



*T*TRANSITIONS

Working for Sustainable Forests and Diversified Economies in the Pacific Northwest

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Change Corporate America For 33 Cents

“Your shareholder resolution can win and lead to reforms.

Your shareholder resolution must be considered and voted on by America's largest shareholders.

You will be invited to a public meeting with the chair and board of the company to make your case.

All this for a cost to you of as little as the 33-cent stamp to mail in your resolution. What's not to like?”

– Bart Naylor

• Senate Banking Committee –
Chief Investigative Officer, 1980s

• Teamsters Union –
Director, Corporate Affairs
Department, 1990s



A self-help guide to *shareholder activism*

Change Corporate America For 33 Cents

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TRANSITIONS – Journal of The Lands Council

The Lands Council is a non-profit organization dedicated to the transition of the greater Columbia River ecosystem from resource exploitation to long-term community and biological sustainability.

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Introducing Bart Naylor

By John Osborn, M.D.

Citizens are not used to taking their concerns into the corporate arena. The halls of state Legislatures and of Congress are well-worn with people working to protect special places, clean water, and clean air. Activists are comfortable lobbying their

We live in a corporate era of "one share, one vote."

arena. This self-help guide you are holding in your hands blazes a trail for you into the corporate wilderness of shareholders resolutions.

Corporations are central to American society and increasingly drive the globalization of the economy. Where once government created and perhaps controlled corporations to promote the public interest, now corporations increasingly control governments. Rather than a democratic system of "one person, one vote," we live in a corporate era of "one share, one vote."

Corporations are a tool, a construct set up for the purpose of making money. The corporate tool, used unwisely, does great

Shareholders are ultimately responsible for their corporation as well as their investments.

damage to community and the environment. The owners of corporations are shareholders. As owners, they are ultimately responsible for their corporation as well as their investments.

One way for shareholders to protect their investments in corporations is to use "shareholder resolutions" permitted under the 1934 Securities Exchange Act. This self-help guide speaks to the process set forth in federal law. The author of this self-help guide is Bart Naylor.

Bart was the chief investigative officer for the Senate Banking Committee under Sen. William Proxmire (of the "Golden Fleece

This self-help guide blazes a trail for you into the corporate wilderness of shareholders resolutions.

Award" fame). Bart worked in the Senate during the 1980s, personally investigated the Keating S&L (savings and loan) disaster, and drafted the senate report on corporate takeover reform. He worked to minimize the public exposure to the S&L bailout that is still costing the public with a tab thus far at close to a trillion dollars.

After leaving the Senate, Bart worked for the Teamsters Union, just a stroll down the hill from the Capitol buildings. At the Teamsters, Bart ran the Corporate Affairs Department. Union members have invested billions of dollars in pension funds and the Teamsters have an active interest in corporations and union investments.

governments, but seldom step into the corporate

I have known Bart long before his work in the U.S. Senate and with the Teamsters. We grew up together in Boise: playing on the same Optimist football team, joining the same Boy Scout troop at our Church, competing against each other as ski racers, and attending classes together at North Junior High and then Boise High School.

In 1996 Bart, a shareholder with Weyerhaeuser Corporation, submitted a resolution designed to improve accountability of the nine directors to the shareholders. This particular resolution would "declassify" the board: instead of a "class" of three board members standing for election every three years (thus staggering the elections), all board members would stand for election every year.

Bart was gracious enough to allow me to represent him at the annual shareholders meeting and speak in support of his resolution. As the *Seattle Post-Intelligencer* recounted April 17, 1996:

"... John Osborn, a Spokane doctor and author, gave a lengthy statement in support of the resolution, in which he accused Weyerhaeuser of overcutting its timberlands and ignoring its obligations to employees, communities and the environment. Annual election of directors would increase board accountability, he said.

"Osborn's presentation reached back to the 19th-century land grants made to the Northern Pacific Railroad that formed the basis of several timber companies, including Weyerhaeuser, and he suggested that Weyerhaeuser might have some lingering legal liability for failing to live up to the obligations created by those land grants. He also presented autographed copies of his book to the board.

"After Osborn's remarks, company Chairman George Weyerhaeuser answered, 'Thank you, Dr. Osborn, for that very interesting mixture of fact and fantasy.'

"Management's disdain notwithstanding, Osborn's proposal received a much stronger vote than is typical of such resolutions, getting 43 percent of the shares voted. ..."

Some of us who buy shares and become part owners of corporations have an interest in seeing that our investments are protected and used wisely, not just for quarterly profit-making but for the long view. As pointed out in *Investing with Your Values* (Brill, Brill, & Feigenbaum; Bloomberg Press 1999), "Business can make a profit *and* be an ally of social change and environmental progress. . . . The role of shareholder activists is to encourage companies to work toward this double bottom line."

We hope you use this self-help guide to help *you* invest with your values.

CHANGE CORPORATE AMERICA FOR 33 CENTS

A self-help guide to *shareholder activism*

By Bart Naylor

Shareholder resolutions are an important tool for citizens who are corporate owners to reform corporate practices. Some resolutions have stripped CEOs of their simultaneous position as board chair; others have led to divestiture from South Africa; some have even caused companies to adopt important environmental standards. You can photocopy such resolutions and for 33 cents, your work is done.

1. Why you should file shareholder resolutions

Confronting corporations

In the two thousand years marked by the millennium, the corporation figures as a relatively new enterprise model. They didn't exist in the modern form until the mid-19th century, and didn't become the conspicuous actors they are today until well into the 20th century. The development of the corporation drew skepticism from those who claimed an ethical stand: Williams Jennings Bryan and Woodrow Wilson, for example, worried at the "rights" enjoyed by an entity with "limited liability," which is the legal distinction of the corporation. In this century, many have organized to address perceived corporate mistakes, from lawmakers to religious figures, consumer activists and trade unionists. Each of these groups has ventured into a field from which the environmental activist might be able to benefit: shareholder initiatives.

For example, after Ralph Nader's pathbreaking critique of General Motors in *Unsafe At Any Speed* failed to accomplish meaningful reform, he and others realized that shareholders and their elected board representatives constituted the more powerful avenue for change. Their efforts led to new board members and change in policy.

Since then, many organizations have formed for the specific purpose of watch-dogging corporate activity. In the early 1970s, religious leaders formed the Interfaith Center on Corporate Responsibility that today submits more shareholder proposals than any other group. In the 1980s, several public pension funds joined to form the Council of Institutional Investors. The public funds of the states of Wisconsin, New York and California have become so powerful that the private jets of \$50-million-a-year CEOs make regular stops in these state capitals to meet with \$50,000-a-year-public employees who run the pension – and the CEO is polite.

Adventures with the Teamsters

The environmental movement may wish to pay special attention to what the labor movement has learned about shareholder resolutions. The labor movement now stands as one of the most vocal in shareholder activism. Through the 1990s, the Teamsters Union, with \$65 billion+ in pension fund assets, filed dozens of shareholder proposals each year at major corporations. Some corporations considered the Teamsters unqualified to advance corporate reform, arguing that the core purpose of any labor union is to improve wages and benefits for an increasing workforce. But the Teamsters successfully responded that labor-based funds might be more qualified than the average shareholder to advance such initiatives.

While many shareholders may own a company's stock for a few years, a few hours even, the Teamster who owns stock in the company where he or she works probably holds it for decades. While the average shareholder may only know what they read in company statements and newspaper clippings, if that, the employee

owner might read voraciously. While the average shareholder may not be able to name the location of the corporate headquarters, the employee owner, of course, visits the company daily. No mere tourist shown the recently gussied up factory, the employee owner might live in the underside of the company, feel the ebb and flow of business, witness management coups and failures and so on. Most importantly, the employee wants the company to succeed, to profit, and enjoy expanding revenue, and this not only for the self-interested reason that some of that success may translate into a better paycheck and expanded benefits, but for the pride of a job well done.

Is such an observation naïve? I don't think so; I directed the Office of Corporate Affairs for the Teamsters during the 1990s, and helped develop Teamster initiatives in responsible shareholding activism. I participated in dozens of "training" sessions with truck

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only led the league in the number of initiatives filed at annual shareholder meetings, but also in those approved by a majority of shareholders.

These lessons can and should be learned by environmental activists; indeed, organizations such as the Rose Foundation of

drivers, flight attendants, and food processors that owned stock in their companies. For several years, Teamsters not only led the league in the number of initiatives filed at annual shareholder meetings, but also in those approved by a majority of shareholders. These lessons can and should be learned by environmental activists; indeed, organizations such as the Rose Foundation of Oakland, Ca., Friends of the Earth, and CERES have already discovered this area of activism. The Rose Foundation, for example, has run candidates for

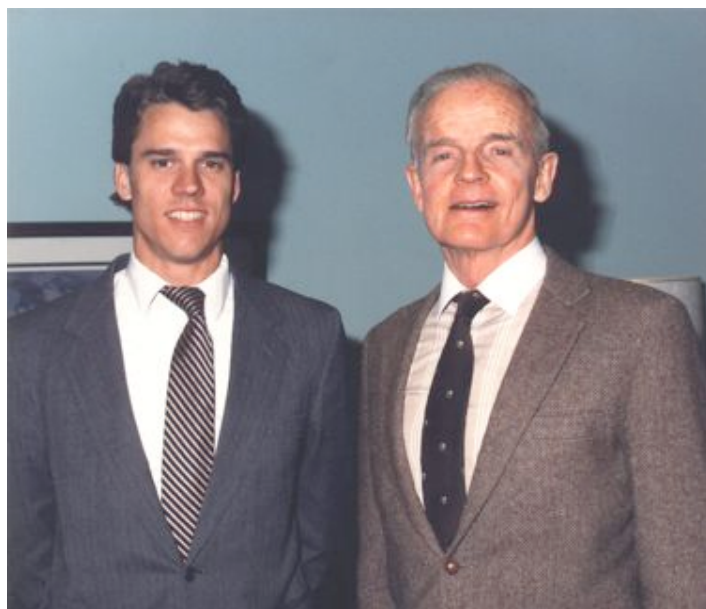
For several years, Teamsters not only led the league in the number of initiatives filed at annual shareholder meetings, but also in those approved by a majority of shareholders.

the board of Maxxam Corp., the owner of vast forests of redwood in California, achieving a record vote for such an effort in 1999.

Like an employee owner, the environmental activist probably knows a particular company better than the average shareholder.

