive one share of Coty class A common stock (“Coty class A common stock”).

The Exchange Offer adopts substantially the same pricing mechanism as the one used by (i) Baxter International, Inc. (“Baxter”) in its exchange offer (the “Baxter Exchange Offer”) with respect to the common stock of Baxalta Incorporated, (ii) General Electric Company (“GE”) in its exchange offer (the “GE Exchange Offer”) with respect to the common stock of Synchrony Financial, (iii) Bristol-Myers Squibb Company (“BMS”) in its exchange offer (the “BMS Exchange Offer”) with respect to the common stock of Mead Johnson Nutrition Company and (iv) P&G in its exchange offer (the “P&G/Smucker Exchange Offer”) with respect to the shares of The J.M. Smucker Company as part of a Reverse Morris Trust transaction, all of which employed “day 18” pricing mechanisms, as described below. The proposed pricing mechanism for the Exchange Offer is also similar to the one used by (i) The Dow Chemical Company (“TDCC”) in its exchange offer (the “TDCC Exchange Offer”) with respect to the common stock of Olin Corporation as part of a Reverse Morris Trust transaction, (ii) Weyerhaeuser Company (“Weyerhaeuser”) in its exchange offer (the “Weyerhaeuser-Tri Pointe Exchange Offer”) with respect to the common stock of Tri Pointe Homes, Inc. as part of a Reverse Morris Trust transaction, (iii) CBS Corporation

¹ Under the Transaction Agreement, P&G may elect, in its sole discretion, to distribute the stock of Galleria Company to P&G’s shareholders in either a one-step spin-off or an exchange offer.

(“CBS”) in its exchange offer (the “CBS Exchange Offer”) with respect to the common stock of CBS Outdoor Americas Inc., (iv) Pfizer Inc. (“Pfizer”) in its exchange offer (the “Pfizer Exchange Offer”) with respect to the Class A common stock of Zoetis, Inc., (v) Halliburton Company (“Halliburton”) in its exchange offer (the “Halliburton Exchange Offer”) with respect to the common stock of KBR, Inc., (vi) Weyerhaeuser in its exchange offer (the “Weyerhaeuser-Domtar Exchange Offer”) with respect to the common stock of Domtar Corporation, (vii) McDonald’s Corporation (“McDonald’s”) in its exchange offer (the “McDonald’s Exchange Offer”) with respect to the Class B Common Stock of Chipotle Mexican Grill, Inc., (viii) PPG Industries, Inc. (“PPG”) in its exchange offer (the “PPG Exchange Offer”) with respect to the common stock of Georgia Gulf Corporation as part of a Reverse Morris Trust transaction, and (ix) Kraft Foods Inc. (“Kraft”) in its exchange offer (the “Kraft Exchange Offer”) with respect to the common stock of Ralcorp Holdings, Inc. as part of a Reverse Morris Trust transaction, all of which employed “day 20” pricing mechanisms, as described below. The Baxter Exchange Offer, the GE Exchange Offer, the BMS Exchange Offer, the P&G/Smucker Exchange Offer, the TDCC Exchange Offer, the Weyerhaeuser-Tri Pointe Exchange Offer, the CBS Exchange Offer, the Pfizer Exchange Offer, the Halliburton Exchange Offer, the Weyerhaeuser-Domtar Exchange Offer, the McDonald’s Exchange Offer, the PPG Exchange Offer and the Kraft Exchange Offer, are collectively referred to herein as the “Similar Exchange Offers.”²

We respectfully request that the Staff confirm that it will not recommend that the U.S. Securities and Exchange Commission (the “Commission”) take enforcement action pursuant to Rule 13e-4(d)(1) (requiring the specification of consideration offered and the specification of the total number of securities sought in an issuer tender offer), Rule 13e-4(e)(3) (requiring such an offer remain open for at least ten business days from the date that notice of a change in the price or the amount of securities sought is disseminated to security holders), and Rules 13e-4(f)(1)(ii) and 14e-1(b) (requiring such an offer remain open for at least ten business days from the date that notice of a change in the consideration offered or a change in the percentage of the class of securities being sought is first published, sent or given to security holders) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) with respect to the pricing mechanism for the Exchange Offer as described below (the “Pricing Mechanism”) and with respect to the specification of the number of shares sought in the Exchange Offer as described below. The issues presented are substantially identical to those to which the Staff did not object in connection with the Baxter, GE, BMS and P&G/Smucker Exchange Offers. The issues presented are also similar to those to which the Staff did not object in the TDCC, Weyerhaeuser-Tri Pointe, CBS, Pfizer, Kraft, Halliburton, Weyerhaeuser-Domtar, McDonald’s and PPG Exchange Offers, but with the simplified time-table and procedures like that used in Baxter, GE, BMS and P&G/Smucker and by Lazard Frères & Co. (“Lazard”) in its offer (the “Lazard Offer”) and TXU Corp (“TXU”) in its offer (the “TXU Offer”).³

I. BACKGROUND

A. Parties to the Transaction

1. P&G

P&G is a publicly held company organized under the laws of Ohio. P&G is focused on providing branded consumer packaged goods of superior quality and value to improve the lives of the world’s consumers. P&G was incorporated in Ohio in 1905, having been built from a business founded in 1837 by William Procter and James Gamble. Today, P&G sells its products in more than 180 countries and territories, including brands such as Always, Ambi Pur, Ariel, Bounty, Charmin, Crest, Dawn, Downy, Fairy, Febreze, Gain, Gillette, Head & Shoulders, Lenor, Olay, Oral-B, Pampers, Pantene, SK-II, Tide, Vicks and Whisper. As of June 30, 2015, P&G owned and operated 29 manufacturing sites located in 21 different states or territories in the United States and 100 manufacturing facilities in 38 other countries. Many of the domestic and international sites manufacture products for multiple businesses.

