NETFLIX

December 24, 2024

VIA ONLINE PORTAL SUBMISSION

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

Re: Netflix, Inc. - 2025 Annual Meeting
Omission of Shareholder Proposal of Michael Silvestro

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, Netflix, Inc., a Delaware corporation (the "Company"), hereby notifies the Division of Corporation Finance of the U.S. Securities and Exchange Commission (the "Commission"), of the Company's intention to exclude from its proxy materials for its 2025 Annual Meeting of Shareholders (the "2025 Proxy Materials"), a shareholder proposal and supporting statement (the "Proposal") submitted by Michael Silvestro (the "Proponent"). The Company requests confirmation that the staff of the Division of Corporation Finance (the "Staff") will not recommend an enforcement action to the Commission if the Company excludes the Proposal from its 2025 Proxy Materials.

In accordance with Rule 14a-8(j), we are submitting this letter to the Staff not less than eighty (80) calendar days before the Company intends to file its definitive 2025 Proxy Materials with the Commission. Pursuant to Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008) ("SLB 14D"), we have concurrently sent copies of this correspondence to the Proponent by email as notification of the Company's intention to exclude the Proposal from its 2025 Proxy Materials.

Rule 14a-8(k) and SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

121 Albright Way | Los Gatos, CA 95032 | Phone 408 540 3300 | www.netflix.com

I. Bases for Exclusion

We hereby respectfully request that the Staff concur with the Company's view that it may exclude the Proposal from the 2025 Proxy Materials pursuant to:

- Rule 14a-8(b)(1)(i) and Rule 14a-8(f)(1) because the Proponent failed to timely provide proof of the requisite stock ownership after receiving notice of such deficiency;

- Rule 14a-8(b)(1)(ii) and Rule 14a-8(f)(1) because the Proponent failed to timely provide the Company with a written statement regarding the Proponent's intent to continue to hold the requisite stock through the date of the shareholder meeting for which the Proposal was submitted after receiving notice of such deficiency; and

- Rule 14a-8(b)(1)(iii) and Rule 14a-8(f)(1) because the Proponent failed to timely provide the Company with a written statement regarding the Proponent's ability to meet with the Company after receiving notice of such deficiency.

II. Background

The Proposal was submitted to the Company via email on October 27, 2024 (the "Submission Date") and was received by the Company on October 27, 2024. *See* Exhibit A. The Proponent's submission did not contain any information concerning the Proponent's stock ownership, as required under Rule 14a-8(b)(1)(i), or the Proponent's intent to continue to hold the requisite amount of shares, as required under Rule 14a-8(b)(1)(ii), or the Proponent's availability to meet with the Company, as required under Rule 14a-8(b)(1)(iii). In addition, the Company reviewed its stock records, which did not indicate that the Proponent was a record owner of Company shares.

The Company sent a letter, dated November 7, 2024, via email to the Proponent (i) requesting a written statement from the record owner of the Proponent's shares verifying that the Proponent had beneficially owned the requisite number of shares of the Company's common stock continuously for at least the requisite period preceding and including the date of submission of the Proposal, (ii) requesting a written statement from the Proponent regarding the Proponent's intent to continue to hold the requisite amount of shares of the Company's common stock through the date of the shareholder meeting for which the Proposal was submitted, and (iii) requesting a written statement from the Proponent with respect to the Proponent's ability to meet with the Company regarding the Proposal in accordance with (the "Deficiency Letter"). A copy of the Deficiency Letter is attached hereto as Exhibit B. An automatic reply from the Proponent was received on November 7, 2024. *See* Exhibit C.

III. The Proposal may be excluded pursuant to Rule 14a-8(b)(1)(i) and Rule 14a-8(f)(1) because the Proponent failed to timely provide proof of the requisite stock ownership after receiving timely notice of such deficiency.

Rule 14a-8(b)(1)(i) provides that, in order to be eligible to submit a proposal, a shareholder must have continuously held:

- at least $2,000 in market value of the company's common stock for at least three years;
- at least $15,000 in market value of the company's common stock for at least two years; or
- at least $25,000 in market value of the company's common stock for at least one year.