Will you be co-opted by share ownership? Or more grandly, if enviros become really serious and active in this arena will co-option mean self-defeat? Some worry that certain public pension funds have lost their activism “edge” now that the corporate jets have landed. While this is a danger, no one can be co-opted against their will. It is probable, filing shareholder resolutions will sharpen your thinking and

Winning a large shareholder vote will mean gaining the support of major sources of capital.



Bart Naylor and Sen. William Proxmire, former chair of the Senate Banking Committee. Naylor, as chief investigative officer, personally investigated the Keating S&L (Savings and Loan) disaster, and drafted the Senate Report on corporate takeover reform.

empower activism by providing lessons about the realities of business and economics.

Winning a large shareholder vote will mean gaining the support of major sources of capital. On this issue, you will be on the side of big Wall Street firms. Will such company make you uneasy? Enjoy common cause.

Through the “looking glass”

Those who’ve experienced the shareholder resolution process often report they’ve gone through a looking glass, entered a new world. To be sure, this avenue leads to the power core of the American corporation, where the “big boys” work. Companies will deploy counsels general to address your shareholder resolution,

ON THE SEC

States govern corporations, an accident of history and conspiracy. In colonial America, most companies traded little outside a community. States were jealous of federal power. And over time as business sprawled over borders, companies found it convenient to shop forums. If one state toughened its laws, corporations could find a new home.

Delaware is the capitol of capital, not New York or California, because their law “attracts,” shall we say, corporations. For example, the state has reduced the standard of director liability and permits director indemnification. If the director does wrong, he pays no penalty personally. Delaware exacts incorporation fees, enough to obviate the need of a sales tax and reduce other personal taxes as well. That’s nice for Delaware, bad for the rest of us. Delaware won the role from New Jersey because a crusading governor named Woodrow Wilson didn’t want his state harboring monopolists.

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Reformers tried again for strong federal corporate control following the Crash of ’29, but business interests, even with their collective backs against the wall, forced a compromise: the Securities and Exchange Commission. States would continue to host corporate law, but companies collecting investment monies would need to disclose honestly their business, history of revenue, profits, losses, discussion of results, etc.

The SEC turns on disclosure. Essentially, it’s a stern high school English teacher grading complicated, arcane essays called annual reports, 10Ks, proxy statements, etc. So long as the company accurately discloses its activities to the public shareholder, the SEC doesn’t act as management police. It leaves that role to shareholders, who can use SEC information to sue in state court, if they can find a sympathetic judge.

and/or employ major law firms to find a legal flaw. The resolution must be considered and voted on by America's largest shareholders, from the near trillion dollar Fidelity funds, to the \$200 billion dollar California Public Employee Retirement System, to the thousands of individual shareholders. (Your ATT resolution will be mailed to one million households.) You, the proponent, will be invited to a public meeting with the chair and board of the company, and afforded several minutes, possibly more, to make your case. The process can lead to reforms. Some resolutions actually win. Others may be negotiated in exchange for more moderate reforms. Many receive media attention, which serves its own reforming cure. All this for a cost to you of as little as the 33-cent stamp to mail in your resolution and ownership documents. What's not to like?

Trivial mistakes are easily made, and can be fatal. This pamphlet should help you avoid making such mistakes. The process may seem daunting, and I've taken a tone

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and can be fatal.***

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avoid making such mistakes.***

over SEC rule 14a8, the rule that governs this, or delivered long lectures about misguided regulatory interpretation of section c7. Alas, our fragmented society pockets us in such lonely corners. In the end, though, the shareholder resolution is a powerful, efficient tool to achieve reform.

A final note

To understate, there is much amiss with corporate America. The corporate governance you will monitor overwhelms with deficiency. These problems compel action. Corporations stand as some of the most powerful agents of our

society. Yet while we vote for school board, most shareholders pay little attention to proxy voting. Why should directors be elected with 99% pluralities? The reason is that few people

even know about these problems, or that the solution requires relatively little effort. Environmentalists might see the result of corporate shareholder inattention, namely, terrible management practices that scar the land, pollute the waters, toxify the air. But the core of these problems is a system where the perpetrators are left unaccountable to the very people who legally control them — the shareholders. Yes, shareholders can vote for board members; but as a practical matter, they can only vote for the board's own nominated candidates. People complain about Michael Eisner's \$100 million plus annual

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near trillion dollar Fidelity funds, to the \$200 billion
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What's not to like?

that's designed to remove the intimidation in the procedure. I've bored many strangers with my excitement

compensation at Disney. Yet they vote in favor of his personal compensation attorney on the Disney board. This year, the Disney proxy includes a shareholder resolution that would

urge Disney to nominate two candidates for each board slot. This would give shareholders a practical alternative if they see a conflict with the

personal compensation attorney doubling as a board member. Yet this proposal will be defeated by a large margin. Why?

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with 99% pluralities?***

Because shareholders will either not vote at all, let their brokers vote for them (and the brokers generally support management because another side of the brokerage business is underwriting corporate stocks and bonds), or let management vote.

Such a system doesn't work, then, because shareholders aren't fixing it. It's time to fix it.

***The system doesn't work
because shareholders
aren't fixing it.***

It's time to fix it.

2. Why you should *not* file shareholder resolutions: “Proper purpose”

Shareholders, including those with important sensitivity to the stewardship of the environment, hope to gain from their investment. As with other shareholders, such owners want healthy, profitable, enterprises that grow through the efficient, responsible application of labor, land, capital, management and other resources.

There may be some who don't see environmental protection as compatible with profit-making enterprises. Some intelligent, enlightened, and ethically conscious investors have chosen to “screen” their investments, eschewing stock in companies with bad environmental practices (or who sell harmful products such as tobacco or armaments). Funds provide such a service, such as Domini, Calvert, Ariel etc. (Website with list: <http://www.socialinvest.org/Areas/SRIGuide/mfpc.asp>) In this case, the investor doesn't want “her money helping make the world worse.” An honorable position.

The shareholder activist may view the problem in the following light. For starters, the stock you purchase essentially puts money into another investor's pocket, not the company: the company received its revenue from the “initial public offering” or subsequent share sales. By eschewing stock, one might reduce the market slightly, but that will largely harm other investors, with less impact on the company. (Yes, a slightly smaller market reduces the stock price that raises the cost of capital generally to the company when it sells additional shares, seeks a bank loan, etc.) To the extent an investor hopes her money will “do well and do good,” shareholder activism offers a direct opportunity — by using the ownership platform to press for needed reforms.

Is this a device that masks other motives? It should not be. Some corporate managers suspect improper motives behind shareholder resolutions. The American Trucking Association called a press conference to denounce the use by union pension funds and union members of this ownership right. Joining with other business groups, they claimed they were used as leverage to win an advantage at the bargaining table, or in organizing members. They called on the Securities and Exchange Commission to bar them, demanding, for example, that unions should be disqualified as proponents for several months before or after a contract deadline. In one proposed rule adjustment, the

SEC went so far as to agree that if management alleged any improper motive—by a union or another proponent—then the SEC would side with management.

“Ownership means that you take care of things. I own my house and I take care of it. When something breaks, I fix it. Stock means you own a piece of a company. When something breaks you try to fix it. That's what shareholder resolutions help you do.”

But shareholder activists successfully rebutted this effort. The late Jim Weaver, formerly a Consolidated Freightways retiree and shareholder proponent, explained: “Ownership means that you take care of things. I own my house and I take care of it. When something breaks, I fix it. Stock means you own a piece of a company. When something breaks you try to fix it. That's what shareholder resolutions help you do.”

Environmental activists must guard against use of the resolution process to advance causes other than the point of the resolution. If the resolution that splits the offices of chair and CEO, a particularly forceful initiative that many managers may attempt to negotiate away with pledges

of numerous reforms including environmental protections, such environmental protection cannot be the motivation; and there can be no evidence that it is.

A case in point: During contract negotiations, a newsletter published by a union representing workers at Dow Jones put out a small item about a shareholder resolution. The resolution itself aimed to tie the pay of the chief executive to that of the

lowest paid Dow Jones worker. By itself, this resolution would have cleared the SEC hurdles. But the newsletter item contained a phrase to the effect that the resolution would help the union in bargaining. Dow Jones argued before the SEC that the resolution wasn't really intended

to achieve the pay equity it purported, but was being used for an advantage by union negotiators at the bargaining table. This argument persuaded the SEC, which permitted Dow Jones to exclude the proposal. The proponent did not write the newsletter item; the proponent did not declare that his real motive was a bargaining advantage. Yet the SEC sided with the company.

Why should an environmental activist propose a resolution regarding corporate governance? Because federal law guarantees investors the right of governance of the publicly held corporation. It is then up to the shareholder to use this right to make sure that the company is managed responsibly.

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Why should an environmental activist propose a resolution regarding corporate governance? Because federal law guarantees investors the right of governance of the publicly held corporation. It is then up to the shareholder to use this right to make sure that the company is managed responsibly.

Holy activists target environmental policies

By The Associated Press

DALLAS—Sister Patricia Daly has faith she can encourage the nation's largest companies to consider the health of the world as much as the health of their pocketbooks.

That's why the Roman Catholic nun and other holy activists have gone behind company lines to push shareholder resolutions on global warming at mammoth companies.

"There are many companies out there where we've had a great impact on their ethical policy," said Daly, a Caldwell Dominican nun from Newton, N.J., who works with the Interfaith Center on Corporate Responsibility.

The ICCR, based in New York, coordinates the shareholder advocacy programs of 275 religious orders nationwide with an estimated \$90 billion in investments.

In past years, the group has taken on such issues as tobacco and helped persuade Kimberly-Clark Corp. to divest its cigarette paper business in 1995. ICCR has urged garment and shoe manufacturers not to use sweatshops and was among the activists that pressured PepsiCo into withdrawing from Burma.

This year the group is focusing on the environment.

"People in the religious communities think about these things all the time. They're serious people," said Dean Hoge, the chairman of sociology at Catholic University of America. "They want to do what they think the Lord wants, and the environment is coming up on the scene."

A coalition of 34 religious groups that own General Electric Co. stock tried unsuccessfully this April to pass a shareholder resolution demanding that the company clean up PCB contamination in New York's Hudson River.

GE's chairman and chief executive said the company doesn't believe there are any significant adverse health effects from PCBs, and the proposal was soundly defeated.

But the proposal was only one that members of the ICCR had on the agenda for this year. It presented a total of 60 environmental resolutions this year to companies including General Motors Corp. and Ford Motor Co. None of them passed, but none were expected to.

