



DIVISION OF
CORPORATION FINANCE

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

January 29, 2019

Brandon N. Egren
Verizon Communications Inc.
brandon.egren@verizon.com

Re: Verizon Communications Inc.
Incoming letter dated December 3, 2018

Dear Mr. Egren:

This letter is in response to your correspondence dated December 3, 2018 concerning the shareholder proposal (the "Proposal") submitted to Verizon Communications Inc. (the "Company") by Edward Pierzynski (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence from the Proponent dated January 2, 2019. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

M. Hughes Bates
Special Counsel

Enclosure

cc: Edward Pierzynski

January 29, 2019

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Verizon Communications Inc.
Incoming letter dated December 3, 2018

The Proposal requests that the Company offer its shareholders the same discounts on its products and services that are available to its employees.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(7), as relating to the Company's ordinary business operations. In this regard, we note that the Proposal relates to the Company's discount pricing policies. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

Frank Pigott
Attorney-Adviser

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

From:
To: [ShareholderProposals](#)
Subject: Verizon shareholder proposal of Edward Pierzynski
Date: Thursday, January 10, 2019 2:11:06 PM

US Security and Exchange Commission
Division of Corporate Finance
Office of Chief Counsel
100 F Street, NE
Washington, DC 20549

2 January 2019

shareholderproposals@sec.gov

RE: Verizon Communications, Inc, 2019 Annual Meeting
➤ Shareholder Proposal of Edward Pierzynski <

CC: Brandon Egren, Staff Counsel, Verizon Communications, Inc
Brandon.egren@verizon.com

Dear Ladies and Gentlemen,

In response to my shareholder proposal, Verizon (via Mr. Brandon Egren) has requested your office to concur with their request to exclude my proposal from their annual meeting of shareholders for 2019. Their argument references rule 14a-8 and suggests that this is related to matters of ordinary business operations and pricing. They reference a 1998 Commission statement "to confine the resolution of ordinary business problems to management and the board of directors". They also imply that the proposal is an attempt to "micro manage" the company by probing too deeply into matters of a complex nature which shareholders, as a group, would not be in a position to make an informed judgment".

The proposal as presented DOES NOT make any reference to or suggestion to the daily management or operation of the day to day business of the Company (Verizon). As a former executive of a multinational company I fully understand the needs of management to be able to make decisions on day to day basis for the successful and profitable operation of a corporation.

In short, the proposal simply asks the Company to extend the same discount to shareholders as they do to employees. This specifically referred to the FIOS services delivery and the related equipment and internet speeds.

The company tries to interpret "services" to mean other benefits that are available solely to employees. That is NOT the intent or content of the proposal. Nor is it the intent to disallow the "management's ability to run a company on a day to day basis" as they reference in the 2013 statement. Their argument revolves around semantics related to pricing and services related to day to day operations and exclusion of shareholders interference in these decisions. That in itself is a reasonable conclusion, as I have stated. However this proposal is simply asking for shareholders to be able to voice their opinion on one issue- should their valued and calculated investment in the Company and management allow them to have the same discount as employees who have not taken the same financial risk. As a group, the shareholders have a right to provide this guidance to management, while not obfuscating their right to management on a day to day basis.

Part B of their request says the proposal does not clearly identify the services it intends to cover. The proposal does NOT request that "benefits such as savings and retirement plans" be made available to shareholders.

CLARIFICATION: If the Company wants to agree to a clearer statement of the discounts offered to

shareholders, I would be willing to agree to reword the proposal with them for clarification. The discounts refer to employee pricing for: basic FIOS service delivery, equipment, program package bundles (such as premium channels), and all available internet speeds. There are no other employee benefits or programs inferred. Likewise a basis for the amount of shares owned could be added into the proposal.

As regards to pricing and day to day management, The Company has long practiced inconsistent and varied pricing policies and discounts that at times borders on predatory pricing to their existing customers (shareholders included). While current customers are locked into existing pricing and increases, potential customers are offered free equipment, free monetary gift cards, higher internet speeds, free services (e.g. Netflix), free consumer products (e.g. Samsung products), free DVR, and lower pricing just to name a few. All of these can be seen in their promotional print and media ads over the last year. None of these are available to existing customers who are held hostage to the higher pricing. So while they are willing to offer these incentives to gain and hold new customers, they should likewise be willing to offer a discount to the shareholders who have supported their company via their investment.

NOTE: as stated in the SEC Division of Corporation Finance informal procedures regarding shareholder proposals -

"It is important to note that the staff's no action response to Rule 14a-8 submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with the respect to the proposal".

