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

DIVISION OF
CORPORATION FINANCE

March 1, 2019

Margaret M. Madden
Pfizer Inc.
margaret.m.madden@pfizer.com

Re: Pfizer Inc.
Incoming letter dated December 19, 2018

Dear Ms. Madden:

This letter is in response to your correspondence dated December 19, 2018 and February 6, 2019 concerning the shareholder proposal (the "Proposal") submitted to Pfizer Inc. (the "Company") by People for the Ethical Treatment of Animals (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 3, 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: Jared Goodman
PETA Foundation
jaredg@petaf.org

March 1, 2019

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Pfizer Inc.
Incoming letter dated December 19, 2018

The Proposal asks the board to implement a policy that it will not fund, conduct or commission use of the "Forced Swim Test."

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 our view, the Proposal micromanages the Company by seeking to impose specific methods for implementing complex 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). In reaching this position, we have not found it necessary to address the alternative basis for omission upon which the Company relies.

Sincerely,

Lisa Krestynick
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.

Margaret M. Madden
Senior Vice President and Corporate Secretary
Chief Governance Counsel

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BY EMAIL (shareholderproposals@sec.gov)

February 6, 2019

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

RE: Pfizer Inc. – 2019 Annual Meeting
Supplement to Letter dated December 19, 2018
Relating to Shareholder Proposal of
People for the Ethical Treatment of Animals

Ladies and Gentlemen:

We refer to our letter dated December 19, 2018 (the "No-Action Request"), pursuant to which we requested that the Staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with our view that the shareholder proposal and supporting statement (the "Proposal") submitted by People for the Ethical Treatment of Animals (the "Proponent") may be excluded from the proxy materials to be distributed by Pfizer Inc. ("Pfizer") in connection with its 2019 annual meeting of shareholders (the "2019 proxy materials").

This letter is in response to the letter to the Staff, dated January 3, 2019, submitted by the Proponent (the "Proponent's Letter"), and supplements the No-Action Request. In accordance with Rule 14a-8(j), a copy of this letter also is being sent to the Proponent.

I. The Proposal Deals with Matters Relating to Pfizer's Ordinary Business Operations.

As described below, the Proponent's Letter mischaracterizes both the Staff's position on Rule 14a-8(i)(7) and the arguments set forth in the No-Action Request. Because the Proposal deals with matters relating to Pfizer's ordinary business operations and does not focus on a significant policy issue in relation to Pfizer, the Proposal is excludable pursuant to Rule 14a-8(i)(7).

The Proponent's Letter explains at length that, in the abstract, the humane treatment of animals is considered a significant policy issue. The No-Action Request did not suggest otherwise. Rather, the No-Action Request argues that the specific policy issue raised by the

Proposal, the use of the forced swim test (the "FST"), has not been determined to constitute a significant policy issue and, further, that even if the FST, as a general matter, would constitute a significant policy issue, this issue lacks a sufficient connection to Pfizer's business.

On the question of whether the FST is a significant policy issue, the Proponent's Letter attempts to create a new significant policy issue of "the use and welfare of animals used in research" by mischaracterizing the Staff's decision in *Revlon, Inc.* (Mar. 18, 2014). In *Revlon, Inc.*, however, the proposal sought a report broadly disclosing the company's use of animal testing in all forms and the Staff's response letter specifically identified the general "significant policy issue of the humane treatment of animals" as the basis for denying relief. As discussed in the No-Action Request, the focus of the Proposal is much different and narrower than the humane treatment of animals and has never been found to constitute a significant policy issue.

In any event, the Proponent's Letter fails to rebut the determinations of Pfizer's Corporate Governance Committee (the "Committee") and Board of Directors (the "Board") that the use of the FST lacks a sufficient connection to Pfizer's business. In particular, the Proponent's Letter suggests that because Pfizer has acknowledged the importance of animal welfare to its business, the analysis should end there. As noted above, however, the Proposal focuses on the specific issue of the FST. As described in the No-Action Request, the Committee evaluated the significance of the FST with respect to Pfizer's business operations, considering the factors set forth in Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("SLB 14J"), and determined that it was not sufficiently significant to Pfizer. The Committee reported its findings and analysis to the Board and the Board concurred with the Committee's conclusions. Accordingly, as demonstrated in the No-Action Request, the Proposal is excludable under Rule 14a-8(i)(7).