² See *Baxter International Inc.* (avail. Apr. 21, 2016); *General Electric Company* (avail. Oct. 19, 2015); *Bristol-Myers Squibb Company* (avail. Nov. 16, 2009) and *The Procter & Gamble Company* (avail. Oct. 8, 2008). See also *The Dow Chemical Company* (avail. Sept. 2, 2015); *Weyerhaeuser Company* (avail. June 26, 2014); *CBS Corporation* (avail. June 11, 2014); *Pfizer Inc.* (avail. May 22, 2013); *Halliburton Company* (avail. Mar. 21, 2007); *Weyerhaeuser Company* (avail. Feb. 23, 2007); *McDonald’s Corporation* (avail. Sept. 27, 2006); *PPG Industries, Inc.* (avail. Dec. 21, 2012); and *Kraft Foods Inc.* (avail. July 1, 2008).

³ See *Lazard Freres & Co.* (avail. Aug. 11, 1995) and *TXU Corporation* (avail. Sept. 13, 2004).

For the fiscal years ended June 30, 2015 and 2014, P&G had net sales of \$70.749 billion and \$74.401 billion, respectively, and operating income of \$11.049 billion and \$13.910 billion, respectively.

P&G is a well-known seasoned issuer, subject to the information reporting requirements of the Exchange Act pursuant to Section 12(b) thereof. Accordingly, it files with the Commission periodic reports, proxy statements and other information relating to P&G's business, financial results and other matters. P&G is current in its periodic reporting obligations under the Exchange Act.

As of March 31, 2016, there were 2,661,851,865 shares of P&G common stock outstanding. P&G common stock is listed on the New York Stock Exchange (the "NYSE") and the NYSE Euronext-Paris. Each share of P&G common stock is entitled to one vote per share for all matters submitted to a vote of shareholders.

2. *Galleria*

Galleria Company is a Delaware corporation and a wholly owned subsidiary of P&G. Galleria Company was organized on June 25, 2015 for the purpose of effecting the separation of the Subject Business from P&G. Galleria Company has no material assets or liabilities of any kind, other than those incident to its formation and those acquired or incurred in connection with the Transaction.

3. *Coty*

Coty is a publicly held company organized under the laws of Delaware. Coty is a leading global beauty company. Founded in Paris in 1904, Coty is a pure play beauty company with a portfolio of well-known brands that compete in the three segments in which Coty operates: Fragrances, Color Cosmetics and Skin & Body Care. Coty currently holds the #2 global position in fragrances, the #4 global position in color cosmetics and has a strong regional presence in skin and body care. Coty's top 10 brands, which Coty refers to as its "power brands," generated 72% of its net revenues in fiscal 2015 and comprise the following globally recognized brands: adidas, Calvin Klein, Chloé, DAVIDOFF, Marc Jacobs, OPI, philosophy, Playboy, Rimmel and Sally Hansen. Coty's brands compete in all key distribution channels across both prestige and mass markets and in over 130 countries and territories.

For the fiscal years ended June 30, 2015 and 2014, Coty had \$4.395 billion and \$4.552 billion of net revenues, respectively, and generated operating income of \$395.1 million and \$25.7 million, respectively.

Coty is a well-known seasoned issuer, subject to the information reporting requirements of the Exchange Act pursuant to Section 12(b) thereof. Accordingly, it files with the Commission periodic reports, proxy statements and other information relating to its business, financial results and other matters. We understand that Coty is current in its periodic reporting obligations under the Exchange Act.

As of March 31, 2016, there were 76,829,900 shares of Coty class A common stock outstanding. Coty class A common stock is listed on the NYSE. As of March 31, 2016, there were 262,062,370 shares of Coty class B common stock ("Coty class B common stock") outstanding. Coty class B common stock is not listed for trading on any national securities exchange. Each share of Coty class A common stock is entitled to one vote per share for all matters submitted to a vote of stockholders. Each share of Coty class B common stock is entitled to ten votes per share for all matters submitted to a vote of shareholders. In connection with the Transaction, all shares of Coty class B common stock will be converted into shares of Coty class A common stock as described below under "—The Steps of the Transaction—Conversion of Coty Class B Common Stock."

4. *Merger Sub*

Merger Sub is a Delaware corporation and a direct wholly owned subsidiary of Coty that was organized on June 23, 2015 specifically for the purpose of completing the Merger. Merger Sub has engaged in no business activities to date and has no material assets or liabilities of any kind, other than those incident to its formation and those acquired or incurred in connection with the Transaction.

B. The Steps of the Transaction

The terms of the Transaction, including the Exchange Offer, are more fully described in the prospectus (the "Prospectus") included in the (i) Registration Statement on Form S-4 / S-1 (No. 333-210857) originally filed by

Galleria Company on April 22, 2016 and amended thereafter and (ii) Registration Statement on Form S-4 (No. 333-210856) originally filed by Coty on April 22, 2016 and amended thereafter. The Transaction, including the Exchange Offer, will also be described in a Schedule TO to be filed by P&G at the time of commencement of the Exchange Offer (as so amended from time to time, the "Schedule TO"). Set forth below is a description of the key components of the Transaction.

1. Separation of the Subject Business

P&G will transfer to Galleria Company certain assets relating to the Subject Business, including certain subsidiaries of P&G. Galleria Company will also assume certain liabilities associated with the Subject Business.

2. Galleria Company Recapitalization

Prior to the Distribution (defined below), and in partial consideration for the assets of the Subject Business transferred from P&G to Galleria Company, Galleria Company will be recapitalized in the following manner:

- Galleria Company will issue and deliver to P&G a number of additional shares of Galleria Company common stock such that P&G will hold a specified number of shares of Galleria Company common stock,⁴ all of which shares of Galleria Company common stock P&G will dispose of in the Distribution; and
- Galleria Company will use all or a portion of the proceeds of the indebtedness it incurs on or prior to the date of the recapitalization described above, along with any cash contributed by P&G, to purchase or otherwise obtain the assets of the Subject Business from P&G or its subsidiaries. Galleria Company will distribute to P&G, prior to the Distribution of shares described below, any borrowed amounts remaining after funding these asset purchases.