If the proponent is not a registered holder, the proponent must provide proof of beneficial ownership of the securities. Under Rule 14a-8(f)(1), a company may exclude a shareholder proposal if the proponent fails to provide evidence that the proponent meets the eligibility requirements of Rule 14a-8(b), provided that the company notifies the proponent of the deficiency within 14 calendar days of receiving the proposal and the proponent fails to correct the deficiency within 14 days of receiving such notice.

The Staff has consistently permitted exclusion of shareholder proposals under Rule 14a-8(f)(1) where a proponent failed to respond to a company's timely request to provide evidence of eligibility to submit a shareholder proposal within the 14-day deadline. *See, e.g., Wex Inc.* (April 12, 2024) (permitting exclusion under Rule 14a-8(f)(1) of a proposal where proof of ownership was not provided following receipt of the company's timely deficiency notice); *General Motors Company* (April 4, 2023) (permitting exclusion under Rule 14a-8(f)(1) of a proposal where the proponent failed to timely provide proof of the requisite stock ownership after receiving the company's timely deficiency notice)*; The Home Depot, Inc.* (Mar. 9, 2023) (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to timely provide proof of the requisite stock ownership after receiving the company's timely deficiency notice); *The Walt Disney Co.* (Sept. 28, 2021)[1*] (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to timely provide proof of the requisite stock ownership after receiving the company's timely deficiency notice); and *PG&E Corp.* (May 26, 2020)[*] (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to timely provide proof of the requisite stock ownership after receiving the company's timely deficiency notice).

[1*] Citations marked with an asterisk indicate Staff decisions issued without a letter.

In this instance, the Proponent failed to respond to the Company's timely request to provide proof of the requisite stock ownership within the 14-day deadline. In this regard, the Deficiency Letter timely notified the Proponent of the procedural defects under Rule 14a-8(b) and specifically requested "a written statement from the record holder of your shares … verifying that, at the time you submitted the Proposal, which was October 27, 2024, you had beneficially held the requisite number of shares of the Company's common stock continuously for at least the requisite period preceding and including October 27, 2024." The Deficiency Letter also explained the proof of ownership requirements of Rule 14a-8(b) and how to satisfy those requirements. Consistent with Rule 14a-8(f)(1), the Deficiency Letter requested that proof of the Proponent's ownership be provided within 14 days of the Proponent's receipt of the Deficiency Letter. The Deficiency Letter was sent to the Proponent by email during business hours on November 7, 2024. Accordingly, proof of ownership, to be timely, would have had to be received by the Company by November 21, 2024. To date, the Company has not received evidence of the Proponent's purported stock ownership.

Accordingly, consistent with the precedent described above, the Proposal may be excluded from Company's 2025 Proxy Materials pursuant to Rule 14a-8(b)(1)(i) and Rule 14a-8(f)(1).

IV. The Proposal may be excluded pursuant to Rule 14a-8(b)(1)(ii) and Rule 14a-8(f)(1) because the Proponent failed to timely provide the Company with a written statement regarding the Proponent's intent to continue to hold the requisite stock through the date of the shareholder meeting for which the Proposal was submitted after receiving timely notice of such deficiency.

Rule 14a-8(b)(1)(ii) provides that, a proponent must provide the company with a written statement that the proponent intends to continue to hold the requisite amount of company securities through the date of the shareholders' meeting for which the proposal is submitted.

The Staff has consistently permitted exclusion under Rule 14a-8(f)(1) of shareholder proposals where a proponent failed to provide a written statement regarding the proponent's commitment to hold company securities through the date of the annual meeting as required by Rule 14a-8(b)(1)(ii). *See e.g.*, *Getty Images Holdings, Inc.* (May 2, 2023) (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to provide a statement regarding the proponent's intent to continue holding the requisite number of shares through the date of the annual meeting after receiving the company's timely deficiency notice); *The Walt Disney Co.* (Jan. 12, 2022) (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to provide a statement regarding the proponent's intent to continue holding the requisite number of shares through the date of the annual meeting after receiving the company's timely deficiency notice); and *The Walt Disney Co.*

(Sept. 28, 2021)* (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to provide a statement regarding the proponent's intent to continue holding the requisite number of shares through the date of the annual meeting after receiving the company's timely deficiency notice).