Exxon Corp. was also asked to place global warming on its agenda at the annual meeting.

"They have a responsibility, as one of the world's largest energy suppliers, to practice strong stewardship of the Earth and its resources," said Father Mike Crosby of Province of St. Joseph of the Capuchin Order in Milwaukee. "This company is not being proactive, it is being reactive."

A resolution asking stockholders to support a committee that would review such things as potential liability and greenhouse gas emissions didn't even come close to passing at the April meeting.

Exxon urged shareholders to vote against the measure, saying it would duplicate current efforts and would be a waste of money.

But since more than 4 percent of Exxon shareholders voted in favor of the committee, it's a large enough margin, according to current Securities and Exchange Commission rules, to ensure that supporters will be able to bring up the issue again next year.

Even getting the issue up for vote was a test in resolve for the religious leaders.

Exxon, based in Irving, Texas, had attempted to keep the resolution away from the annual meeting by saying



Sister Patricia Daly poses next to a statue of St. Dominic on the campus of Caldwell College in Caldwell, N.J.

that the shareholder statement "implies a scientific certainty on climate change which, in fact, does not exist."

But the SEC ruled that the proposal should be allowed in the proxy statement.

The activists admit that they changed few votes, but they think they may have changed some minds. And, making shareholders more aware of certain issues is a big part of what they're trying to do.

"The educational piece is a key piece," Daly said. "After all, the issue around global warming took up most of the meeting."

A forum is the most that activists can hope for most of the time.

The SEC estimates that about 900 shareholder proposals are made each year at as many as 400 public companies. About half of those proposals make it to a vote. Of those, only 10 to 20 pass with a majority.

"We are representing people without a voice. Whether we're talking about climate change or human rights, we're talking about people who can't get to corporate America," Daly said.

— The Register-Guard, Sunday Business, June 7, 1998

3. Filing Your Resolution

A shareholder may submit one resolution that the company must print in its proxy statement and put to a vote to all its shareholders at the annual meeting, provided:

1. The proponent holds at least \$2,000 worth or more continuously of the company for 12 months before filing the shareholder resolution. This means that if you bought 100 shares of Acme Inc at \$22, the stock rises for nearly the entire year to \$40, but then declines for a few days to \$19 only to recover again to \$45, you have failed to meet the rule; for a few days, you only owned \$1,900 worth of the stock. You must also continue to hold more than \$2,000 worth of the stock through the annual meeting.

2. The resolution can include a supporting statement, but the entire text cannot be more than 500 words.

3. Proponents must submit the resolution by a deadline posted by the company in its most recent annual meeting, which is generally six months before the next annual meeting. Proponents must attend the meeting personally or through an authorized agent. The submission letter must include certain other information and declarations, which are modeled in the following:

Enclosed, please find a shareholder resolution that I hereby submit under the SEC's Rule 14a(8). I have owned the requisite value for the requisite time period; will provide evidence of said ownership upon request as provided in the federal rule; intend to continue ownership of the requisite value through the forthcoming annual meeting in 2000; and stand prepared to present the resolution at the forthcoming shareholder meeting directly or through a designated agent. Please contact me by mail (put in address) or email (put in email address).

Stages of Shareholder Resolutions

The One-Minute Guide

1. **Owning stock. You must own \$2,000 worth or more for a year.**
2. **Writing and filing the resolution.**
3. **Surviving "no action."**
4. **Attending the meeting.**

*Enclosed, please find a
shareholder resolution
that I hereby submit under the
SEC's Rule 14a(8).*

the statement. If not, the company can demand proof within 14 days after asking for it.

4. Proponents must be ready to prove they own the requisite shares. The best way is to have your broker write a letter to the company that verifies both that you own the stock, and that you have owned \$2,000 worth continuously for at least one year before you filed the resolution. Some brokerage statements list the purchase date of the stock, and therefore, you could send in that statement instead. If you send in your statement, feel free to block out other information irrelevant to the company, such as your other stock holdings. You can include this documentation when filing

5. The resolution must be restricted to broad shareholder concerns such as corporate governance, executive compensation, or major corporate decisions. If the same proposal received less than 3% the previous year, it can't be resubmitted the next year. The proposal cannot address a personal grievance, violate state law, deal with ordinary business. It can't contain false or misleading information or duplicate another resolution.



4. Defending your resolution; contacting institutional investors

A friend once attended a dinner party in Oxford, England and sat next to an older gentleman who worked for the famed dictionary based there.

Institutional investors control more than half of the nation's stock.

friend innocently asked.

"I guess I do," his modest dining partner replied.

So it might be with Wall Street's control over corporations.

There's much to be cynical about when it comes to Wall Street, and institutional voters might have never paid much attention to shareholder resolutions were it not for the federal decision known as the "Avon letter."

New York and California together generally own about 5% of any company.

Another two dozen major funds account for more than a third of the stock. Management also typically owns a significant portion, and also controls the employee-owned slice of the company. Which means if the institutional investors vote with management, this bloc constitutes a working majority.

If they vote with dissidents, the vote could go the other way, as it does routinely with poison pill resolutions. There's much to be cynical about when it comes to Wall Street, and institutional voters might have never paid much attention to shareholder resolutions were it not for the federal decision known as the "Avon letter."

"Who decides how to pronounce a word?" my

Institutional investors control more than half of the nation's stock. Four or five of them together – Boston's Fidelity, L.A.'s Capital Guardian, and the public funds of

This government ruling coming out of the Labor Department (under Reagan, no less) required institutions to take proxy voting seriously.

(Which answers the trivia question: Can you name one good thing Reagan accomplished?)

As a result, pension fund managers must

pay attention to the vote in the same way they pay attention to investment decisions. They can't purchase a stock knowing the company will soon tank; retirees could sue them for that. Similarly, they can't vote foolishly either.

Of course, who decides what's foolish is another question. Still, if federal pension police ever come around, these institutional voters must show they've been careful and diligent. Which is good news for activists. Write a resolution skillfully, and you make it difficult to oppose. Indeed, consider institutional investors as your target audience.

The internet revolutionizes proxy solicitation. By building an appropriate list of email addresses, you can communicate with the purse strings connected to corporate America.

If federal pension police ever come around, these institutional voters must show they've been careful and diligent. Which is good news for activists. Indeed, consider institutional investors as your target audience.

Get your feet wet. Submit a resolution, go through the process, and after a few years you can begin to consider solicitation. By then, you'll be the same pariah at cocktail parties that I am.



The Spokesman-Review, August 24, 1990. Copyright 1998, The Spokesman-Review. Used with permission of The Spokesman-Review.

Soliciting votes with institutional shareholders is complicated, perilous and would require a guide many times the length of this one. Here's the time to seek professional help. But with many resolutions, solicitation is not necessary thanks to the Avon letter; many institutions can't help but support your reasonable proposals.

Get your feet wet. Submit a resolution, go through the process, and after a few years you can begin to consider solicitation. By then, you'll be the same pariah at cocktail parties that I am.

Sample Shareholder Resolution Letter

Here's an example of a recent self-explaining letter aimed at achieving a "no" vote in Weyerhaeuser's acquisition of MacMillan Bloedel. Environmentalists worried that Weyerhaeuser would fail to honor MacBlo's recent accord to improve its cutting methods. Efforts to derail the merger failed with Canadian regulators. Shareholder activists then appealed to institutional owners based on economic grounds.

To: MMBL Shareholders

From: Two Funds

Re: Oct. 28 merger vote.

Shortly, you will receive a proxy card from MacMillan Bloedel (MMBL) asking your support for the sale of our company to Weyerhaeuser (WY). Since the merger was announced several months ago, circumstances have changed that merit your careful consideration of this vote.

When WY announced the planned acquisition of MMBL on June 21, it offered .28 shares of WY stock for each share of MMBL stock. At that time, WY traded at \$68 a share, translating into a MMBL share price of (US) \$19, a premium over MMBL's share price at the time of \$13. Said Tom Stephens, MacMillan Bloedel president and chief executive officer at the time of the announcement, "While we were not seeking a merger of this nature, the terms of this agreement provide an attractive premium to our shareholders."

Since then, WY stock price has fallen and remains near or below \$60. Correspondingly, MMBL's stock has fallen, and has traded near the pre-merger-announcement level.

Is WY suffering an historically temporary depression in its stock price? No. In the five years before it's bid, WY stock rarely traded above \$60. Indeed, according to the company's own 1998 proxy statement, it has underperformed both the S&P500, AND the S&P Paper & Forest. A (US) \$100 invested in WY on 12/93 was worth \$133.96 by 12/98, but the same invested in its peers was worth \$136.50. What's more, WY's profits have declined over the three years ending in 1998. 1996: \$463 million; 1997: \$342 million; 1998: \$294 million.

Meanwhile, MMBL's five year history differs. The stock traded steadily in the low to mid 'teens until the end of 1998 when it collapsed temporarily to less than \$8 a share. Weyerhaeuser noted that it hoped to buy MMBL even cheaper than its eventual bid. MMBL company suffered a sizeable loss in 1997, before recovering in 1998. Its pre-merger quarterly earnings came in better than expected.

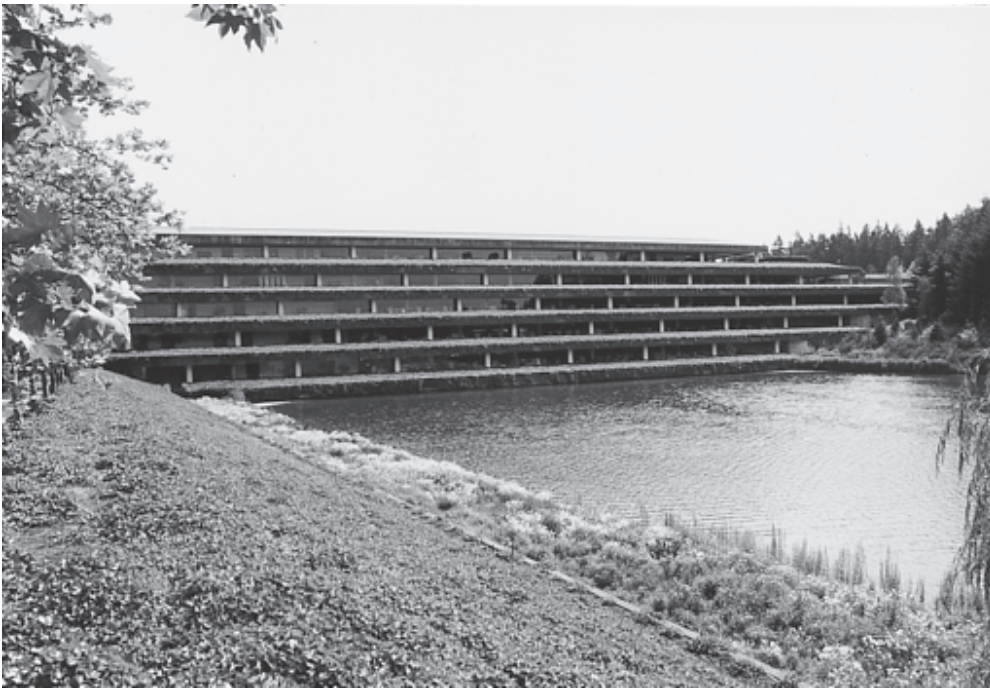
At \$60 a share, WY sells for 35 times earnings. At \$16 a share, MMBL sells for 18 times earnings. If WY paid 33 times earnings for MMBL stock, it would need to value it at \$47/share, more than double its current offer.