3. Conversion of Coty Class B Common Stock

JAB Cosmetics B.V., the holder of all outstanding shares of Coty class B common stock, will, subject to satisfaction or waiver of the conditions to closing of the Merger set forth in the Transaction Agreement (other than those conditions that by their nature or pursuant to the terms of the Transaction Agreement are to be satisfied at or immediately prior to the closing), irrevocably elect, no later than two business days prior to the closing of the Merger, to convert its shares of Coty class B common stock into shares of Coty class A common stock. Following this conversion, Coty class A common stock will be Coty's only class of common stock outstanding.

4. The Distribution – Exchange Offer

Following the transactions described above, P&G will distribute its shares of Galleria Company common stock to P&G shareholders. P&G currently expects to make this distribution through the Exchange Offer. In the Exchange Offer, P&G would offer to P&G shareholders the right to exchange all or a portion of their shares of P&G common stock for shares of Galleria Company common stock. In the event that the Exchange Offer is completed but not fully subscribed, P&G would distribute by means of a dividend any remaining shares of Galleria Company common stock to P&G shareholders (after giving effect to the Exchange Offer) on a pro rata basis (any such dividend, together with the Exchange Offer, the "Distribution").

⁴ This amount will be calculated on the last practicable date prior to the commencement of the Exchange Offer and will be the product of (i) thirteen twelfths (13/12) and (ii) the sum of (A) the aggregate number of shares of Coty class A common stock and Coty series A preferred stock outstanding on the date of calculation, including any shares of Coty class A common stock repurchased by Coty between August 13, 2015 and the 30th day prior to the commencement date of the Exchange Offer, and (ii) the aggregate number of shares of Coty class A common stock issuable pursuant to options, warrants, rights, subscriptions, claims of any character, agreements, obligations, convertible or exchangeable securities, or other commitments, contingent or otherwise pursuant to which Coty is or may become obligated to issue shares of any of Coty's capital stock (other than Coty series A preferred stock) and any securities convertible into, exchangeable for, or evidencing the right to subscribe for, any Coty capital stock outstanding on the date of calculation (including restricted stock units, phantom units, options and any shares of Coty class B common stock that will be converted into Coty class A common stock), whether contingent, vested or unvested, or otherwise (without giving effect to any "cashless exercise" or similar features).

5. *The Merger*

As promptly as practicable following the completion of the Distribution, Merger Sub will merge with and into Galleria Company, with Galleria Company surviving the Merger and becoming a wholly owned subsidiary of Coty. Each share of Galleria Company common stock will be automatically converted into the right to receive one fully paid and nonassessable share of Coty class A common stock.

II. THE EXCHANGE OFFER

P&G is adopting the Pricing Mechanism (described below) for the Exchange Offer. The terms of the Exchange Offer are more fully described in the Prospectus. Participation in the Exchange Offer is voluntary, and P&G and Coty have not made and will not make any recommendation about whether anyone should participate. P&G's directors and officers may participate in the Exchange Offer, but the terms of the offer do not provide them with any advantage relative to other P&G shareholders.

As in the Similar Exchange Offers, the Exchange Offer does not set forth a fixed exchange ratio at the outset of the Exchange Offer. Rather, the Exchange Offer price is expressed as a ratio of Galleria Company common stock for each \$1.00 of P&G common stock tendered pursuant to the Exchange Offer (subject to the upper limit on the exchange ratio described below). This value relationship will reflect a discount to the estimated value of Galleria Company common stock (based on the value of the Coty class A common stock that Galleria Company common stock will be converted into the right to receive) in order to encourage participation in the Exchange Offer.

Consistent with the Similar Exchange Offers (other than the McDonald's Exchange Offer),⁵ the Pricing Mechanism will calculate the per-share values for P&G common stock and Coty class A common stock by reference to the simple arithmetic average of the daily volume-weighted average price (or daily "VWAP") of each stock over a three-business day period (the "Averaging Period"). Whereas in the TDCC, Weyerhaeuser-Tri Pointe, CBS, Pfizer, Kraft, Halliburton, Weyerhaeuser-Domtar and McDonald's Exchange Offers, per-share values of underlying stocks were determined by reference to the daily VWAP of each stock during an averaging period ending on and including the expiration date of the Exchange Offer, the Averaging Period, consistent with the Baxter Exchange Offer, the GE Exchange Offer, the BMS Exchange Offer, the P&G/Smucker Exchange Offer, the Lazard Offer and the TXU Offer, will end on and include the second trading day preceding the expiration date, allowing investors two full trading days to consider the final exchange ratio and decide to tender or withdraw. Also, consistent with Baxter, GE, BMS, P&G/Smucker and the other Similar Exchange Offers, the trading data to be used to set the value of P&G common stock and Coty class A common stock will be the trading data for P&G common stock and Coty class A common stock, respectively, on the NYSE. The daily VWAP for P&G common stock and Coty class A common stock will be the VWAP per share of the applicable stock on the NYSE during the period beginning at 9:30 a.m., New York City time (or the then official open of trading), and ending at 4:00 p.m., New York City time (or the then official close of trading), on such day. The daily VWAP for P&G common stock and Coty class A common stock will be determined by P&G for each day during the Averaging Period, and P&G will calculate the simple arithmetic average of such VWAPs of each stock. P&G believes that the Averaging Period offers shareholders a reasonable balance between the objectives of providing the most current pricing practicable, while reducing price distortions that could occur if prices were established at a single point in time.

Consistent with the Similar Exchange Offers, P&G shareholders participating in the Exchange Offer will receive a maximum number of shares of Galleria Company common stock for each share of P&G common stock accepted for exchange, which limit will be established using the closing price for P&G common stock on the last trading day prior to the commencement of the Exchange Offer, and a discount to the closing price for Coty class A common stock on such date (referred to as the "upper limit"). This upper limit is intended to protect non-tendering holders of P&G common stock against an unusual or unexpected drop in the trading price of Coty class A common stock, relative to the trading price of P&G common stock, and the prospective loss of value to them (as continuing P&G shareholders) if Galleria Company common stock were exchanged at an unduly high exchange ratio. No later than 9:00 a.m., New York City time, on the trading day immediately following the Averaging Period, which will be the trading day immediately preceding the expiration date, P&G will issue a press release and make a Rule 425 filing with the Commission to announce the final exchange ratio and whether the upper limit is in effect leaving

⁵ The calculated per-share values for McDonald's common stock and Chipotle class A common stock was determined based upon volume-weighted average pricing of each stock over a two-day period.