CONCLUSION:

Semantics from the company notwithstanding, the proposal to the shareholders is simple. There is no interference in the day to day operation or management of the company or micromanagement in any form suggested. It is simply a request for shareholders, who have invested their monies and confidence in the Company, to decide whether they should be offered the same discount as employees who have not made this investment.

As a shareholder of over 1000 shares of the Company, I believe this is a fair and equitable benefit for other shareholders that should be recognized by management and be allowed to be voted upon by shareholders at the upcoming 2019 shareholders meeting.

I also request that your Staff send a copy of the determination of this matter by email to the undersigned Proponent *** and to Verizon staff counsel, Mr. Brandon Egren (Brandon.egren@verizon.com).

Regards,
Edward Pierzynski



Brandon N. Egren
Staff Counsel

One Verizon Way
Mail Code VC54S
Basking Ridge, NJ 07920
Office: 908-559-2726
Fax: 908-766-5725
brandon.egren@verizon.com

December 3, 2018

By email to shareholderproposals@sec.gov

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: Verizon Communications Inc. 2019 Annual Meeting
Shareholder Proposal of Edward Pierzynski

Ladies and Gentlemen:

I am writing on behalf of Verizon Communications Inc., a Delaware corporation (“Verizon”), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended, to request that the Staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) concur with our view that, for the reasons stated below, Verizon may exclude the shareholder proposal and supporting statement (the “Proposal”) submitted by Edward Pierzynski (the “Proponent”), from the proxy materials to be distributed by Verizon in connection with its 2019 annual meeting of shareholders (the “2019 proxy materials”). A copy of the Proposal and all related correspondence with the Proponent is attached as Exhibit A hereto.

In accordance with Rule 14a-8(j), I am submitting this letter not less than 80 calendar days before Verizon intends to file its definitive 2019 proxy materials with the Commission and have concurrently sent a copy of this correspondence by email and overnight courier to the Proponent as notice of Verizon’s intent to omit the Proposal from Verizon’s 2019 proxy materials.

The Proposal

The Proposal states:

Resolved-the shareholders of Verizon Communications Inc. request the Board of Directors to consider the shareholders as equal partners as are employees of the company, and to thereby offer the same discounts and services on Verizon products and services as are available to employees of the company. This would include employee pricing & packages for services such as FIOS and accompanying package offerings, internet speeds and equipment.

Basis for Exclusion

In accordance with Rule 14a-8, Verizon respectfully requests that the Staff confirm that no enforcement action will be recommended against Verizon if the Proposal is omitted from Verizon's 2019 proxy materials pursuant to Rule 14a-8(i)(7), because the Proposal deals with matters relating to Verizon's ordinary business operations.

Analysis

The Proposal may be excluded under Rule 14a-8(i)(7) because it deals with matters relating to Verizon's ordinary business operations

Rule 14a-8(i)(7) permits a company to omit a shareholder proposal from its proxy materials if it deals with a matter relating to the company's ordinary business operations. When adopting amendments to Rule 14a-8 in 1998, the Commission explained that the general policy underlying the "ordinary business" exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"). As explained in the 1998 Release, this general policy reflects two central considerations: (i) "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight;" and (ii) the "degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment."

The Proposal, if adopted, would require Verizon to offer its shareholders discounts on Verizon products and services. In addition, the Proposal also appears to seek to require Verizon to offer its shareholders "services" otherwise available only to employees. Verizon believes that the Proposal may be properly omitted from its 2019 proxy materials under Rule 14a-8(i)(7) because (i) as the Staff noted in *Equity LifeStyle Properties, Inc.* (February 6, 2013), "the setting of prices for products and services is fundamental to management's ability to run a company on a day-to-day basis," and (ii) decisions about the services that should be offered to customers are similarly fundamental to management's ability to run a company.

A. The Proposal relates to Verizon's discount pricing policies.

The Staff has generally concurred in the exclusion under Rule 14a-8(i)(7) of similar proposals that relate to prices charged or discounts offered by a company for its products or services. In *Verizon Communications Inc.* (December 16, 2016), the Staff permitted exclusion of a proposal that would have required Verizon to offer its shareholders a discount on Verizon Wireless services. Similarly, in *Empire State Realty Trust, Inc.* (September 14, 2017), the Staff concurred in the exclusion of a proposal providing that holders of at least 100 shares of the company's stock be given free passes to the Empire State Building Observatory. In both of these decisions, the Staff noted that the proposals related to the companies' discount pricing policies. Likewise, in *Ford Motor Company* (January 31, 2011), the Staff permitted exclusion of a proposal that requested that the company provide a spare tire and mounting hardware at manufacturing cost to shareholders who purchase a new vehicle, noting that "[p]roposals