To be sure, a number of shareholders may consider MMBL stock more valuable than \$16/share. Farallon Capital, for example, bought nearly 1.39 million shares at an average price of more than (US)\$17 a share in the month following the merger announcement. This added to its 5 million+ shares already owned.

WY might have offered cash instead of shifting market risk to shareholders. However, MMBL shareholders need not accept the stock offer. By voting no on the proposed merger, MMBL shareholders can demand a greater premium.

Vote NO on the MacMillan Bloedel merger with Weyerhaeuser.

Shareholders did approve this merger, but by a surprisingly low margin, with the largest shareholder actually voting against the transaction. Had the merger been refused, MacMillan would have remained independent.



Weyerhaeuser Corporate Headquarters. Improving corporate governance and tightening management's accountability to shareholders will – in the long view – improve the quality of corporate decisions about the environment.

Mt. Rainier in Washington State, looking over a sea of clearcuts from the south and west. Most of Weyerhaeuser's holdings in the Northwest derive from the 1864 Northern Pacific railroad land grant. Weyerhaeuser has clearcut much of its land-grant holdings. In 1996 shareholders voted 62 million shares (43% of the vote cast) to "declassify" the board and improve corporate governance at Weyerhaeuser Corporation.

John Rosapope



© Trygve Steen

5. Speaking to the Corporation: the annual shareholder meeting.

Annual shareholder meetings can be intimidating at first, but you'll probably leave exhilarated. I like to wear a blue suit and one of those Children's Defense Fund ties with a smiling sun. I consider that this disarms management at best, or at least serves as cognitive dissonance to managers that might view me as a disturbance. (Nevertheless, the head of the American Trucking Association, who's since gone on to head the U.S. Chamber of Commerce, called me a "thug in a blue suit.")

When I met with Teamsters preparing to attend a meeting, I often began with the "wallet trick." I asked for someone's wallet. Someone would give me one, and I'd promptly put it in my pocket and remain silent. Nervous laughter. I'd prod some conversation, and point to the following: When you buy stock, you are giving management money with very thin pledges. They could blow it on executive perqs or foolish ventures, and give nothing back. Because of this, federal law requires them to respond to shareholders — to answer their questions and heed their suggestions. The shareholder meeting should not be considered an audience with the Pope; it's a time when the boss (that's you) can finally meet your employees (that's management). Naturally, you'll be respectful, as any supervisor should be. But don't forget where the line of authority runs.

Sometimes management needs to be reminded of this line of authority. One year, Consolidated Freightways held its meeting in a San Francisco hotel north of its corporate headquarters in Silicon Valley. The ballrooms ConFreight rented could easily accommodate our group of six dozen employee shareholders, but in the 30 minutes before the scheduled start, ConFreight ran a partition down the ballroom, cutting the capacity by half, and then announced that there wasn't enough room for all of us. In a subsequent year, management placed decorum commands on the seats before admitting the employee-owners, who, coincidentally were on strike. For further control, management-appointed people sat in every other chair, which was plain when the first employee-shareholders began to enter. Among other rules, CF declared that anyone who made a personal derogatory remark would be expelled. As the meeting continued, one employee asked about a news clip in which the chairman had called another employee a "stooge" of the Teamsters. The chair responded that he didn't call this employee a stooge, but that other employees were stooges. Whereupon our alert attorney stood:

"I'd like to point out that the chair has just uttered a personal derogatory remark, in violation of rule 6 of the company's rules of conduct of this meeting. Now, because the chair is conducting the

meeting, I ask for a voice vote of those in favor of expelling the chair for violating this rule. All those in favor, say "aye."

The employee-owners erupted into a cheerful "Aye!"

"All those opposed to expelling the chair, signify by saying "Nay."

The management members of the audience, presumably not wanting to dignify the process by participation, remained silent.

"Mr. Chairman, the 'ayes' clearly have it, and I ask that you be expelled."

The Chairman didn't leave, and perhaps this story actually illustrates that we failed to exercise real control. But we think we made a small point and we did enjoy ourselves.

We pressed Philip Morris to drop its poison pill, a management protection device (discussed in some detail later). We organized institutional investors to meet with corporate representatives in New York. This group included several public fund representatives, such as the politically astute City Comptroller, who wasn't ignorant of the media attention around tobacco. Philip Morris officials began with a slide presentation which absorbed nearly an hour, and proposed to retire to another room around 5:00 for what would be a cocktail hour. We could tell they were effectively filibustering us. With reporters in attendance, we staged a flamboyant walkout, garnering some decent press.

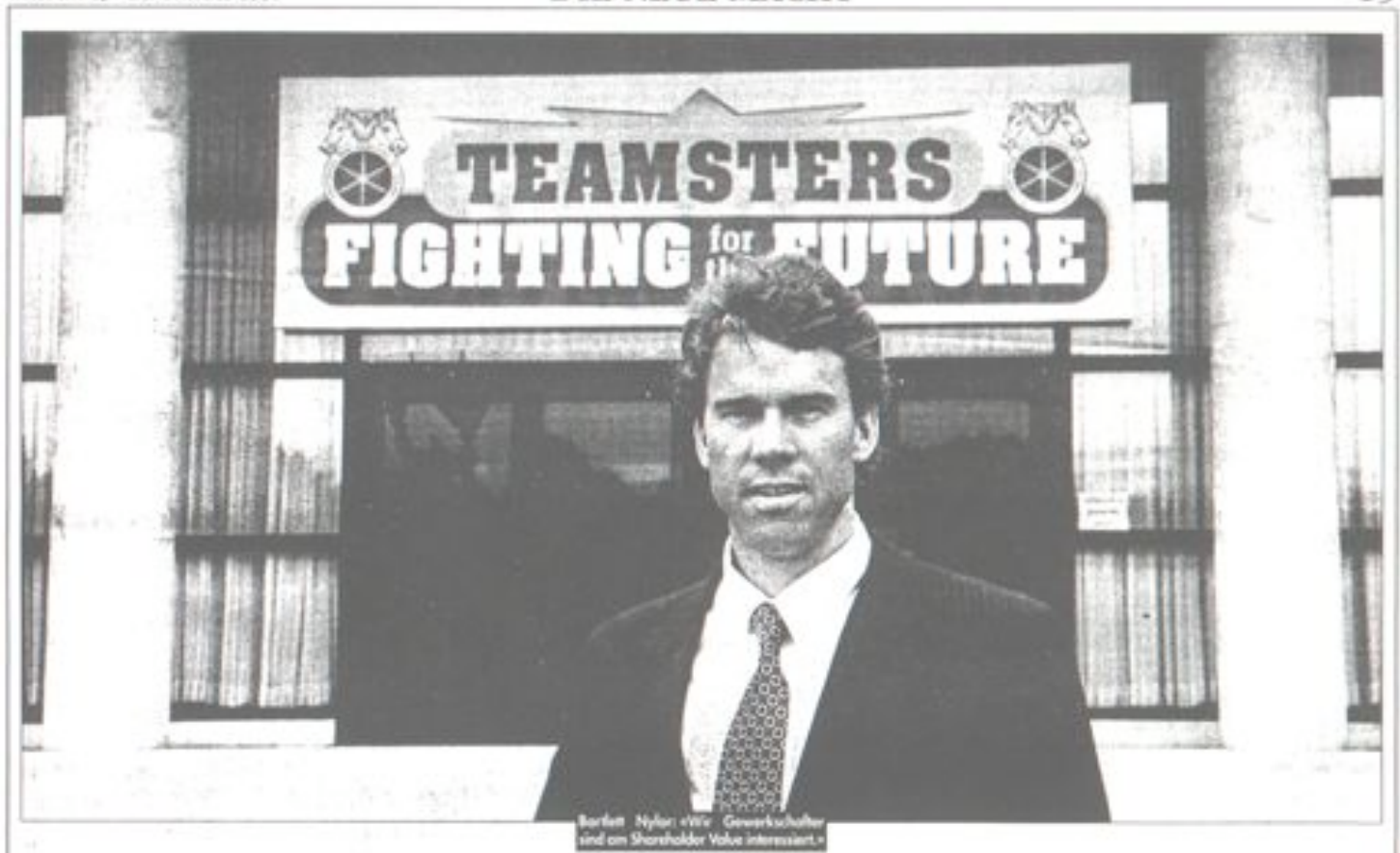
Subsequently, senior management agreed to meet with us and we recruited Teamsters President Carey for the discussion. I met Carey in the lobby of the company's Manhattan headquarters. He took the subway from his Local office, something of a break in tradition of former Teamsters bosses travelling by chauffeured Cadillac. How we arrived served as the subject of preliminary chit chat with the CEO of Philip Morris, who we presumed didn't even do his own grocery shopping. Our conversation proved useful. Philip Morris dropped its pill, the largest company ever to accede to such a shareholder request.

At Fleming Foods, then the nation's largest food wholesaler, we sent a small delegation to present an historic resolution that commanded (as opposed to urged) the board to drop its poison pill. They held the annual meeting itself at the Cowboy Hall of Fame, complete with stage, lights, sound, the works. On the morning of the meeting before the official announcement, the corporate secretary apprised us that we'd won, though he didn't detail the vote. Rather than presenting our case, only to have the chair announce that the proxy voters defeated our effort by a humiliating margin, we mounted the stage victoriously, and boldly

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When you buy stock, you are giving management money with very thin pledges. They could blow it on executive perqs or foolish ventures, and give nothing back. Because of this, federal law requires them to respond to shareholders — to answer their questions and heed their suggestions.