P&G shareholders two trading days to tender or withdraw. Consistent with the Similar Exchange Offers, the Exchange Offer will not include any minimum exchange ratio because, were such a limit to be triggered, it would provide tendering shareholders with a windfall return for P&G common stock tendered and accepted, and could potentially unduly harm non-tendering holders of P&G common stock.

Also consistent with the Similar Exchange Offers, if, upon the expiration of the Exchange Offer, P&G shareholders have validly tendered more P&G common stock than P&G is able to accept for exchange, P&G will accept for exchange P&G common stock validly tendered and not withdrawn by each tendering shareholder on a pro rata basis (other than with respect to odd-lot tenders). P&G will first calculate a “Proration Factor,” which will equal (i) the total number of shares of P&G common stock that P&G is able to accept (taking into account the final exchange ratio) divided by (ii) the total number of shares of P&G common stock validly tendered and not withdrawn (in all cases after adjustment for odd-lot tenders that are not subject to proration as described below). The Proration Factor will then be applied to each P&G shareholder with respect to the total number of shares of P&G common stock validly tendered by such P&G shareholder pursuant to the Exchange Offer and not withdrawn (except for holders of less than 100 shares of P&G common stock who validly tender all of their shares and elect not to be subject to proration). The final proration will be adjusted as necessary to ensure the exchange of all shares of Galleria Company common stock owned by P&G.

The trading prices for Coty class A common stock are, in P&G’s view, an appropriate proxy for the theoretical trading prices for Galleria Company common stock, as (i) the number of shares of Galleria Company common stock to be issued to P&G (and distributed to the participating P&G shareholders) will be calculated on the basis of the number of issued and outstanding shares of Coty class A common stock and (ii) upon consummation of the Merger, all outstanding shares of Galleria Company common stock will automatically be converted into the right to receive Coty class A common stock at a 1:1 ratio, such that investors should view one share of Galleria Company common stock as economically equivalent to one share of Coty class A common stock.

The Pricing Mechanism will be disclosed in the Prospectus and will be constant throughout the Exchange Offer. Any change in the Pricing Mechanism (including in the upper limit described above) will be made no later than ten business days before offer expiration and would be published in a press release and in a Rule 425 filing with the Commission. That information and the press release will also be included in an amendment to P&G’s Schedule TO to be filed in connection with the Exchange Offer.

The Exchange Offer commenced by P&G relies on traditional, timely methods of disclosing the pricing information consistent with the “day 18” pricing mechanisms used in the Baxter Exchange Offer, the GE Exchange Offer, the BMS Exchange Offer, the P&G/Smucker Exchange Offer, the Lazard Offer and the TXU Offer. Consistent with the Baxter Exchange Offer, the GE Exchange Offer, the BMS Exchange Offer, the P&G/Smucker Exchange Offer, the Lazard Offer and the TXU Offer, P&G will make pricing information available as follows:

- Indicative exchange ratios will be available on each day of the Exchange Offer period prior to the announcement of the final exchange ratio by contacting the information agent for the Exchange Offer at a toll-free telephone number that will be disclosed in the Prospectus. Prior to 4:30 p.m. New York City time on the third trading day of the Exchange Offer period, the indicative exchange ratio provided by the information agent will be the indicative exchange ratio calculated using the daily VWAPs during the three trading days ending on the trading date immediately prior to the launch of the Exchange Offer. This indicative exchange ratio will also be set forth on the front cover of the Prospectus. After 4:30 p.m. New York City time on the third trading day of the Exchange Offer period, the indicative exchange ratio provided by the information agent will be the indicative exchange ratio calculated using the daily VWAPs during those three trading days. Thereafter, the indicative exchange ratios will be updated each trading day after 4:30 p.m. New York City time using that day’s VWAPs.
- P&G will maintain a dedicated website for the Exchange Offer that provides the daily VWAP of both P&G common stock and Coty class A common stock, together with indicative exchange ratios, during the Exchange Offer period. The indicative exchange ratios will be updated on the website each trading day by 4:30 p.m. New York City time.

- Prior to the Averaging Period, commencing on the third trading day of the Exchange Offer period, indicative exchange ratios for each day will be calculated based on the simple arithmetic average of the daily VWAPs of P&G common stock and Coty class A common stock on the NYSE on each day, calculated as though that day were the last day of the three day Averaging Period for the Exchange Offer. In other words, assuming that a given day is a trading day, the indicative exchange ratio will be calculated based on the simple arithmetic average of the daily VWAPs of P&G common stock and Coty class A common stock on the NYSE for that day and the immediately preceding two trading days. The indicative exchange ratio will also reflect whether the upper limit on the exchange ratio, described above, would have been in effect.
- During the Averaging Period, the indicative exchange ratios will be based on (1) on the first day of the Averaging Period, the daily VWAPs of P&G common stock and Coty class A common stock on the NYSE for that day, and (2) on the second day of the Averaging Period, the simple arithmetic average of the daily VWAPs of shares of P&G common stock and Coty class A common stock on the first and second day of the Averaging Period.
- No indicative exchange ratio will be published or announced on the third day of the Averaging Period. The final exchange ratio will be announced on the website and separately by press release no later than 9:00 a.m., New York City time, on the trading day immediately preceding the expiration date of the Exchange Offer. P&G will also announce at that time whether the upper limit on the number of shares of Galleria Company common stock that can be received for each share of P&G common stock tendered is in effect. After that time, P&G shareholders may also contact the information agent for the Exchange Offer to obtain this information at a toll-free telephone number disclosed in the Prospectus.