II. The Proposal Relates to Operations that Account for Less than 5% of the Company's Total Assets, Net Earnings and Gross Sales and Is Not Otherwise Significantly Related to the Company's Business.

The Proponent's Letter also mischaracterizes the Staff's position on Rule 14a-8(i)(5) and fails to rebut the arguments set forth in Pfizer's No-Action Request. Because the Proposal relates to operations which account for less than 5 percent of Pfizer'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 Pfizer's business, the Proposal is excludable pursuant to Rule 14a-8(i)(5).

First, the Proponent's Letter asserts that Pfizer "offers no evidence" to support the conclusion that the Proposal relates to operations that account for less than 5% of the company's total assets, net earnings and gross sales. As stated in the No-Action Request, however, the quantitative irrelevance of the FST is evident by the fact that Pfizer does not use the FST and has not used it in nearly a decade. Thus, the Proposal relates to operations

that account for less than 5% of the company's total assets, net earnings and gross sales because it relates to no operations at all.

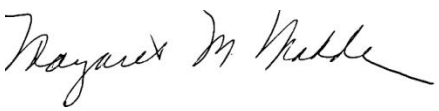
Second, the Proponent's Letter effectively disregards Staff Legal Bulletin No. 14I (Nov. 1, 2017) ("SLB 14I"), where the Staff acknowledged that its previous application of Rule 14a-8(i)(5) and its interpretation of cases like *Lovenheim v. Iroquois Brands, Ltd.*, 618 F. Supp. 554 (D.D.C. 1985) "has significantly narrowed the scope of Rule 14a-8(i)(5)." Under SLB 14I, the Staff stated that the "mere possibility of reputational or economic harm will not preclude no-action relief." As noted in the No-Action Request, the Proposal on its face is not significantly related to Pfizer's business. Pfizer does not use the FST and has observed only minimal shareholder interest in this particular issue. Moreover, the Proponent fails to present any evidence of the relationship between the FST and Pfizer's business besides the mere possibility of reputational or economic harm, which is insufficient to avoid exclusion of the Proposal.

Finally, the Proponent's Letter attempts to rebut the Committee and the Board's determination that the Proposal is not significantly related to Pfizer's business by selectively arguing against only some of the factors cited in the Board's analysis. For example, the Proponent's Letter cites decade-old research papers in an argument that the Proposal relates to Pfizer's core business, but, in fact, for the reasons described in the No-Action Request, the Committee and Board determined the exact opposite is true – that the Proposal does not relate to Pfizer's core business. Pfizer has not used the FST in nearly a decade and has no current plans to conduct, fund or commission use of the FST. Moreover, Pfizer's shareholders have demonstrated minimal interest in the topic of the Proposal. As noted in the No-Action Request, only six proposals relating to animal welfare have gone to a shareholder vote at Pfizer since 2004 and all received less than 10% support. Accordingly, as demonstrated in the No-Action Request, the Proposal is excludable under Rule 14a-8(i)(5).

III. Conclusion

For the reasons stated above and in the No-Action Request, we respectfully request that the Staff concur that it will take no action if Pfizer excludes the Proposal from its 2019 proxy materials. Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of Pfizer's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact me at (212) 733-3451 or Marc S. Gerber of Skadden Arps, Slate, Meagher & Flom LLP at (202) 371-7233.