The shareholder meeting should not be considered an audience with the Pope; it's a time when the boss (that's you) can finally meet your employees (that's management). Naturally, you'll be respectful, as any supervisor should be. But don't forget where the line of authority runs.



displaced the chairman from his podium. We made speeches that we thought were worthy of the Academy Awards.

At a Federal Express annual meeting, Chairman/CEO Fred Smith apparently neither wrote nor read the fine print of his own proxy (no surprise) so that when a shareholder stood to ask a question, Smith told him to sit down.

"You're from the Teamsters, and there won't be any political statements."

"Excuse me, this is the election of directors, and some of us may have some questions."

"There'll be no questions here," Smith countered.

"Your proxy says you'll accept questions as well as comments."

"No questions."

"Are you saying your proxy is false, that you've published a false and misleading statement to your thousands of shareholders? I draw your attention to page 3, where it states . . ."

Smith leaned over to his general counsel, who whispered in his ear.

"Okay, what's your question?"

One way to elevate your profile with the resolution going into the annual meeting, is to following cutting edge issues

covered by reporters. If your resolution helps to reform a problem highlighted by the media, you may win media attention for it. We submitted a resolution at General Electric following a three-part series in the New York Times about tax-deferred

compensation. The reporter showed how CEOs can effectively create their own unlimited IRA or 401k plan by deferring their

pay until after they retire. As with an IRA, the pay goes to an account, where it builds up interest tax free. What interest rate? An "above market" rate paid, of course, by the company. At GE's annual meeting, we challenged Chairman Jack Welch: "Would you not get out of bed if paid only \$19 million?"

"I know it might seem like a lot of money, but that's what you have to pay people like me," attempted Welch when confronted.

"Are you saying your proxy is false, that you've published a false and misleading statement to your thousands of shareholders?"

At GE's annual meeting, we challenged Chairman Jack Welch: "Would you not get out of bed if paid only \$19 million?" "I know it might seem like a lot of money, but that's what you have to pay people like me."

6. Anticipating Your Questions: Some Answers

Once submitted a proposal to a company and included boilerplate language about my resolution, cited 14a8 and put in the obligatory declaration that I planned to continue ownership through the annual meeting. The company wrote back asking if I “intended” to continue ownership. Yes, I said, and referred them to my original letter. Ah, but “plan” and “intend” are two different words. If I hadn’t repaired this word, they might have gone to the SEC and my resolution would be lost.

Welcome to “no action” land. Technically, the company could have written to the SEC and told this federal agency that they aimed not to include my resolution on their proxy statement. They would ask the agency to take “no action” in enforcing my federal rights to force them to print it. If you get a “no action” letter, and it’s signed by outside counsel, such as Akin Gump (Vernon Jordan’s former firm), figure that the company is probably paying some \$20,000 to fight your effort. Be flattered. You need not respond. The company must prove that you violated the rules. You may wish to respond, however, if the company makes misstatements— if they claim not to have received the proposal in a timely way, you should forward your USPS certified mail coupon showing you sent it a month in advance. The company might attempt a more complex claim. If the issue turns on facts, make sure the SEC has the facts. If it turns on argument, you’ll either need to bone up on case law, or contact help. Resources are listed in the appendix. Quite the misnomer, there’s plenty of action (at least on the company’s part) in the “no action” process.

The SEC explains, “If the company intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission. The company must simultaneously provide you with a copy of its submission. The Commission staff may permit the company to make its submission later than 80 days before the company files its definitive proxy statement and form of proxy, if the company demonstrates good cause for missing the deadline. . . . You may submit a response, but it is not required. You should try to submit any response to us, with a copy to the company, as soon as possible after the company makes its submission. This way, the Commission staff will have time to consider fully your submission before it issues its response. You should submit six paper copies of your response.”

Naturally, to make sure a company can’t win a “no action” letter, you need to be aware of the rules. The SEC’s website contains a list of questions and answers. (<http://www.sec.gov/rules/final/34-40018.htm>) Here is an embellished/annotated version of what the SEC advises.

What is a proposal?

A shareholder proposal is your recommendation or requirement that the company and/or its board of directors take action. You’ll present the proposal orally at the annual meeting, but ahead of time,

it will appear printed in the proxy statement. Most of the voting will actually take place by mail (or telephone or the internet). Your proposal should state as clearly as possible the course of action that you believe the company should follow. If your proposal is placed on the company’s proxy card, the company must also provide, in the form of proxy, means for shareholders to specify by boxes a choice between approval, disapproval, or abstention. Unless otherwise indicated, the word “proposal” as used in this section refers both to your proposal, and to your corresponding statement in support of your proposal (if any).

If you get a “no action” letter, and it’s signed by outside counsel, such as Akin Gump (Vernon Jordan’s former firm), figure that the company is probably paying some \$20,000 to fight your effort. Be flattered. You need not respond. The company must prove that you violated the rules.

How many proposals may I submit?

One. What “one” means is somewhat flexible. You can’t advance a proposal for “governance reform” and throw in a kitchen full of amenities. But you can list components. You could request environmental reporting, and detail that this means several things, such as establishment of an independent advisory board, a series of meetings between this board and interested shareholders, an annual report available to shareholders, etc.

What if my brother and I both own stock. Can we each file resolutions at the same company?

The SEC explains, “Each shareholder may submit no more than one proposal to a company for a particular shareholders’ meeting.”

What’s not clear is if two related people can each submit a resolution. One investor and several family members and colleagues submitted multiple resolutions at a particular company, and the SEC declared them as “one” proponent, meaning they could only submit one between all of them. The SEC was wrong, but they decide the issue. This “relatedness” goes beyond bloodlines. The SEC has occasionally rejected all but one resolution from members of a trade union. For safety’s sake, one needn’t declare all one’s affiliations when submitting a resolution. For example, don’t note that you’re a Presbyterian, in case another person so declares, and the SEC decides that the Presbyterians only get one shot at the company that year.

Who is eligible to submit a proposal, and how do I demonstrate to the company that I am eligible?

The SEC explains: “In order to be eligible to submit a proposal, you must have continuously held at least \$2,000 in market value, or 1%, of the company’s securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal. You must continue to hold those securities through the date of the meeting.” Don’t bother about the 1%; if you held that much in any company, you could insist the board meet in your basement.

What's a "record" shareholder and what's a "beneficial" shareholder?

Most individual investors hold stock through a brokerage firm. It's the brokerage firm's name that appears in the company's record, and that company (Merrill Lynch, Schwab, etc) is the record shareholder. But the brokerage holds the shares for your benefit, making you the beneficial shareholder. This means, as explained above, you must get the broker to write a letter to the company verifying your continuous ownership. Less likely, you might be the record shareholder, in which case you will have a handsomely printed certificate, with the name of the company, number of shares, etc. If you are the record shareholder, you need not prove your ownership; that's on the company's record.

You must have continuously held at least \$2,000 in market value for at least one year by the date you submit the proposal.

Do all resolutions have to be "advisory"? If a majority of shareholders approve a resolution, why isn't the board compelled to adopt it?

State corporation law accords wide latitude to board directors. Oklahoma recently overrode a board that defied a majority shareholder vote. The real test will be in Delaware, legal home to more corporations than any other state, and a true test case of a mandatory shareholder resolution hasn't come to fruition yet.

What is the deadline for submitting a proposal?

That's printed in the company's proxy statement. You received one in the mail. If you've discarded or lost it, you could call the company; or check the proxy on-line (<http://www.sec.gov/cgi-bin/srch-edgar?>). Type in the company's name, and under the list of documents, look for the phrase DEF14a, and the most recent year. Generally, you must submit six months before the annual meeting; since that typically changes from year to year by a few days or weeks, it's six months before the anniversary of the previous year. Don't rely on this, however; check the printed proxy document. And don't be late. If you mail a few days ahead of the deadline, the company might claim that it arrived after the deadline. Safeguard yourself with some proof, such as by sending UPS, or certified mail. (Yes, it probably does cost more than 33 cents after all.) The SEC notes, "In order to avoid controversy, shareholders should submit their proposals by means, including electronic means, that permit them to prove the date of delivery."

I own a mutual fund that owns stock in Acme Co. Can I file a resolution there?

Not at Acme Co. The same goes for a pension fund. Yes, Fidelity might be the largest shareholder, and you might have plenty with Fidelity, but you can't file vicariously.

The proposal, including any accompanying supporting statement, may not exceed 500 words. If the proposal is 501 words long, the company can qualify for a "no action" letter.

What if my brother or a friend owns the stock. Can I file the resolution?

Yes and no. You can do all the work, but your brother must sign a statement authorizing you to represent him. His letter to the company should state: "I, Michael Naylor, authorize Bartlett Naylor to represent me in filing the enclosed resolution. All questions should be directed to him." Your brother must still sign a letter including the boilerplate language about continuous ownership, intention to own through the annual meeting, etc.

The deadline is six months before the anniversary of the previous year. Don't rely on this, however; check the printed proxy document.

What if I miss the deadline?

Section 14a of the SEC's rules permit proponents to submit resolutions outside the guidelines discussed here. Essentially, 14a8 is a trade-off that says that if a shareholder obeys a blizzard of rules, then the company must print the resolution. But owners are owners, and you can submit a resolution that is voted on at the meeting; it just won't be in the company's proxy. At the meeting, the chair will ask if there's any other business, and you can bring up your issue. The company's proxy card will say that if any other business comes up, he'll vote the proxy as the board sees fit (which means against any resolution). Rule 14a has been used by shareholders willing to file their own proxy statement, and who mail it to other shareholders. (If you're

How long can my proposal be?

The SEC explains, the "proposal, including any accompanying supporting statement, may not exceed 500 words." If the proposal is 501 words long, the company can qualify for a "no action" letter. The word count is by word, not character. That is, they don't define a word as 5 characters, as they do in typing class; don't think that short words that only number to 500x5 characters will help you escape the limit. If you have much to say, use big words that contain a lot of meaning.

You can submit a resolution that is voted on at the meeting; it just won't be in the company's proxy.

willing to do this, the company actually is compelled to put your resolution on its statement.)

Who has the burden of persuading the Commission or its staff that my proposal can be excluded?

The company bears the burden to demonstrate that it is entitled to exclude a proposal.

If I make a clerical or other kind of mistake can I correct it?