Consistent with the Similar Exchange Offers, withdrawal rights will be available throughout the Exchange Offer. Because the offer will terminate at midnight, New York City time, on the expiration date and P&G will announce the final exchange ratio by 9:00 a.m., New York City time, on the trading day immediately preceding the expiration date, holders of shares of P&G common stock will have two full trading days to consider the final exchange ratio and decide to tender or withdraw. In this regard, we note the following:

- Holders of P&G common stock will be able to send via fax (through their brokers or similar institutions if they do not hold their shares directly) notices of withdrawal to the exchange agent for the Exchange Offer.
- P&G will make available to holders of P&G common stock in printed materials a notice of guaranteed delivery and a notice of withdrawal, and the procedures for after-hours tenders and withdrawal will be explained in the Prospectus, including the times and methods by which tenders and withdrawals must be made.

Even without these procedures, holders of P&G common stock will at all times from the start of the Exchange Offer know the value offered for each share of P&G common stock as ascribed by the Pricing Mechanism. They will also have free and ready access to information during the Averaging Period that should enable them to make informed decisions about their participation in the Exchange Offer. Moreover, if the final exchange ratio is subject to the upper limit described above, investors will have two additional trading days during which to tender or withdraw their shares of P&G common stock.

III. DISCUSSION

We respectfully request on behalf of P&G that the Staff confirms that it will not recommend that the Commission take enforcement action pursuant to Rules 13e-4(d)(1), 13e-4(e)(3), 13e-4(f)(1)(ii) and 14e-1(b) under the Exchange Act with respect to P&G's use of the Pricing Mechanism as described above.

We believe that the Pricing Mechanism is consistent with the protection of investors because it results in a fixed, constant dollar value exchange (subject to the upper limit on the exchange ratio described above) and provides greater certainty about the ultimate return to investors and absolute certainty about the maximum number of shares of Galleria Company common stock receivable per share of P&G common stock tendered. This approach is identical to the pricing mechanisms in the Baxter, GE, BMS and P&G/Smucker Exchange Offers, which build on

the pricing mechanisms in the other Similar Exchange Offers and the other traditionally available pricing structures, including formula-based and “Dutch auction” structures previously approved by the Staff, and provides investors with advantages not available in those offers. In addition, the Pricing Mechanism adopts the simplified timetable and procedures used in the Baxter Exchange Offer, the GE Exchange Offer, the BMS Exchange Offer, the P&G/Smucker Exchange Offer, the Lazard Offer and the TXU Offer, thereby ensuring that the investors have ample time to decide whether to tender or withdraw.

A. Fixed Exchange Ratios

The Pricing Mechanism allows investors to better predict the value they will receive in the Exchange Offer than they would in an offer using the traditional pricing method of a fixed exchange ratio. In fixed-ratio offers, the return to investors depends on the value at the time of expiration of the offer of both what is offered and what is tendered. These values fluctuate independently and without constraint during the offer period, and an investor only realizes the actual discount or premium initially embedded in the exchange ratio if the prices of the underlying stocks on offer expiration are equal to their prices at the offer’s inception. Sophisticated investors may seek at the start of the offer to lock in the initial discount through a variety of trading strategies that, when implemented, could make them economically indifferent to subsequent changes in trading prices for the stocks involved. Less sophisticated investors, such as small retail investors, generally will not lock in the discount at the offer’s inception. Instead, their participation decision may be more heavily influenced by the relative prices of each stock at the offer’s end, which may not reflect the discount originally provided.

B. Formula-Based Exchange Ratios and Pricing Structures

For various reasons, including to mitigate the disadvantages of fixed-ratio offers and to permit a more current market valuation of the securities involved in an exchange, market participants have sought, and the Staff has granted, relief under the tender offer rules when the exchange ratio is based on a formula using trading data over a specified period (typically ten trading days).⁶ In *Lazard*, the first of these no-action letters, the Staff nonetheless required that the exchange ratio be set no later than the second full business day preceding the offer expiration. The Staff has extended the relief granted in *Lazard* to other circumstances involving formula-based pricing, but in many instances has continued to require that the final consideration be set no later than two trading days prior to the expiration of the offer. For example, the Staff permitted AB Volvo (“AB Volvo”) to set the redemption price for AB Volvo common stock using a formula based on volume-weighted average trading prices of that stock on the Stockholm Stock Exchange on three specified days during a three-week period ending two U.S. trading days before the expiry of the U.S. offer.⁷ Similarly, the Staff permitted TXU to offer to purchase certain equity-linked securities for a price fixed at least two days prior to the expiration of the exchange offer and indexed to the daily VWAP of TXU’s stock for the ten-day period then ended.⁸

1. “Day 18” versus “Day 20” Pricing

Consistent with the formulas used in the Baxter, GE, BMS, P&G/Smucker, Lazard, AB Volvo and TXU offers, the Pricing Mechanism uses an Averaging Period ending on and including the second trading day preceding the expiration date, providing for a two-trading day window between pricing and offer expiration. This “day 18” pricing reflects an effort to balance potentially conflicting considerations: on one hand, the need for adequate dissemination of information about the absolute consideration being offered to investors and, on the other hand, the desire to minimize the artificially imposed exposure to market risk resulting from the imposition of an arbitrary time delay between pricing and offer expiration. The result is that the final exchange ratio in the Exchange Offer can and will be announced by 9:00 a.m., New York City time, on the trading day immediately preceding the expiration date,

⁶ *Lazard Freres & Co.* (avail. Aug. 11, 1995). See also *BBVA Privanza International (Gibraltar) Limited* (avail. Dec. 23, 2005); *TXU Corporation* (avail. Sept. 13, 2004); *Epicor Software Corp.* (avail. May 13, 2004); and *AB Volvo* (avail. May 16, 1997).

⁷ *AB Volvo* (avail. May 16, 1997).

