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Thank you, Chairman Schapiro and members of the Commission, for the invitation to appear here today. I am pleased to participate in this roundtable on behalf of T. Rowe Price to examine short sales and in particular to discuss additional transparency measures for short sale related information. T. Rowe Price is an independent global investment management company. We welcome the opportunity to be part of the industry dialogue on important market practices.

As a starting point, we urge the Commission to continue to work closely with foreign regulators to encourage symmetry in the regulatory schemes across borders, as more and more firms such as ours operate and trade in a global environment. We are also supportive of the Commission's commitment to work with SRO's to discuss additional public disclosure.

We firmly believe the benefits of public disclosure of short sale positions outweigh the potential drawbacks. Added transparency in the form of regular public short disclosure reporting will help remove the mystique around short selling, will put all market participants on the same level playing field, and will provide regulators with an efficient tool to monitor short-selling. In formulating specific frequency reporting requirements and threshold triggers, we are in favor of a commonsense and fair approach whereby short reporting would generally be no more or less onerous than current long position reporting requirements. There will likely be many views on the specific details for both reporting frequency and threshold trigger questions, but we think the primary question of whether to require public disclosure for short sales is straightforward and indisputable. Industry participants are currently required to publicly file long positions, and we see no reason why short-sellers would not have to meet similar standards. We believe the market would benefit from such enhanced disclosure.

Frequency of Short Sale Reporting:

We think the timeframe for short position disclosures can generally mirror the reporting timelines that exist for long positions. Similar to Section 13, we imagine two levels of reporting detail. First, largely symmetrical to 13F, there could be a standard quarterly reporting requirement for all short positions that are above a de minimis threshold. Second, there could be another reporting requirement triggered when a short position reaches a significant threshold, due within 10 days of execution much like the current 13D requirements. This approach is straightforward and consistent with long position reporting. We think it is important to have threshold triggers in place that provide the market with the proper amount of transparency. Determining proper thresholds for reporting should elicit varied opinions and commentary. Therefore, we think the

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Commission should examine relevant empirical data and ask for input from investors before determining these thresholds.

Consolidated Tape Denotation:

The real-time tagging and display of short sale executions on the consolidated tape would provide market participants with a more in-depth understanding of trading activities in any security on any given day. By marking short sale executions as short, we are creating an equal and fair marketplace whereby long sales would necessarily be recognized as having been sold long. Another benefit of real-time tagging and display of short sale executions is the de-mystification of short selling. The ongoing debate of what caused an individual security to decline would largely disappear with this added level of transparency. We believe that the benefits of consolidated tape reporting for short sales outweigh any additional associated costs.

Conclusion:

While there are different empirical arguments for and against the uptick rule and other regulatory measures, we feel strongly that the issue of short sale disclosure is just that, an issue of disclosure. We are in favor of short sale reporting requirements that largely mirror existing long position reporting requirements. We are also in favor of short sales being denoted as such on the consolidated tape. Market participants will know what is being sold long and short in any given security, and added transparency in this regard on a real-time basis can only help to inform market participants and calm investors' concern about short selling. Rumors, misinformation, finger-pointing, and the emotion around short selling can be addressed by both regular short position disclosure *and* consolidated tape reporting requirements. Such information should also be useful for regulators as they attempt to instill market confidence and monitor market manipulation.

I again thank the Commission for organizing this roundtable and I look forward to the discussion.

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