Yes, if it's correctable, the company within 14 calendar days of receiving your proposal, must notify you in writing of any procedural or eligibility deficiencies, as well as of the time frame for your response. Your response must be postmarked, or transmitted electronically, no later than 14 days from the date you received the company's notification. If it's not correctable, "A company need not provide you such notice of a deficiency" such as if you fail to submit a proposal by the company's properly determined deadline. If the company intends to exclude the proposal because it believes your proposal is beyond repair, it then goes the "no action" route. The SEC explains, "If our no-action response requires that you make revisions to your proposal or supporting statement as a condition to requiring the company to include it in its proxy materials, then the company must provide you with a copy of its opposition statements no later than 5 calendar days after the company receives a copy of your revised proposal."

The SEC warns: "If you or your qualified representative fail to appear and present the proposal, without good cause, the company will be permitted to exclude all of your proposals from its proxy materials for any meetings held in the following two calendar years."

Can the company criticize my proposal in the proxy?

Yes, and it will. The SEC explains: "The company may elect to include in its proxy statement reasons why it believes shareholders should vote against your proposal. The company is allowed to make arguments reflecting its own point of view, just as you may express your own point of view in your proposal's supporting statement." The company must "provide you with a copy of its opposition statements no later than 30 calendar days before it files definitive copies of its proxy statement and form of proxy under Rule 14a-6." If management makes false claims, you may point this out to the company and the SEC. The "no action" process needn't be entirely one sided. If the company makes false statements, you can write the SEC and demand change, provided you include proof. The SEC requires "the company to send you a copy of its statements opposing your proposal before it mails its proxy materials, so that you may bring to our attention any materially false or misleading statements."

Is the company bound by the 500-word-limit rule for its response?

Of course not.

Can the company sue me?

I'm not familiar with a case where a company sued a proponent for, say, making false and misleading statements in the supporting statement.

Can I communicate with shareholders?

Yes. You can also talk to the media, even issuing a press release.

What you cannot do is ask other shareholders for their proxy ballot so you can be entrusted to vote their shares. That is, you can't do that unless you file your own proxy statement. That's an involved, and pricey/costly exercise. The filing fee alone is nearly \$1,000, and then you must conform to a blizzard of rules. If a shareholder contacts you and volunteers their ballot to you (without you asking for it), you may take it with you to the annual meeting.

Does my name have to appear in the company's proxy?

That's up to the company. The company might list your name, address and the number of shares you hold. It could also simply state that this information will be provided to shareholders that inquire. If you want anonymity, or don't want your friends to see you own \$1 million worth of the nation's biggest polluter, you could ask the company not to publish your name, but the choice is theirs, not yours.

What if I do sell the securities? For example, what if a money manager handles my investments, and unbeknownst to me, sells out the stock.

The SEC puts it bluntly: "If you fail in your promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of your proposals from its proxy materials for any meeting held in the following two calendar years."

What if the company adopts my resolution before the vote?

You've succeeded.

What if a company rep calls me and proposes a compromise?

You may choose to "negotiate." Especially with a resolution unlikely to win, you may decide to walk away with something rather than a lopsided defeat. And you can file another resolution next year.

Must I appear personally at the shareholders' meeting to present the proposal?

If you can't make it, you can ask someone else who can. You must provide them with a letter that states: "John Doe is hereby authorized to represent me at the Acme shareholder meeting, and to present the proposal on classified boards that I submitted." John Doe doesn't have to be a shareholder, but you probably should send him your proxy to show further that he represents you.

The SEC warns: "If you or your qualified representative fail to appear and present the proposal, without good cause, the company will be permitted to exclude all of your proposals from its proxy materials for any meetings held in the following two calendar years."

How do I trust the vote counting?

Many companies use outside auditors to tabulate. You may watch this, though it takes time, and you must go to some bank office away from the annual meeting. If the company doesn't use an independent tabulator, you can file a resolution asking for one; such resolutions often pass.

When can the company exclude my proposal?

Precisely when a company can exclude based on items other than clerical mistakes just discussed turns on specific rules. Corporate attorneys and shareholders hotly contest this language. As it happens, some of these rules undergo change, some have been subject to court cases and have been reversed. Obey them until you're ready to finance a legal case and know you will win.

A company can exclude, according to the SEC, if the proposal is:

"Improper under state law: If the proposal is not a proper subject for action by shareholders under the laws of the jurisdiction of the company's organization. . . . Depending on the subject matter, some proposals are not considered proper under state law if they would be binding on the company if approved by shareholders. In our experience, most proposals that are cast as recommendations or requests that the board of directors take specified action are proper under state law. Accordingly, we will assume that a proposal drafted as a recommendation or suggestion is proper unless the company demonstrates otherwise."

"Violation of law: If the proposal would, if implemented, cause the company to violate any state, federal, or foreign law to which it is subject. . . . We will not apply this basis for exclusion to permit exclusion of a proposal on grounds that it would violate foreign law if compliance with the foreign law would result in a violation of any state or federal law.

"Personal grievance; special interest: If the proposal relates to the redress of a personal claim or grievance against the company or any other person, or if it is designed to result in a benefit to you, or

to further a personal interest, which is not shared by the other shareholders at large."

This is the language a company will cite that's discussed above in the Dow Jones case.

"Relevance: If the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business;

"Absence of power/authority: If the company would lack the power or authority to implement the proposal;

For example, one might wish that Mobil would work for justice in Nigeria, where it operates a state-sanctioned oil drilling operation. You could ask Mobil to leave the country altogether.

"Management functions: If the proposal deals with a matter relating to the company's ordinary business operations."

Just what is "ordinary business?" The common sense might be the color of the paint in corporate board room. And that is ordinary business. But for several years, the SEC considered all labor relations ordinary business. Even though the employment base might absorb 60 percent

of the company's total expenses, even though announcements of a downsizing might send a stock price skyrocketing, even though companies such as Intel thrive or fail based on the intelligence of their computer innovators, the SEC declared this all ordinary business. Through a major lobbying offensive over several years, the SEC finally modified this. (This reversal came after considerable protest from the environmental community, interestingly enough.)

Environmental issues often come close to this exemption.

"Relates to election: If the proposal relates to an election for membership on the company's board of directors or analogous governing body."

The intention of this is to prevent a shareholder from proposing a specific director for election. Sadly, it's not possible for your nominee to appear on the company's proxy. It does not refer to generalities about elections. You can ask for directors to be elected annually, as opposed to once every three years.

Intended or not, this section has also allowed companies to exclude proposals on such plain vanilla resolutions as asking for annual board elections if the proponent cites as justification that a particular director doesn't show up for meetings, or was recently convicted of embezzlement. Interesting as this information might be about that particular director, it "relates to an election" and God forbid that shareholders be informed of it.

"Conflicts with company's proposal: If the proposal directly conflicts with one of the company's own proposals to be submitted to shareholders at the same meeting;

"Substantially implemented: If the company has already substantially implemented the proposal;

"Duplication: If the proposal substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting;

Consider the case of John Chevedden: He is not a securities attorney, he is not an attorney, he is not an economist, a veteran business manager, a tycoon, nor is he a board member. Yet he has become one of the most active, accomplished and successful shareholder resolution proponents today. In 1999 alone, his successes include: majority votes at Airborne Freight, PG&E, Maytag, Northrop, and Boeing

“Resubmissions: If the proposal deals with substantially the same subject matter as another proposal or proposals that has or have been previously included in the company’s proxy materials within the preceding 5 calendar years, a company may exclude it from its proxy materials for any meeting held within 3 calendar years of the last time it was included if the proposal received: (i) Less than 3% of the vote if proposed once within the preceding 5 calendar years; (ii) Less than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years; or (iii) Less than 10% of the vote on its last submission to shareholders if proposed three times or more previously within the preceding 5 calendar years.”

Yes, there are some 200+ shareholder resolutions filed each year, there should be many more, with some 15,000+ public companies. And so much reform that needs a proponent.

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Chevedden didn’t enter the field last year. He began several years ago with a resolution at General Motors. GM successfully bounced him off the proxy because of a “personal grievance.” (He learned some of the hard rules first.) He’s tripped up on other rules as well (missed deadlines, etc.). He’s also experienced the legal tyranny of management at annual meetings. He wasn’t allowed to present his resolution at one company: management never called on his agent, and refused to listen when the agent sought the floor.

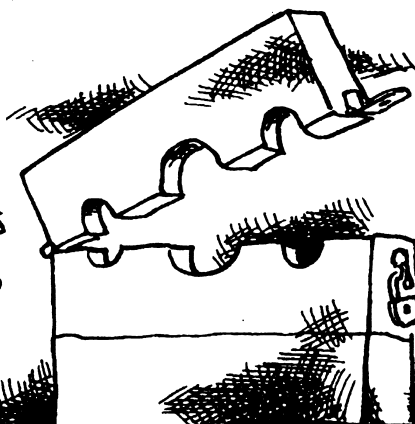
There should be more John Cheveddens. Yes, there are some 200+ shareholder resolutions filed each year, there should be many more, with some 15,000+ public companies. And so much reform that needs a proponent.

A Final Word

Having read this blizzard of rules, you may be intimidated. But consider the case of John Chevedden. He will forgive me, I hope, if I dwell on what he is not: He is not a securities analyst, he is not

shame

There’s a new movement to bring a sense of shame back to society, to deter practitioners of pernicious anti-social activities by means of acute personal embarrassment.



...Well, one can always hope.



YOU
EARNED
IT.

TOLES

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Appendix 1. Sample Resolutions: Environment

1. Resolutions submitted that deal directly with environmental issues.

The following resolution accompanied a broader effort to protect old growth forests.

