

Levitt



THE CHAIRMAN

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

March 14, 1997

The Honorable Thomas J. Manton  
U.S. House of Representatives  
2235 Rayburn House Office Building  
Washington, D.C. 20515-3207

Dear Congressman Manton:

Thank you for your thoughtful observations on employment-related shareholder proposals. I, of course, share your concerns about employment discrimination and related issues.

I am well aware that some groups have expressed concerns about the Cracker Barrel position on employment-related shareholder proposals tied to social issues. You suggested that we take another look at that position, and we intend to do just that as part of the Congressionally-mandated study of the shareholder proposal process. Our review will be comprehensive, and we will report on the results before the end of Fall.

The study will address a variety of issues raised by shareholder and registrant groups alike, including the pros and cons of the Cracker Barrel position. As I stated in my testimony at the recent authorization hearing, I am convinced that the most sensible path is to look at the whole forest, rather than to attempt to reevaluate the shareholder proposal process one tree at a time.

I enjoyed seeing you last week at the hearing.

Sincerely,

A handwritten signature in black ink, appearing to be "A. Levitt".

Arthur Levitt

Enclosure