Very truly yours,



Margaret M. Madden

cc: Jared Goodman
Deputy General Counsel for Animal Law
PETA

AN INTERNATIONAL ORGANIZATION DEDICATED TO PROTECTING THE RIGHTS OF ALL ANIMALS

PETA FOUNDATION

PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS FOUNDATION

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January 3, 2019

Via e-mail

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
shareholderproposals@sec.gov

Re: Pfizer Inc. 2019 Annual Meeting Shareholder Proposal Submitted by PETA

Dear Sir or Madam:

I am writing on behalf of People for the Ethical Treatment of Animals (PETA) and pursuant to Rule 14a-8(k) in response to Pfizer Inc.'s ("Pfizer" or "Company") request that the Staff of the Division of Corporation Finance ("Staff") of the Securities and Exchange Commission ("Commission") concur with its view that it may properly exclude PETA's shareholder resolution and supporting statement ("Proposal") from the proxy materials to be distributed by Pfizer in connection with its 2019 annual meeting of shareholders ("No-Action Request").

The Company seeks to exclude the Proposal on the basis of Rules 14a-8(i)(5) and 14a-8(i)(7). As the Proposal significantly relates to Pfizer's business, focuses on the significant social policy issue of the humane treatment of animals, and is not too complex for shareholders to make an informed judgment, PETA urges the Staff to deny Pfizer's request for a no-action letter.

I. The Proposal

PETA's resolution, titled "REDUCE ANIMAL SUFFERING IN PFIZER EXPERIMENTS," provides:

> RESOLVED, given the animal suffering inherent in the "Forced Swim Test" (FST), its questionable scientific validity, and the fact that the majority of Americans object to the use of animals in experiments, our Board should implement a policy that it will not fund, conduct, or commission use of this test.

The supporting statement then describes the FST, the company's use of and reference to the test, and expert acknowledgment of its ineffectiveness and impediment to legitimate medical progress.

II. The Proposal Focuses on a Significant Social Policy Issue and May Not Be Excluded Pursuant to Rule 14a-8(i)(7).

Rule 14a-8(i)(7) provides that a company may exclude a proposal "[i]f the proposal deals with a matter relating to the company's ordinary business operations." Only "business matters that are mundane in nature and do not involve any substantial policy" considerations may be omitted under this exemption. Adoption of Amendments Relating to Proposals by Security

Holders, 41 Fed. Reg. 52,994, 52,998 (1976). As the Company notes, the policy underlying this rule rests on two central considerations. The first consideration "relates to the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which stockholders, as a group, would not be in a position to make an informed judgment." Amendments to Rules on Shareholder Proposals, Exchange Act Release No. 40018 (May 21, 1998) ("Rule 14a-8 Release").

Second, "certain 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." *Id.* The Commission has stated and repeatedly found since that "proposals relating to such matters but focusing on sufficiently significant social policy issues … generally would not be considered to be excludable, because *the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote*." Rule 14a-8 Release (emphasis added).

PETA's Proposal does not implicate a day-to-day operation that is "mundane in nature," but rather involves an important "substantial policy" consideration, and does not seek to "'micro-manage' the company by probing too deeply into matters of a complex nature." Indeed, the Staff has found on several occasions that proposals for pharmaceutical companies to end particular tests could not be excluded on this basis.

A. The Proposal focuses on the significant social policy issue of animal welfare.

A company may rely on Rule 14a-8(i)(7) to exclude a proposal only where that proposal relates to the company's ordinary business operations—those matters that are "mundane in nature and do not involve any substantial policy" considerations. Release No. 34-12999 (Dec. 3, 1976). Proposals that relate to ordinary business matters but that focus on "sufficiently significant social policy issues … would not be considered to be excludable, because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." Release No. 34-40018 (May 21, 1998).