WHEREAS: Old growth forests are the remnants of the world's original forests. While these forests cover less than 5% of the earth's surface, they are home to nearly 50% of the world's species. Old growth forests store extensive amounts of carbon and are therefore critical to moderating the effects of climate change. Old growth forests are home to more than 200 million indigenous people worldwide. Less than 20% of the world's old growth forests remain. Numerous ecosystems are under threat from logging, oil drilling, clearing and flooding;

By promoting markets for old growth timber, Home Depot is contributing to the needless destruction of these global treasures. Our company buys cedar and hemlock from the Great Bear Rainforest in British Columbia, mahogany from the Amazon Basin, and lauan and ramin wood from tropical forests in Southeast Asia. Ample supplies of second growth and plantation wood make reliance on old growth timber unnecessary;

Our company has been aware of this issue since at least 1992 and even pledged at that early date to phase out all wood that is produced unsustainably. Many other leading corporations including B&Q (the largest do-it-yourself chain in the UK), IBM, Hallmark, Hewlett-Packard, Kinko's, and dozens others have committed to eliminate all use, sale, or distribution of old growth wood, pulp, or paper;

Our company was the target of 85 demonstrations in October 1998 and continues to be a target at the openings of new stores. Home Depot was featured in a Time magazine article last October that highlighted our company's purchases and sales of old growth wood. Home Depot received at least 75,000 letters and phone calls last year on this topic. Our company received over 1,000 letters last Christmas from children, our future customers, urging us to stop selling old growth wood;

Growing opposition to the sale of old growth wood could have a significant impact on our company's image, profitability, and plans for growth. Home Depot's business and reputation as a good corporate citizen remains at risk until our company implements an effective policy of phasing out the sale of old growth woods;

RESOLVED: *Shareholders request the Board of Directors review Home Depot's policy on phasing out the sale of old-growth woods and issue a report, prepared at reasonable cost and omitting proprietary information, on its policy to shareholders by October 1999.*

We believe that Home Depot can gain competitive advantage in the marketplace by phasing out the sale of old-growth woods and increasing its sales of certified well managed woods.

2. CERES Principles. These principles are the most common environmental resolution voted on today. The CERES principles serve as part of the socially responsible investment community's response to the Exxon Valdez spill.

WHEREAS WE BELIEVE: Responsible implementation of a sound, credible environmental policy increases long-term shareholder value by raising efficiency, decreasing clean-up costs, reducing litigation, and enhancing public image and product attractiveness; Adherence to public standards for environmental performance gives a company greater public credibility than standards created by industry alone.

For maximum credibility and usefulness, such standards should specifically meet the concerns of investors and other stakeholders; Companies are increasingly being expected by investors to do meaningful, regular, comprehensive and impartial environmental reports. Standardized environmental reports enable investors to compare performance over time. They also attract new investment from investor companies which are environmentally responsible and which

seek to minimize risk of environmental liability.

WHEREAS: The Coalition for Environmentally Responsible Economies (CERES)— which includes shareholders representatives, and environmental experts—consulted with corporations to produce the CERES Principles as comprehensive public standards for both environmental performance and reporting. Fifty-one companies, including American Airlines, Sunoco, General Motors, H.B. Fuller, Polaroid, and Bethlehem Steel, have endorsed these principles to demonstrate their commitment to public environmental accountability. Fortune-500 endorsers say that benefits of working with CERES are public credibility, "value-added" for the company's environmental initiatives;

In endorsing the CERES Principles, a company commits to work toward: 1. Protection of the biosphere, 2. Sustainable natural resource use, 3. Waste reduction and disposal, 4. Energy conservation, 5. Risk reduction, 6. Safe products & services, 7. Environmental restoration, 8. Informing the public, 9. Management commitment, 10. Audits and reports [Full text of the CERES Principles and accompanying CERES Report Form obtainable from CERES, 11 Arlington Street, Boston, MA 02116, tel: 617/247-0700]. CERES is distinguished from other initiatives for corporate environmental responsibility, in being (1) a successful model of shareholder relations; (2) a leader in public accountability through standardized environmental reporting; and (3) a catalyst for significant and measurable environmental improvement within firms.

RESOLVED: *Shareholders request the Company to endorse the CERES Principles as a part of its commitment to be publicly accountable for its environmental impact.*

A few tips on drafting. Citing another authority will add more credibility. Avoid opinion the company can criticize as "false and misleading." The most unimpeachable source, of course, is the company itself. Let facts speak for themselves. If you must draw conclusions, place them in question form. "Is Acme the worst managed company in American history?" will more likely survive the SEC than the declarative form of this modest assertion.

Appendix 2. Shareholders holding corporate management accountable

Making a profit – not sustaining regional and global ecological systems – drives investment decisions by most institutional and private shareholders. Many shareholders are much more interested in governance and accountability. The resolutions just cited typically receive low votes. Wall Street figures many of them won't benefit profits. Another type of resolution that does receive a high vote involves corporate governance. The so-called "pill" resolution typically wins.

1. Poison Pill

A "poison pill" is a corporate doomsday device that protects a company by threatening to destroy it if a raider begins to acquire it. Also known as shareholder rights plans, "poison pills" originated in the mid-1980s as a device to thwart hostile bidders from purchasing controlling shares of a target company. Essentially, when a bidder reaches a certain threshold of ownership, such as 1%, 5% or 20%, the plan calls for an absurd and essentially fatal transfer of funds or additional stock to the current shareholders. No sane bidder would purchase beyond such a level because the company would become essentially worthless, as would the hostile bidder's own minority stake. Poison pills became anathema to the larger shareholder community and most major institutions wrote voting guidelines that instructed their proxy voting personnel to approve advisory resolutions calling for termination automatically.

"RESOLVED: That the Shareholders of Anheuser-Busch Companies, Inc. urge the board of directors to redeem any shareholder rights plan unless the plan is approved by the affirmative vote of a majority of the outstanding shares at a meeting of the shareholders held as soon as possible; and that this policy apply to rights plans which currently exist, and to those that may be considered in the future." The shareholder's statement in support of the proposal is as follows:

"SUPPORTING STATEMENT: At any time, Anheuser-Busch's board may adopt a shareholder rights plan commonly known as a 'poison pill.' Shareholders are concerned that rights plans can serve to insulate boards and management from shareholder interests.

*"Generally, we believe 'pills' depress a company's stock price and serve to insulate management. As a December 19, 1996 *New York Times* article notes, poison pills are not serving their original intention of protecting all shareholders: But if the Board has the power to suspend the pill for some bidders and not for others, it can then allow a friendly bidder to make a coercive offer while preventing a better offer from another suitor. That's not the way pills are supposed to work.*

"For these reasons, we believe the unilateral adoption of this poison pill plan by the Board detracts from our company's broader relationship with its shareholders and harms shareholder value. Therefore, we urge a vote FOR the resolution."

2. Declassifying The Board

Some boards serve for one year; other serve staggered three year terms. This resolution, submitted for Weyerhaeuser's 1996 annual meeting aims for the entire board to face election annually.

"RESOLVED: That the stockholders of Weyerhaeuser urge that the Board of Directors take the necessary steps to hold annual elections for

all directors, and that this change shall be accomplished in a manner that does not affect the unexpired terms of directors previously elected."

"SUPPORTING STATEMENT. Currently, the Weyerhaeuser is composed of three classes of directors. Only a third of the board faces election each year; each individual director faces election once every three years. I believe that reducing the frequency of director elections reduces the accountability of each director to shareholders. Many shareholders have voiced growing concern about classified boards.

"In the case of the Weyerhaeuser board, I am concerned that management insulation from the long-term interests of shareholders has led the company to adopt counterproductive policies.

"Much of Weyerhaeuser's physical resources stem from a century old contract whose validity apparently requires the abiding and expensive attention of federal and state lobbyists. Such a fragile tether to hard assets

may account for the Company's aggressive forest cutting. Having mined extensively its own lands, the Company now bids to cut on national forest property. And again, this initiative turns on the persuasion of lawmakers in state and federal seats of government. First, such aggressive depletion of assets may not serve long-term shareholder interests. Second, shareholders might be served by a more reliable understanding of the company's own claims on the resources it identifies as assets.

"I believe a company more attuned to shareholder interests would undertake a more reasoned and stable approach to asset management. While annual election of directors will not automatically achieve this goal, I believe it is an important first step.

"Therefore, I urge support for this resolution."

3. Independent directors

This resolution, also filed at Anheuser Busch, aims to remove conflicts of interest that might interfere with directors serving shareholders (as oppose to serving management).

"RESOLVED: The shareholders urge that the board of directors adopt a policy that no board members shall serve if he or she is not an independent director. For these purposes, the board should adopt the following definition of independence to mean a director who:

- is not employed by the Company or an affiliate in an executive capacity;*
- is not a member of a corporation or firm that is one of the Company's paid advisers or consultants;*
- is not employed by a significant customer or supplier to the Company;*
- has no personal services contract with the Company or one of its [sic] affiliates;*
- is not part of an interlocking directorate in which the CEO or any other executive officer of the Company serves on the board of another corporation that employs the director;*

- and does not have any personal, financial, and/or professional relationships with the CEO or other executive officer that would interfere with the exercise of independent judgement by such director."*

The purpose of this proposal is to incorporate a standard of independence that will permit objective decision making on compensation and other issues at Anheuser-Busch. "The current board includes many individuals who do not meet this standard of independence. The section of this proxy statement entitled 'Other Transactions Involving Directors, Officers, and Their Associates' detail the web of relationships. "These include: * Carlos Fernandez, Vice Chairman of the Board of Directors of Grupo Modelo and Diblo, and

Environmental resolutions typically receive low votes. Wall Street figures many of them won't benefit profits. Corporate governance resolutions often receive high votes.

A "poison pill" is a corporate doomsday device that protects a company by threatening to destroy it if a raider begins to acquire it.

Poison pills became anathema to the larger shareholder community.

Chief Executive Officer of Grupo and Modelo, companies in which Anheuser-Busch holds considerable stakes, and is currently in the midst of disputed stock transactions. Mr. Fernandez serves on the Anheuser-Busch board as a representative of the Controlling Shareholders of Diblo. * James B. Orthwein, President and General Manager of Double Eagle Distribution. * Percy J. Orthwein II, Chairman of the Board of Double Eagle Distributing. Both men are the sons of board member James B. Orthwein. In 1997 Double Eagle purchased \$38,735,202 of products from Anheuser-Bush [sic] Incorporated. * Steven Knight, a majority owner of City Beverage, L.L.C., is the son of board member Charles F. Knight. In 1997, Anheuser-Busch Incorporated entered into an agreement to acquire the assets of the Kent, Washington wholesalers and then agreed to assign the right to acquire the business to City Beverages, L.L.C. City Beverages L.L.C. paid \$5,437,000 of [the] wholesalership. * Director William Webster is a partner at Milbank, Tweed, Hadley & McCoy, which Anheuser-Busch used for legal services in 1997.

"For the above reasons, we urge a vote FOR this resolution."

3. Splitting the Chair and CEO

Many CEOs also serve as the chair of the board. It's a comfortable life. But as the resolution below argues, there are good reasons for splitting these roles between two people. Some CEOs view this proposal as a confidence vote in their management performance. (And they don't like such tests.)