concerning discount pricing policies are generally excludable under rule 14a-8(i)(7) because the setting of prices for products and services is fundamental to management's ability to run a company on a day-to-day basis." See also *Host Hotels & Resorts, Inc.* (February 6, 2014) (permitting exclusion of a proposal requesting that the board of directors seek a shareholder vote on providing discounted hotel rates to senior citizens and shareholders); *MGM MIRAGE* (March 6, 2009) (permitting exclusion of a proposal requesting that the company take certain actions regarding the marketing and pricing strategies for its Las Vegas dining offerings); *The Walt Disney Company* (November 15, 2005) (permitting exclusion of a proposal requesting discounts on company products and services for shareholders that owned more than 100 shares); and *General Motors Corporation* (March 18, 2002) (permitting exclusion of a proposal requesting that shareholders with more than 250 shares be given the same discount as employees to purchase vehicles from the company).

B. The Proposal relates to the services offered by Verizon.

While the Proposal appears to focus primarily on discount pricing as described above, the resolution also contains a reference to "services" available to employees, which it seeks to compel Verizon to offer to its shareholders. The Proposal does not clearly identify the services it intends to cover; possibilities include the "package offerings, internet speeds and equipment" mentioned in the resolution, and the supporting statement mentions not only "speeds/packages" associated with employee discounts, but also "benefits such as savings and retirement plans," which could also be considered services that Verizon makes available to its employees and that the Proposal seeks to require Verizon to make available to shareholders.

In any event, decisions regarding a company's offering of products and services involve complex operational and business management judgments that are generally not appropriate for direct shareholder oversight, and accordingly, the Staff has generally concurred in the exclusion under Rule 14a-8(i)(7) of proposals similar to the Proposal that relate these matters. For example, in *AT&T Inc.* (January 4, 2017), the Staff permitted exclusion of a proposal relating to AT&T's progress toward providing internet service and products for low-income customers, and in *AT&T Inc.* (December 28, 2016), the Staff permitted exclusion of a proposal that would have had the company provide its customers free tools to identify and block unwanted autodialed calls. Likewise, in *The Walt Disney Company* (November 23, 2015), the Staff concurred in the exclusion of a proposal requesting the release of the film *Song of the South* on Blu-ray in 2016 for the company's 70th anniversary. Similarly, in *Papa John's International, Inc.* (February 13, 2015), the Staff permitted exclusion of a proposal requesting the addition of certain items to the company's menu. In each of these decisions, the Staff noted that the proposals related to the products and/or services offered by the company. See also *The TJX Companies, Inc.* (April 16, 2018) (permitting exclusion of a proposal relating to the development and disclosure of a universal and comprehensive animal welfare policy applying to all of the company's stores, merchandise and suppliers); *Hewlett-Packard Company* (January 23, 2015) (permitting exclusion of a proposal requesting that the board provide a report on the company's sales of products and services to the military, police and intelligence agencies of foreign countries); *Wal-Mart Stores, Inc.* (March 20, 2014) (permitting exclusion of a proposal requesting that a committee of the company's board of directors be charged with oversight of the company's policies and standards for determining whether or not to sell certain products);

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
December 3, 2018
Page 4

and *Wal-Mart Stores, Inc.* (March 30, 2010) (permitting exclusion of a proposal requiring that all company stores stock certain amounts of locally produced and packaged food).

Conclusion

For the foregoing reasons, Verizon believes that the Proposal may be properly excluded from its 2019 proxy materials in reliance on Rule 14a-8(i)(7). Verizon respectfully requests that the Staff confirm that it will not recommend enforcement action to the Commission if Verizon omits the Proposal from its 2019 proxy materials.

Verizon requests that the Staff send a copy of its determination of this matter by email to the undersigned at brandon.egren@verizon.com and to the Proponent at ***

If you have any questions with respect to this matter, please telephone me at (908) 559-2726.

Very truly yours,



Brandon N. Egren
Staff Counsel

Enclosure

Cc: Edward Pierzynski

Exhibit A

The Proposal and Related Correspondence with the Proponent

Verizon Communications Inc.
Assistant Corporate Secretary
1095 Avenue of the Americas
New York, NY 10036

11/14/18

Dear Sirs,

As a shareholder of approximately 1,000 shares of Verizon stock, I would like to submit the following proposal, in compliance with SEC Rule 14a-8, to be included in the proxy statement for the next shareholder meeting.

Proposal -

Whereas shareholders have made a calculated decision to support the company by investing their monies into shares of the various stock options offered by the company, they should be considered no less than Verizon employees who invest their time but not necessarily their financial support

Resolved-the shareholders of Verizon Communications Inc. request the Board of Directors to consider the shareholders as equal partners as are employees of the company, and to thereby offer the same discounts and services on Verizon products and services as are available to employees of the company. This would include employee pricing & packages for services such as FIOS and accompanying package offerings, internet speeds and equipment.