In this case, the Proponent failed to respond to the Company's timely request to provide a written statement of the Proponent's intent to continue to hold the Proponent's shares through the date of the shareholder meeting after receiving a timely deficiency notice from the Company. The Deficiency Letter timely notified the Proponent of, among other things, the requirement to provide the Company with "a written statement that [the Proponent] intends to continue to hold the requisite amount of shares through the date of the stockholder's meeting for which the [P]roposal is submitted." Consistent with Rule 14a-8(f)(1), the Deficiency Letter requested that the Proponent's written statement of intent to continue to hold the Company's shares be provided within 14 calendar days of receipt of the Deficiency Letter, which was November 21, 2024. The Company has not received the required written statement of the Proponent's intent to continue holding the Proponent's shares through the date of any shareholder meeting since sending the Deficiency Letter.

Accordingly, consistent with the precedent described above, the Proposal may be excluded from Company's 2025 Proxy Materials pursuant to Rule 14a-8(b)(1)(ii) and Rule 14a-8(f)(1).

V. The Proposal may be excluded pursuant to Rule 14a-8(b)(1)(iii) and Rule 14a-8(f)(1) because the Proponent failed to timely provide the Company with a written statement regarding the Proponent's ability to meet with the Company after receiving timely notice of such deficiency.

Rule 14a-8(b)(1)(iii) requires proponents to provide a written statement that the proponent is able to meet with the company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the shareholder proposal and include contact information, as well as business days and specific times of availability to discuss the proposal that are within the regular business hours of the company's principal executive offices. Under Rule 14a-8(f)(1), a company may exclude a shareholder proposal if the proponent fails to provide evidence that it meets any of the eligibility requirements of Rule 14a-8(b), provided that the company notifies the proponent of the deficiency within 14 calendar days of receiving the proposal and the proponent fails to correct the deficiency within 14 days of receiving such notice.

In accordance with these requirements, the Staff has consistently permitted exclusion under Rule 14a-8(f)(1) of shareholder proposals where a proponent has failed to provide timely evidence of eligibility to submit a shareholder proposal after receiving a timely

deficiency notice from the company, including with respect to the requirement of Rule 14a-8(b)(1)(iii) to provide a written statement of the proponent's availability to discuss the proposal. *See e.g.*, *Textron Inc.* (Jan. 23, 2023) (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to provide a statement regarding the proponent's availability to meet with the company after receiving the company's timely deficiency notice); *The Allstate Corp.* (Jan. 23, 2023) (permitting exclusion under Rule 14a-8(f)(1) of a proposal when the proponent failed to supply a written statement regarding the proponent's ability to meet with the company after receiving a timely deficiency notice); *Molina Healthcare, Inc. (Jan. 17, 2023)* (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to provide a statement regarding the proponent's availability to meet with the company after receiving the company's timely deficiency notice); *Deere & Company (Dec. 5, 2022)* (permitting exclusion of a proposal under Rule 14a-8(f)(1) where the proponent failed to provide a statement regarding the proponent's availability to meet with the company that was compliant with Rule 14a-8(b)(1)(iii) after receiving the company's timely deficiency notice); *PPL Corp.* (Mar. 9, 2022) (permitting exclusion under Rule 14a-8(f)(1) of a proposal where the proponent failed to provide a statement regarding the proponent's availability to meet with the company after receiving the company's timely deficiency notice); and *American Tower Corp.* (Feb. 8, 2022) (same).