"RESOLVED: *That the shareholders of Anheuser-Busch Companies, Inc. urge the board to take the necessary steps to require that an independent director who was not formerly the chief executive of the company serve as chair of the board.*" The shareholder's statement in support of the proposal is as follows: The board's responsibility in scrutinizing management plans may be reduced when the board chair is also the chief architect of the management plan in his or her capacity as chief executive officer. By requiring that the chair be an independent director, the board may be able to bring to bear more critical review of basic management plans.

"Numerous scholars have called for greater distinction between directors and management. An idea parallel to splitting the Chair and CEO is naming a 'lead' director, an idea championed by attorney Martin Lipton and Harvard Business School Prof. Jay Lorsch. Tyco has such a lead director, Philip Hampton. His role allows 'the Board to operate independently of management,' he explains. Adds Tyco CEO Dennis Kozlowski, 'It's a real good check and balance.'

"Splitting the Chair and CEO, we believe, enhances these advantages through more formal acknowledgement that the board will be led by a non-management officer.

"For these reasons, we urge you to vote FOR this proposal."

4. Executive Compensation

While poison pills and classified boards may attract popular attention, the large sums some CEOs receive have gagged many observers. One of the most galling episodes: when the AT&T CEO received a major bonus in a year he admitted poor management would require a major downsizing. While popular with Main Street, however, such resolutions rarely fare well with Wall Street; Wall Street compensation is even richer. Here's a Teamster-advanced resolution.

"RESOLVED: *That Anheuser-Busch stockholders urge the Board of Directors take the necessary steps to adopt a policy that no executives may cash in on stock options within six months of the announcement of a significant workforce (more than 1% of total workforce) reduction.*" The shareholder's statement in support of the proposal is as follows: "SUPPORTING STATEMENT: Stock options were created to reward

good performance. This proposal would help to ensure that options reward real improvements in performance, rather than short-term stock boosts which are sometimes associated with the announcement of major layoffs.

"While Wall Street may give a temporary boost to stock prices at layoff announcements, there is growing concern that downsizings do not translate into long-term benefits for shareholders. Author Timothy Carpenter likens such layoffs to 'converting your favorite horse to the commodity status of refined glue. Yes, it can be more efficient and profitable, but who or what will replace the horse?'

"A recent 7-year study of 25 large corporations noted that a 10% reduction in employment caused an average of only a 1.5% reduction in operating costs. After three years, the average downsized company's stock was up only 4.7%, compared with a typical increase of 34.4% for similar companies in the same field that didn't reduce staff to the same

extent. "As investors with a long-term horizon interested in building our investments into the next century, we believe long-term growth of Anheuser-Busch is served by linking options to long-term company growth, rather than stock market blips that have more to do with the zeitgeist on Wall Street than with the real value of the Company.

"For the above reasons we urge you to vote FOR this proposal."

Here is a resolution advanced by an individual shareholder about compensation at Citigroup:

WHEREAS, increases in CEO compensation continue to dwarf the compensation increases enjoyed by employees. Between 1990 and 1997, CEO cash compensation rose 82% and average total compensation (including stock options) rose 298% to \$7,800,000, vastly exceeding the 22% increase in factory wages and S&P earnings growth of 110% (Business Week Survey of Executive Compensation; Bureau of Labor Statistics);

WHEREAS, in 1997, U.S. CEOs earned on average 326 times the average factory workers' pay, a dramatic rise from the 42 times reported in 1980;

WHEREAS, considering executive pay in the global context, U.S. CEOs make on average 1,871 times the average wage of Mexican maquiladora workers (\$4,168 a year) and 15,600 times the minimum wage of workers in Vietnam (\$500 a year), two of the many countries in which our company does business;

WHEREAS, in 1997 Citigroup's Co-CEO Sanford Weill was the highest paid CEO in the United States receiving \$230,725,000 in total compensation. Mr. Weill has been among the top ten highest paid CEOs for the last six years. In each year since 1994 BUSINESS WEEK magazine has rated Mr. Weill as among the top five CEOs who "gave shareholders the least for their pay". Citigroup's other co-CEO, John Reed, has also shown up on lists of highest paid CEOs in recent years;

WHEREAS, during this period of skyrocketing costs in the executive suites, our company's leaders have been aggressively eliminating jobs in the name of cost-cutting and efficiency. Since 1987, Citigroup's predecessor Travelers Corporation cut nearly one-third of its workforce. The merger between Citicorp and Travelers is expected to eliminate a further 8,000 workers, or 5% of the combined company's workforce;

WHEREAS, growing research on effective organizations stresses the importance of empowering front-line workers, a goal undermined by compensation policies that reward top executives at the expense of workers closest to the customer;

WHEREAS, business leaders and thinkers ranging from J.P. Morgan to Peter Drucker have argued against wide pay gaps within enterprises and called for limits on executive pay based on multiples of worker compensation;

THEREFORE, BE IT RESOLVED, *that shareholders urge the Board of Directors to address the issue of runaway remuneration of CEOs and the widening gap between highest and lowest paid workers by:* 1) *Establishing a cap on total CEO compensation expressed as a multiple of pay of the lowest paid worker at Citigroup;* 2) *Preparing a report for shareholders explaining the factors used to determine the appropriate cap.*

*Many CEOs also serve as
the chair of the board.
It's a comfortable life. But there
are good reasons for splitting these
roles between two people.*

Appendix 3. Additional Resources to Help You

If you're going to start with resolutions, here are some resources to help you, listed in alphabetical order.

AS YOU SOW

Conrad McCarron helps steer initiatives through the bleak caverns of Wall Street. McCarron also works for Piper Jaffray, one of those Wall Street firms. (www.asyousow.org, 415.391.3212)

CALPERS

California Public Employee Retirement System (www.calpers.org). They get all the attention for activism and deserve most of it. Their website contains a massive on-line library. Their staff isn't really available for proponents; they're busy running a major pension fund. But their website contains more than you'll ever want to know. (www.calpers-governance.org/library)

CERES

This investor-environmental alliance sprang from the 1989 Exxon Valdez disaster. The core is known as the Coalition for Environmentally Responsible Economies (CERES) and relies on environmental disclosure. This investor-environmentalist alliance uses the power of share ownership to persuade companies to adopt a set of environmental principles and produce public standardized annual environmental reports. (www.ceres.org) Leader: Robert Kinloch Massie, activist, investor, successful businessperson, Episcopal Minister, historian, published author and the guy I'd like to be when I grow up. The CERES board includes Michele Chan Fishel of Friends of the Earth. (www.ceres.org, 617.247.1700)

COUNCIL FOR INSTITUTIONAL INVESTORS.

The Council for Institutional Investors (CII) (www.cii.org; email: info@cii.org) somewhat cautiously describes that it "was formed to protect the financial interests of its member investors and pension funds. The CII and its member groups are actively involved in studying and promoting good corporate governance." Members include major public funds such as CalPERS, the New York City Employee Retirement System, Wisconsin's state fund, as well as major union funds, including the Teamsters, UNITE, Carpenters, etc. Former California politician Jesse Unruh conceived this alliance of capital bound by public interest. So potent did the concept become that corporations joined the membership ranks, first as observers, and in the last several years, as voting members and even officers.

When CII kicks into a campaign, they can muster more shares than any other single organization. (www.cii.org, 202.822.0800)

FRIENDS OF THE EARTH

Michele Chan-Fishel came relatively recently to the field, but has already established herself as an indispensable authority on the subject. She's also created a website to help you navigate the shareholder resolution process: (www.foe.org/international/shareholder, 202.783.7400)

HITCHOCK, CON,

An intelligent, hard working attorney, Con is a Ralph Nader veteran. By his unassuming manner, you might not realize that he's argued five cases before the Supreme Court and won them all. If

you contact him, he may well offer counsel, and he lacks the profit incentive. Avoid exploitation, please, because he does have to make a living. Another hint: he's an emailer. (conh@transact.org)

ICCR

The Interfaith Center on Corporate Responsibility leads the league in activism, success and expertise. Founded in 1971, it includes 250 Protestant, Jewish and Roman Catholic institutional investors that use pension funds and endowments to hold corporations accountable for their effects on society and the environment. They began organizing and filing resolutions on South African Apartheid, community economic development and global finance, environment, equality, international issues, health and militarism.

Father Tim Smith, originally a Canadian, has toiled in the vineyards of shareholder activism for decades. Combining thoughtfulness with practicality, he may have achieved more corporate reform than any other individual. He deserves the Nobel Peace Prize. (www.domini.com/ICCR, 212.870.2295)

IRRC:

This brain trust of shareholder resolutions was created when South Africa activists with divestment proposals besieged universities. Their clients range from shareholding voters, to corporations fielding the resolutions, so they are at once "in the know" and at the same time bound by declared impartiality. You understand. They charge for their services, but the friendly staff, also relatively innocent to the profit motive, often offer keen information and insights. (www.irrc.org, 202.833.0700)

NAYLOR, BARTLETT

Consultant, former director of Teamsters Corporate Affairs Office, former Chief of Investigations, U.S. Senate Banking Committee. A book I'm trying to finish: "The Almighty Dollar: A Millennium History of Christian Thinking about Business." Email: bartnaylor@aol.com.

NORTHWEST CORPORATE ACCOUNTABILITY PROJECT

David E. Ortman gives step-by-step information on the shareholder resolution process on the web at <http://www.scn.org/earth/wum/2Whatsr.htm> and he guides you through the maze of U.S. Securities and Exchange Commission regulations at <http://www.scn.org/earth/wum/3SEC.htm>

ROSE FOUNDATION

This relatively small shop that packed a major wallop at MAXXAM, the big Texas firm that took Pacific Lumber from the top of the Sierra Club ratings to the other side. Jill Ratner, Tim Little and Carla Din spearhead the effort. (510.658.0702)

SOCIAL INVESTMENT FORUM

The Social Investment Forum describes itself as a national nonprofit membership organization promoting the concept, practice and growth of socially responsible investing. (www.socialinvest.org, 202.872.5319)



THE LANDS COUNCIL

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What You Can Do!

- See the Railroads & Clearcuts Campaign shareholder activism web page:
www.landgrant.org/shareholder.html. See what stocks are currently held by participating activists investors. You can post here what shares you own that can benefit from reforms through shareholder resolutions.
- Contact the *Railroads & Clearcuts Campaign*, www.landgrant.org, 509.838.4912, for seminars on capital strategies.
- File your own shareholder resolution – using the this guide and the helpful people and resources cited.