June 19, 2007

Mr. Christopher Cox
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Re: File No. 4-537

Dear Commissioner Cox:

Trillium Asset Management Corporation ("Trillium") is the oldest and largest independent investment firm in North America that focuses exclusively on socially responsible asset management. We currently manage $1 billion for institutional and individual clients. It is an integral part of Trillium's mission to use what influence we have as shareholders to encourage corporations to act in an environmentally and socially responsible manner. Since our inception in 1982, Trillium has been deeply involved in the process of shareholder advocacy through letters and dialogue with companies, sponsorship of shareholder resolutions and by voting proxies.

We have monitored the recent SEC-hosted roundtable discussions that have discussed the possible curtailment of shareholders' rights to sponsor advisory proposals under Rule 14a(8). Some of the ideas that have been floated, if implemented, would set back investor rights by decades. Should these suggestions become part of a formal SEC rulemaking proposal, we are confident that it would provoke a backlash at least as vigorous as that which occurred when elements of the rule were last reconsidered in 1997.

For decades, for investors large and small, the low thresholds embodied in Rule 14a(8) have, on balance, greatly benefited shareholders and corporations. Without the catalyst of shareholder resolutions, corporations might well have ignored a wealth of shareholder-instigated reforms such as enhanced environmental management and reporting systems; codes of conduct to guard against foreign labor abuses and human rights risks; enhanced equal employment programs and policies; and increased attention to the business impact of climate change, to name just a few. By driving voluntary corporate reform, this dynamic process has probably forestalled legislation in these issue areas.

Something that active shareholders know, but which regularly escapes the notice of most media and which may also be less appreciated by the Commission, is that the bulk of shareholder resolutions filed each year are withdrawn, having served their purpose of prodding management to apply greater scrutiny to serious and often material issues. As you

are aware, average support levels for corporate, social and environmental resolutions have risen in recent years, and these include many resolutions filed by small individual investors.

As the Social Investment Forum wrote to you in a letter dated June 4, 2007:

> Obviously the size of one's investment does not relate to the quality of one's ideas or the support given by shareowners in a company. It is the genius of the SEC's proxy system that shareholders of every size can participate in the marketplace of ideas by filing resolutions, and that the principal test of those ideas is their ability to garner support of fellow shareowners. Creating steeper thresholds for filing of resolutions would be inconsistent with this system.

We heartily agree with the Forum's assessment that "eliminating our right as investors to petition the Board and management and to garner support of other shareowners through resolutions would be a disastrous step backward."

We, too, urge the SEC to drop this concept before it gets to the proposal stage. The panelists discussed the idea of eliminating or further restricting non-binding resolutions while permitting binding resolutions such as bylaw amendments. Yet the vast majority of shareowner resolutions filed in the last 35 years -- more than 95 percent -- have been advisory. As noted above, in critical areas they have had a profound and identifiable impact on business thinking and decision making in corporate board rooms. Our firm's small shareholder engagement staff alone has interacted with dozens of companies over the last two decades, frequently withdrawing resolutions as management has agreed to study issues, implement policy changes, or provide more information to shareholders as to the business significance of an issue. Our efforts have galvanized companies to produce sustainability reports, strengthen nondiscrimination policies, take strategic steps to reduce greenhouse gas emissions, provide greater transparency regarding political contributions and take many more strides supported by shareholders and other stakeholders in the corporation. A number of proposals that we have sponsored have garnered 20 - 40% in support. Interestingly, however, companies have often responded positively to our proposals even when they receive support in the single digits.

We can testify from multiple experiences that shareholder resolutions succeed in focusing corporate attention after repeated attempts to engage via correspondence or telephone have failed. We have witnessed many instances in which corporations that have ignored consumer protest campaigns finally address an issue when shareholders become involved.

Thousands of articles and many books describe the impact of the shareholder engagement process. In addition, investors who do not sponsor resolutions and simply vote their proxies can attest to the importance of this process as fiduciaries since the SEC has noted that the proxy is an asset and needs to be treated accordingly.

It would be an inappropriate reversal of longstanding policy for the SEC to, in the words of one panelist, "devolve" shareholder rights under Rule 14a(8) to the states, or allow

corporations to set their own rules regarding how much shareowner democracy will be permissible. The corporate charter is a privileged status granted by the people, not a license to run an independent fiefdom. The system of advisory resolutions that the SEC has established is too important and central to the American system of corporate governance to allow corporations or states to “opt out” of these important mechanisms.

The SEC endorsed the view that the proxy is an asset and that voting proxies conscientiously is a fiduciary duty when the SEC required mutual funds to disclose their proxy voting records annually. We would argue that it is our duty as fiduciaries to intervene if a company’s governance or social record is putting shareholder value in jeopardy. Filing an advisory resolution is one meaningful way to bring such an issue to the forefront.

We are more than willing to contribute to a constructive discussion of how to improve communications between investors and management. Obtaining commitments by companies to seriously engage their owners in discussions about environmental, social and governance issues is the frequent goal of our outreach to companies. Such regular interaction often makes resolutions unnecessary -- as numerous companies can testify. Unfortunately, there are too often cases when management ignores repeated letters or calls but is prompted to act when they receive a resolution.

We encourage the SEC to vigorously uphold investors' right to file precatory proposals.

Sincerely,

Joan Bavaria
President and CEO