8001 Phaeton Drive
Oakland, CA 94605
June 16, 1972

Chairman
To The Security and Exchange Commission:

Concentration of power and control in many phases of our existence is restricting ever increasingly the ability of individuals to have any effective influence on the course of events.

At this time I am particularly concerned about the management of corporations. Each share of stock in a corporation is an equal proportionate amount of ownership. With the practice of stock splitting and large stock offerings, the number of shares outstanding run from hundreds of thousands to millions.

For any meeting of the stockholders (which are mostly annual meetings) it is impossible to have a majority of the stockholders present in PERSON. Currently the Management mails out a proxy statement requesting the stockholders authority for a member of Management to vote his stock. The majority of stockholders give this authority to management by signing and returning the proxy statement as no other alternative seems feasible.

This allows the small management group to perpetuate themselves in office, to control who will be elected to the board of directors, vote stock splits, or new issues, to set renumeration and stock options and fringe benefits for themselves.

If a stockholder does attend a meeting and proposes a motion only the comparatively few able to attend will know of the proposal, until they receive the report of the annual meeting. In the meantime, at the meeting, the management with the power to vote the majority of the stock as a result of all the proxies can accept or reject the proposal without the majority of the owners even had a chance to express an opinion.

As annual meetings are pretty much of a farce lets do away with them and proxy voting and insist that all matters requiring a vote of the stockholders be put to them in ballot form with a pro and con prospectus. The majority vote of the stockholders will then govern rather than a small group controlling by power of proxies.

Sincerely

James H. Jeffery