⁸ *TXU Corporation* (avail. Sept. 13, 2004). See also, e.g., *BBVA Privanza International (Gibraltar) Limited* (avail. Dec. 23, 2005) (granting relief to BBVA and Gibraltar to price a tender offer for preference shares based on a stated fixed spread over yield on a specified benchmark U.S. Treasury security on the second business day immediately preceding the expiration of the tender offer period); *Epicor Software Corp.* (avail. May 13, 2004) (granting relief to Epicor to determine the magnitude of an offer price adjustment by reference to the average closing price per share of Epicor common stock during the ten trading-day period ending two trading days before expiration of the offer).

allowing investors two full trading days to consider the final exchange ratio in the Exchange Offer and decide to tender or withdraw at any time during that two-trading day period.

2. *Length of Averaging Period*

Consistent with Baxter, GE, BMS, P&G/Smucker, TDCC, Weyerhaeuser-Tri Pointe, CBS, Pfizer, PPG, Kraft, Halliburton and Weyerhaeuser-Domtar, the Pricing Mechanism uses a three-trading day Averaging Period. For the same reasons stated above, we believe that the ten-trading day averaging period used in Lazard and TXU is not as favorable to retail investors as the three-trading day averaging period incorporated in the Pricing Mechanism. The underlying policy favoring a longer pricing period is in principle that it protects investors against potential manipulation and other unusual price movements that could distort the value of consideration offered to investors. A lengthy averaging period, however, increases the likelihood that market-wide fluctuations may influence the calculation and that the prices of the underlying securities at the end of such averaging period will differ significantly from the value ascribed to them by the Pricing Mechanism – a result that could particularly adversely affect less sophisticated investors who decide whether to participate in an exchange offer based on the final values of the stocks involved. The Pricing Mechanism uses more current pricing through a shorter averaging period, while still providing protection against the manipulation that could arise using “point in time” pricing, and thus should benefit investors as a whole.

The Pricing Mechanism enables investors to consider whether to accept or reject an exchange or tender offer based on a fixed dollar value of Galleria Company common stock receivable per \$1.00 of P&G common stock tendered (subject to the upper limit on the exchange ratio described above). “Day 18” pricing also provides that tendering holders will know prior to the last day of the Exchange Offer period the precise number of shares of Galleria Company common stock they will receive per share of P&G common stock tendered. The Pricing Mechanism also offers significant advantages to investors in that it:

- minimizes the potential for pricing disparities between the announced ratio and the final ratio in exchange offers using fixed and formula-based exchange ratios;
- is simple to understand, because it focuses on the relative value relationship between two stocks (the central consideration for investors);
- relies on more current information about the value of the stocks in question, because it uses a shorter averaging period, while at the same time incorporating protections against manipulation; and
- announces the final exchange ratio by 9:00 a.m., New York City time, on the trading day immediately preceding the expiration date, allowing investors two full trading days to evaluate the Exchange Offer and decide whether to tender or withdraw their shares.

Practical experience also suggests that smaller investors have participated effectively in offers using market-based pricing and that they would readily understand the simpler and more intuitive Pricing Mechanism used in the Exchange Offer. While they arose in an employee compensation context, the issuer tender offers conducted by Comcast and Microsoft, among others, demonstrate that tens of thousands of individual investors – some with no remaining connection to the issuer – were able to evaluate market-based offers where the exchange ratio was not fixed at the start of the exchange offer.⁹ It is noteworthy that neither employees nor former employees can be distinguished from other security holders in either their need for adequate and timely pricing information or their ability to analyze and act on market-based pricing. We also note that the Similar Exchange Offers were well oversubscribed. For example, the Baxter Exchange Offer was approximately 24.6 times oversubscribed (11,526,638 shares accepted for exchange out of 283,708,434 shares validly tendered), the GE Exchange Offer was approximately 3.2-times oversubscribed (671,366,809 shares accepted for exchange out of 2,149,128,195 shares validly tendered), the TDCC Exchange Offer was approximately 5-times oversubscribed (34,108,738 shares

⁹ See, e.g., *Comcast Corp.* (avail. Oct. 7, 2004) (granting relief with respect to an option liquidity program that permitted transfers of options, more than 85% of which were “out-of-the-money,” to a broker as part of an employee compensation mechanism, where the exact compensation to be paid to employees in respect of those options was determined after expiration of the transfer period); *Microsoft Corp.* (avail. Oct. 15, 2003) (granting relief with respect to a similar option transfer program where all of the eligible options were “out-of-the-money”).

accepted for exchange out of 161,106,659 shares validly tendered), the Weyerhaeuser-Tri Pointe Exchange Offer was approximately 3.5-times oversubscribed (58,813,151 shares accepted for exchange out of 205,186,689 shares validly tendered), the CBS Exchange Offer was approximately 7-times oversubscribed (44,723,131 shares accepted for exchange out of 300,229,143 validly tendered), the Pfizer Exchange Offer was approximately 4-times oversubscribed (405,117,195 shares accepted for exchange out of 1,674,974,996 shares validly tendered), the PPG Exchange Offer was approximately 7-times oversubscribed (10,825,227 shares accepted for exchange out of 68,933,881 shares validly tendered), the BMS Exchange Offer was approximately 2-times oversubscribed (269,285,601 shares accepted for exchange out of 499,484,935 shares validly tendered), the Kraft Exchange Offer was approximately 12-times oversubscribed (46,119,899 shares accepted for exchange out of 568,543,287 shares validly tendered), the P&G/Smucker Exchange Offer was approximately 12.5-times oversubscribed (38,652,878 shares accepted for exchange out of 484,121,230 shares validly tendered), the Weyerhaeuser-Domtar Exchange Offer was approximately 4.5-times oversubscribed (25,490,196 shares accepted for exchange out of 114,204,244 shares validly tendered) and the McDonald's Exchange Offer was approximately 14-times oversubscribed (18,628,187 shares accepted for exchange out of 262,183,800 shares validly tendered).