Supporting Statement- Rates for cable/FIOS, internet, and wireless services continue to increase at rates above the standard inflation figures. This has impacted many customers who can not afford these price increases and have begun 'cutting the cable' to obtain their media, entertainment and information in alternative ways. Employees and management on the other hand have an advantage in that they receive these services at a reduced cost, along with other benefits such as savings and retirement plans. Other than their time, for which they are compensated, they have usually made no investment into the operation or financial support of the company. On the other hand, investors have made a decision to risk their finances by investing into the future success of the company with no guarantee of gain or return of their investment. In addition, by offering the employee discount (and related speeds/packages) to the shareholders, Verizon can slow the rate of customer loss due to higher rates and cheaper alternatives. This would in turn maintain or increase the customer base which would more than offset the minimal difference in employee discounts and services to shareholders. These incentives would influence behavior patterns of cable cutting and offer shareholders an incentive to buy and hold onto their shares of Verizon stock.

Please **VOTE FOR** this proposal

Edward Pierzynski





One Verizon Way
Basking Ridge, NJ 07920
Tel 908-559-2726
brandon.egren@verizon.com

Brandon N. Egren
Staff Counsel

November 29, 2018

By FedEx and Email

Mr. Edward Pierzynski

Dear Mr. Pierzynski:

I am writing to acknowledge receipt on November 19, 2018 of your letter submitting a shareholder proposal relating to discounts for shareholders for inclusion in Verizon Communications Inc.'s proxy statement for the 2019 annual meeting of shareholders.

Under the Securities and Exchange Commission's (SEC) proxy rules, in order to be eligible to submit a proposal for the 2019 annual meeting, a proponent must have continuously held at least \$2,000 in market value, or 1%, of Verizon's common stock for at least one year prior to the date that the proposal is submitted. In addition, the proponent must continue to hold at least this amount of the stock through the date of the annual meeting and provide a written statement of intent to do so. For your reference, I have attached a copy of the SEC's proxy rules relating to shareholder proposals.

Our records indicate that you are the record holder of 1,041 shares of Verizon common stock. In accordance with Rule 14a-8(b), please provide a written statement that you intend to continue to hold at least \$2,000 in market value, or 1%, of Verizon's common stock through the date of the 2019 annual meeting.

The SEC rules require that this documentation be postmarked or transmitted electronically to us no later than 14 days from the day you receive this letter. Once we receive this documentation, we will be in a position to determine whether the proposal is eligible for inclusion in the proxy statement for the Verizon 2019 annual meeting.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Brandon N. Egren
Staff Counsel

Attachment

Cc: William L. Horton, Jr.



Egren, Brandon Norman <brandon.egren@verizon.com>

[E] Re: Verizon Communications Inc. Shareholder Proposal

1 message

-ed p.

Thu, Nov 29, 2018 at 11:44 PM

To: brandon.egren@verizon.com

Cc: mary.l.weber@verizon.com, karen.shipman@verizonwireless.com, william.horton@verizon.com

29 November 2018
Mr. Brandon Egren
Verizon
One Verizon Way
Basking Ridge, NJ 07920

Mr Egren,

This is in response to your email of 11/29/2018 regarding my shareholder proposal. I am responding on the same day (11/29/18), within the 14 day response window.

In compliance with the SEC rule 14a-8(b/c) I have held the stock (approximately 1000 shares) via Computershare for well prior to one year of my proposal submission. I have attached a copy of a current statement, as well as a year end statement that shows that I have held the Verizon shares since at least January 2017.

In compliance, I certify that I also plan to hold all of the Verizon shares for the long term, certainly for more than one year beyond the upcoming annual meeting.

NOTE: can you provide the date, time and location of the upcoming 2019 Annual Shareholder Meeting

Edward Pierzynski

-----Original Message-----

From: Egren, Brandon Norman <brandon.egren@verizon.com>

To:

Cc: Mary Louise Weber <mary.l.weber@verizon.com>; Karen M Shipman <karen.shipman@verizonwireless.com>

Sent: Thu, Nov 29, 2018 2:53 pm

Subject: Verizon Communications Inc. Shareholder Proposal

Dear Mr. Pierzynski:

Please see the attached letter regarding the shareholder proposal you submitted to Verizon Communications Inc.

Kind regards,
Brandon Egren



Brandon Egren
Staff Counsel

O 908.559.2726 | M 908.458.7570

brandon.egren@verizon.com