In this case, Proponent failed to respond to the Company's timely request to provide the Proponent's availability to meet with the Company after receiving a timely deficiency notice from the Company. Specifically, the Deficiency Letter timely notified the Proponent of, among other things, the Proponent's requirement to provide the Company with "a written statement that the [Proponent] is able to meet with the [Company] in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the [P]roposal." Consistent with Rule 14a-8(f)(1), the Deficiency Letter requested that the Proponent's written statement of availability to meet with the Company be provided within 14 calendar days of receipt of the Deficiency Letter, which was November 21, 2024. The Company has not received the required written statement of the Proponent's ability to meet with the Company since sending the Deficiency Letter.

Accordingly, consistent with the precedent described above, the Proposal may be excluded from Company's 2025 Proxy Materials pursuant to Rule 14a-8(b)(1)(iii) and Rule 14a-8(f)(1).

VI. Conclusion

On the basis of the foregoing, the Company respectfully requests the concurrence of the Staff that the Proposal may be excluded from the Company's Proxy Materials for the 2025 Annual Meeting. The Company reserves the right, should it be necessary, to raise additional bases for excluding the Proposal from the 2025 Proxy Materials if the Staff declines to concur

in the Company's no-action request.

If you have any questions or would like any additional information regarding the foregoing, please do not hesitate to contact the undersigned at jishin@netflix.com or 571-213-1004.

Thank you for your attention to this matter.

Very truly yours,

Ji Shin

Enclosures

cc: Michael Silvestro

Thomas J. Ivey
Marc S. Gerber
Skadden, Arps, Slate, Meagher & Flom LLP

Exhibit A

Proposal

(see attached)

NETFLIX

Ji Shin [redacted]

Netflix stockholder proposal

'Mike Silvestro' via stockholderproposals <stockholderproposals@netflix.com> Sun, Oct 27, 2024 at 6:10 PM

Reply-To: Mike Silvestro [redacted]
To: "stockholderproposals@netflix.com" <stockholderproposals@netflix.com>

Submitted by: Michael Silvestro (shareholder)

Bitcoin Diversification Strategy Supporting Statement: In periods of high and persistent inflation, a company's ability to preserve its financial health depends not only on operational success but also on its approach to asset management. Strategic investment in appreciating assets can significantly boost shareholder value beyond what is achievable through business operations alone. This responsibility suggests a fiduciary obligation for companies to both generate profits and safeguard them from potential loss in value.

In the past four years, U.S. inflation has averaged 5.03%, peaking at 9.1% in June 2022 according to the Consumer Price Index (CPI). Critics, however, argue that CPI may underreport actual inflation, with some studies estimating the real rate to be nearly double at times. This implies that companies must grow their assets significantly each year just to maintain their purchasing power. As of March 31, 2024, Netflix has substantial assets, a large share of which is in U.S. government securities and corporate bonds. While these are traditionally stable investments, their returns are only marginally above reported inflation and may actually lag behind true inflation rates. Given these conditions, it may be prudent for companies to diversify their balance sheets with assets that offer higher potential returns than bonds, even if they come with greater short-term volatility.

Bitcoin, for example, saw a 99.7% increase over the past year as of June 25, 2024, outperforming corporate bonds significantly. Over a five-year period, Bitcoin's price has risen 414%, establishing it as one of the most high-performing assets in recent times. Companies like MicroStrategy have added Bitcoin to their balance sheets, and their stock has outperformed that of many larger competitors, demonstrating the potential financial benefits of holding Bitcoin. Institutional adoption of Bitcoin has also increased, with companies like BlackRock introducing Bitcoin ETFs for clients, underscoring the asset's rising credibility. Bitcoin is a more volatile asset than traditional bonds; however, it has shown promise as an effective hedge against inflation. Holding a small allocation of Bitcoin could help protect shareholder value against inflation and enhance the company's overall asset diversification.

Resolved: Shareholders request that the Board conduct an evaluation to determine whether incorporating Bitcoin into Netflix's balance sheet is in the long-term interests of shareholders.

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Exhibit B

Deficiency Letter

(see attached)

NETFLIX

Ji Shin [redacted]

Netflix - Stockholder Proposal

Ji Shin [redacted] Thu, Nov 7, 2024 at 1:08 PM
To: [redacted]
Cc: Reg Thompson [redacted], Virginia Lopez [redacted], Emily Barton [redacted]

Dear Mr. Silvestro: Please see the attached correspondence. Thank you.