The Pricing Mechanism is also consistent with the relief granted in *Lazard* and its progeny in all other material respects: (i) the value relationship expressed as a ratio of a specified dollar value of P&G common stock for each \$1.00 worth of Galleria Company common stock is fixed and will remain constant during the Exchange Offer (subject to the upper limit on the exchange ratio described above), such that holders will be able to determine the value they will receive in consideration for tendering their shares; (ii) the final exchange ratio will be based on readily observable average trading prices for securities listed on a national securities exchange over a specified period; (iii) P&G will issue a press release announcing the final exchange ratio by 9:00 a.m., New York City time, on the trading day immediately preceding the expiration date and will file an amendment to its Schedule TO on the same day setting forth the final exchange ratio and including the press release as an exhibit, thus allowing investors two full trading days to consider the final exchange ratio in the Exchange Offer before tendering or withdrawing shares of P&G common stock; and (iv) holders of P&G common stock can also contact the information agent for the Exchange Offer at a toll-free telephone number and a freely-accessible website disclosed in the Prospectus to obtain indicative exchange ratios prior to the announcement of the final exchange ratio, and the final exchange ratio once it has been publicly announced.

C. The Number of Shares of P&G Common Stock Sought in the Exchange Offer

Rule 13e-4(d)(1) requires, among other things, the specification of the consideration offered and the total number of securities sought in an issuer tender offer. Rule 13e-4(e)(3) requires an issuer tender offer to remain open for at least ten business days from the date that notice of a change in the price or the amount of securities sought is disseminated to security holders. Rule 13e-4(f)(1)(ii) and Rule 14e-1(b) prohibit an issuer from changing the percentage of the class of securities being sought (provided that acceptance for payment of an additional amount of the shares not to exceed two percent of outstanding shares shall not be deemed to be an increase in the percentage of the class of securities being sought) or consideration offered unless the exchange offer remains open for at least ten business days from the date the change is announced.

The Prospectus will clearly and unambiguously disclose that the maximum number of shares of P&G common stock that will be accepted if the Exchange Offer is completed will be equal to the number of shares of Galleria Company common stock offered by P&G in the Exchange Offer divided by the final exchange ratio (which will be subject to the upper limit). If a greater number of shares of P&G common stock are validly tendered and not withdrawn, then those tendered shares would be subject to proration as described above.¹⁰ If a lesser number of shares of P&G common stock are validly tendered and not withdrawn, then subject to the satisfaction, or when permissible, waiver of the conditions of the Exchange Offer, including any minimum tender condition, P&G will accept the shares so tendered.

As in Baxter, GE, BMS, P&G/Smucker, TDCC, Weyerhaeuser-Tri Pointe, CBS, Pfizer, Kraft, Halliburton, Weyerhaeuser-Domtar, PPG and McDonald's, P&G believes that defining the amount of securities P&G may accept

¹⁰ This is similar to the scenario faced in the Citizens Republic Bancorp, Inc. exchange offer, where, because the percentage of securities accepted was dependent on the average VWAP of the subject securities (and the resulting exchange ratios) as well as the percentage of the securities of each class validly tendered, the issuer was unable to specify the exact percentage of the securities being sought. See *Citizens Republic Bancorp* (avail. Aug. 21, 2009).

in the Exchange Offer in accordance with the above, which will be clearly and unambiguously described in the Prospectus, is consistent with the regulatory, disclosure and investor protection objectives of Rule 13e-4(d)(1), Rule 13e-4(e)(3), Rule 13e-4(f)(1)(ii) and Rule 14e-1(b) under the Exchange Act, is not coercive or unfair and should be permitted. In this regard, we note:

- The method by which the actual number of shares of P&G common stock that P&G will accept in the Exchange Offer, as well as the upper limit, will be described in detail in the Prospectus and made available to all P&G shareholders in a clear, easy to understand manner. Assuming P&G does not change that method, we do not believe that the application of that method at expiration is a “change” in the percentage of the securities being sought.
- The Prospectus will clearly detail that (i) if the Exchange Offer is consummated but fewer than all of the issued and outstanding shares of Galleria Company common stock are exchanged because insufficient shares of P&G common stock have been tendered for the Exchange Offer to be fully subscribed, the remaining shares of Galleria Company common stock owned by P&G will be distributed on a pro rata basis to P&G shareholders whose shares of P&G common stock remain outstanding after the consummation of the Exchange Offer and (ii) if, upon the expiration of the Exchange Offer, P&G shareholders have validly tendered more shares of P&G common stock than P&G is able to accept for exchange at the ratio discussed below, P&G will accept for exchange the shares of the P&G common stock validly tendered and not withdrawn by each tendering shareholder on a pro rata basis, other than with respect to certain odd-lot tenders, as described elsewhere in this letter. Therefore, in the Exchange Offer, P&G will accept for exchange all shares of P&G common stock validly tendered and not withdrawn prior to the expiration of the Exchange Offer, at the exchange ratio to be determined in accordance with the Pricing Mechanism, but subject to proration.
- Because the number of shares of Galleria Company common stock to be exchanged in the Exchange Offer is fixed, P&G shareholders will also be able to calculate the preliminary number of shares of P&G common stock to be exchanged if the Exchange Offer is fully subscribed based on the pricing-related information set forth in the Prospectus as well as the indicative and final exchange ratios made available through the information agent’s toll-free telephone number and provided on P&G’s dedicated website for the Exchange Offer, as described herein and in the Prospectus. The exact number of shares of P&G common stock to be exchanged in the Exchange Offer (assuming the Exchange Offer is fully subscribed) will be published by P&G on the website and in a press release no later than 9:00 a.m., New York City time, on the trading day prior to the expiration date, and that information and the press release will also be included in an amendment to P&G’s Schedule TO that will be filed on the trading day prior to the expiration date. After that announcement, P&G shareholders will still have two trading days until the expiration of the Exchange Offer to tender or withdraw their tenders.
- We believe the disclosure in the Prospectus will fully define the material terms and features of the Exchange Offer as required by Item 4 of Form S-4 under the Securities Act of 1933, as amended (the “Securities Act”), and by Item 4 of Schedule TO, including Item 1004(a) and (b) of Regulation M-A referenced therein.
- Pursuant to Rule 13e-4 under the Exchange Act and Rule 162 under the Securities Act, P&G will provide withdrawal rights and allow withdrawals until the expiration of the Exchange Offer.
- P&G will announce the final exchange ratio no later than 9:00 a.m., New York City time, on the trading day immediately preceding the expiration date, allowing investors two full trading days to consider the final exchange ratio and decide to tender or withdraw their shares of P&G common stock.

We understand that, pursuant to Rule 13e-4(e)(3), if there is a change in the Pricing Mechanism and/or the upper limit, then such change would be viewed as a change in the amount of securities sought, thus requiring that at least ten business days remain in the Exchange Offer period following the announcement of such change.

D. Other Precedent

The Staff also has an established interpretation of its tender offer pricing rules to permit modified Dutch auction tender offers, although these offers do not provide security holders with the final offer price until offer expiration, subject to certain conditions. We believe that the Pricing Mechanism is consistent with the Staff's position on Dutch auction tender offers and, indeed, provides certain advantages to investors. Like modified Dutch auction tender offers: (i) the Exchange Offer will provide for pro rata acceptance throughout the Exchange Offer with all securities participating equally in prorationing (except for odd-lots); (ii) withdrawal rights will exist throughout the Exchange Offer period; (iii) there will be prompt announcement of the final exchange ratio; and (iv) the offeror will exchange all accepted securities at the highest consideration paid to any security holder under the offer.¹¹ Unlike the Pricing Mechanism, however, Dutch auction pricing provides significantly less visibility to investors about the value they will receive, since it merely establishes a range of prices at the outset without providing any visibility during the offer as to likely outcomes. Indeed, we believe that this disadvantage of Dutch auction pricing in part led to the need for the relief granted in the case of "day 18" and "day 20" pricing constructs.

Consistent with the Similar Exchange Offers, P&G has not incorporated a minimum exchange ratio because it believes it could potentially result in a windfall to tendering shareholders. Indeed, incorporating a minimum exchange ratio in the Pricing Mechanism would not correlate to the low end of the range specified in a Dutch auction, in which the final exchange ratio is determined independently of the values of the stocks in question based on investor indications of interest in a process that is not transparent to the market generally.

E. Similarities and Differences from Precedent

1. Final Exchange Ratio Timing and Disclosure

The Pricing Mechanism is consistent with Baxter, GE, BMS, P&G/Smucker, TXU and Lazard, but differs from the pricing mechanisms used in TDCC, Weyerhaeuser-TriPointe, CBS, Pfizer, PPG, Kraft, Halliburton, Weyerhaeuser-Domtar and McDonald's in that in those offers the per-share values of underlying stocks were determined by reference to the daily VWAP of each stock during an averaging period ending on and including the expiration date of the exchange offer, while the Averaging Period will end on and include the second trading day preceding the expiration date, allowing investors two full trading days to consider the final exchange ratio in the Exchange Offer and decide to tender or withdraw at any time during that two-day period.

2. Proxy Pricing

The trading data to be used to set the value of Galleria Company common stock will be the trading data for the Coty class A common stock, which is consistent with the pricing mechanisms used in TDCC, Weyerhaeuser-TriPointe, P&G/Smucker, PPG, Kraft and Weyerhaeuser-Domtar, which determined the value of the distributed shares by reference to the trading data for an acquiring company. Using a proxy for the anticipated trading prices for Galleria Company common stock is a key difference from the pricing mechanisms used in Baxter, CBS, Pfizer, GE, BMS, Halliburton and McDonald's, but is not a significant difference to investors as they would view one share of Galleria Company common stock as economically equivalent to one share of Coty class A common stock due to the 1:1 exchange ratio in the Merger.

3. Averaging Period

The Pricing Mechanism is consistent with Baxter, GE, BMS, P&G/Smucker, TDCC, Weyerhaeuser-TriPointe, CBS, Pfizer, PPG, Kraft, Halliburton and Weyerhaeuser-Domtar in that the exchange ratio of the Exchange Offer is based on a three-business day averaging period, while in McDonald's the exchange ratio was based on a two-business day averaging period and in TXU and Lazard the exchange ratio was based on a ten-business day averaging period.

¹¹ See Securities Act Release No. 33-6653 (July 11, 1986).

IV. REQUESTED NO-ACTION RELIEF

Based on the foregoing, we respectfully request on behalf of P&G that the Staff confirm that it will not recommend that the Commission take enforcement action pursuant to Rule 13e-4(d)(1) (requiring the specification of consideration offered and the specification of the total number of securities sought in an issuer tender offer), Rule 13e-4(e)(3) (requiring such an offer remain open for at least ten business days from the date that notice of a change in the price or the amount of securities sought is disseminated to security holders), and Rules 13e-4(f)(1)(ii) and 14e-1(b) (requiring such an offer remain open for at least ten business days from the date that notice of a change in the consideration offered or a change in the percentage of the class of securities being sought is first published, sent or given to security holders) under the Exchange Act with respect to P&G's use of the Pricing Mechanism and specification of the number of shares of P&G common stock sought in the Exchange Offer. We note that the relief sought is consistent with the position previously taken by the Staff in Baxter, GE, BMS and Folgers. It is also consistent with the position previously taken by the Staff in TDCC, Weyerhaeuser-Tri Pointe, CBS, Pfizer, PPG, Kraft, Halliburton, Weyerhaeuser-Domtar and McDonald's, and to the extent that the Exchange Offer differs from TDCC, Weyerhaeuser-Tri Pointe, CBS, Pfizer, PPG, Kraft, Halliburton, Weyerhaeuser-Domtar and McDonald's, such differences are consistent with the position previously taken by the Staff in Baxter, GE, BMS, P&G/Smucker, TXU and Lazard and do not affect the adequate dissemination of pricing related information or P&G shareholders' ability to make informed investment decisions with respect to whether or not to participate in the Exchange Offer.

We respectfully request that the Staff issue the requested no-action relief as soon as practicable.

If you have any questions or comments with respect to this matter, please call me at (312) 269-4252 or Tim Melton at (313) 230-7969.

Sincerely,



Brad Brasser

cc: Susan S. Whaley, Esq., The Procter & Gamble Company
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