Regards,
Ji

Ji Shin
Director, Corporate Legal
Netflix, Inc.

Michael Silvestro (2024).pdf
384K

NETFLIX

November 7, 2024

BY EMAIL

Michael Silvestro
Email: [redacted]

Re: Notice of Deficiency

Dear Mr. Silvestro:

I am writing to acknowledge receipt on October 27, 2024, of a stockholder proposal (the "Proposal") that you submitted to Netflix, Inc. ("Netflix" or the "Company") pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended, for inclusion in the Company's proxy materials for the 2025 Annual Meeting of Stockholders (the "Annual Meeting").

Under Rule 14a-8, in order to be eligible to submit a proposal for the Annual Meeting, a proponent must have continuously held:

- at least $2,000 in market value of the Company's common stock for at least three years, preceding and including the date that the proposal was submitted;
- at least $15,000 in market value of the Company's common stock for at least two years, preceding and including the date that the proposal was submitted; or
- at least $25,000 in market value of the Company's common stock for at least one year, preceding and including the date that the proposal was submitted.

For your reference, a copy of Rule 14a-8 is attached to this letter as Exhibit A.

Our records indicate that you are not a registered holder of the Company's common stock. Please provide a written statement from the record holder of your shares (usually a bank or broker) and a participant in the Depository Trust Company (DTC) verifying that, at the time you submitted the Proposal, which was October 27, 2024, you had beneficially held the requisite number of shares of the Company's common stock continuously for at least the requisite period preceding and including October 27, 2024.

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, you also will need to obtain proof of ownership from the DTC participant through which the shares are held. You should be able to find out who this DTC participant is by asking your broker or bank. If the DTC participant knows your broker or bank's holdings, but does not know your holdings, you can satisfy Rule 14a-8 by each obtaining and submitting two proof of ownership statements verifying that, at the time the Proposal was submitted, the required amount of shares were continuously held for at least the requisite period – one from your broker or bank confirming your ownership, and the other from the DTC participant confirming the broker or bank's ownership. For additional information regarding the acceptable methods of proving your ownership of the minimum number of shares of the Company's common stock, please see Rule 14a-8(b)(2) in Exhibit A.

In addition, Rule 14a-8(b) provides that a stockholder must provide the company with a written statement that it intends to continue to hold the requisite amount of shares through the date of the stockholder's meeting for which the proposal is submitted. You have not provided such statement. Accordingly, you must clarify for which meeting of the Company's shareholders the Proposal was submitted, and provide a written statement that you intend to continue to hold the requisite amount of stock through the date of that meeting.

Furthermore, Rule 14a-8 also requires a stockholder to provide the Company with a written statement that the stockholder is able to meet with the company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the proposal. You have not provided such a statement. Accordingly, please provide the Company with this statement, which must include your contact information as well as business days and specific times that you are available to discuss the Proposal with the Company. You must identify times that are within the regular business hours of the Company's principal executive offices.

Rule 14a-8 requires 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 your response, we will be in a position to determine whether the Proposal is eligible for inclusion in the proxy materials for our Annual Meeting. The Company reserves the right to seek relief from the Securities and Exchange Commission as appropriate.

[Signature Page Follows]

NETFLIX

Very truly yours,

DocuSigned by:
Ji Shin
17E82C7D42274B4...

Ji Shin
Director, Corporate Legal

Exhibit C

Automatic Reply

(see attached)

NETFLIX

Ji Shin [redacted]

Automatic reply: (External) Netflix - Stockholder Proposal

1 message

Mike Silvestro [redacted] Thu, Nov 7, 2024 at 1:10 PM
To: Ji Shin [redacted]

I am currently out of the office for business and will be returning on Monday, November 11th. I will have limited access to email while I'm out. If you need immediate assistance, please contact my assistant, Ella Kashub, at [redacted]. Otherwise, I will return your email at my earliest opportunity.