As Pfizer acknowledges, "the Staff has previously determined that the humane treatment of animals is a significant policy issue." *No-Action Request*, at 8. In *Coach, Inc.*, 2010 WL 3374169 (Aug. 19, 2010), for example, PETA's resolution encouraged the company "to enact a policy that will ensure that no fur products are acquired or sold by [Coach]." In seeking to exclude the proposal, the company argued that "[t]he use of fur or other materials is an aesthetic choice that is the essence of the business of a design and fashion house such as Coach," "luxury companies must be able to make free and independent judgments of how best to meet the desires and preferences of their customers," and that the proposal "does not seek to improve the treatment of animals[, but] to use animal treatment as a pretext for ending the sale of fur products at Coach entirely." *Id.* The Staff disagreed, writing:

> In arriving at this position, we note that although the proposal relates to the acquisition and sale of fur products, it focuses on the significant policy issue of the humane treatment of animals, and it does not seek to micromanage the company to such a degree that we believe exclusion of the proposal would be appropriate. Accordingly, we do not believe that Coach may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Id.; *see also, e.g., Bob Evans Farms, Inc*. (June 6, 2011) (finding that a proposal to encourage the board to phase-in the use of "cage-free" eggs so that they represent at least five percent of the company's total egg usage "focuses on the significant policy issue of the humane treatment of animals and does not seek to micromanage the company to such a degree that exclusion of the proposal would be appropriate"); *Denny's* (March 17, 2009) (finding that a proposal requesting the board to commit to selling at least 10% cage-free eggs by volume could not be excluded in reliance on Rule 14a-8(i)(7)); *Wendy's Int'l Inc.* (Feb. 19, 2008) (finding that a proposal requesting that the board issue a report on the feasibility of committing to purchase a percentage of its eggs from cage-free hens could not be excluded in reliance on Rule 14a-8(i)(7)).

In addition to the humane treatment of animals generally, the use and welfare of animals used in research specifically is a significant social policy issue. In *Revlon, Inc.* (Mar. 18, 2014), PETA requested that the company issue an annual report to shareholders accurately disclosing, among other things, whether the company has conducted, commissioned, paid for, or allowed tests on animals anywhere in the world for its products, the types of tests, the numbers and species of animals used, and the specific actions the company has taken to eliminate this testing. Revlon sought to exclude the proposal because "it deals with the sale of the company's products," and argued specifically that its decisions regarding in which countries to sell its products "are ordinary business matters that are fundamental to management's running of [Revlon] on a day-to-day basis and involve complex business judgments that stockholders are not in a position to make." *Id.* The Staff disagreed and did not permit the company to exclude the proposal pursuant to Rule 14a-8(i)(7), finding that it "focuses on the significant policy issue of the humane treatment of animals." *Id.*

The Staff has further refused to issue no-action letters where, like here, a proposal requested the end of particular animal experiments. In a series of proposals, PETA requested that the boards of various companies:

> 1. Commit specifically to using only non-animal methods for assessing skin corrosion, irritation, absorption, phototoxicity and pyrogenicity.
> 2. Confirm that it is in the Company's best interest to commit to replacing animal-based tests with non-animal methods.
> 3. Petition the relevant regulatory agencies requiring safety testing for the Company's products to accept as total replacements for animal-based methods, those approved non-animal methods described above, along with any others currently used and accepted by the Organization for Economic Cooperation and Development (OECD) and other developed countries.

In every instance, the Staff was "unable to concur in [the company's] view that [it] may exclude the proposal under rule 14a-8(i)(7)." *3M Co.*, 2005 WL 433468 (Feb. 22, 2005); *Schering-Plough Corp.*, 2005 WL 329675 (Feb. 10, 2005); *The Dow Chemical Co.*, 2005 WL 180977 (Jan. 21, 2005); *Johnson & Johnson*, 2005 WL 291551 (Jan. 13, 2005); *General Electric Co.*, 2005 WL 130007 (Jan. 11, 2005). *See also Wyeth* (February 4, 2004) (finding that a proposal requesting that the board issue a policy statement publicly committing to use *in vitro* tests and generally committing to the elimination of product testing on animals could not be excluded in reliance on Rule 14a-8(i)(7)); *American Home Products Corp.* (February 25, 1993) (finding that a proposal requesting that the board take all necessary steps to eliminate all animal testing could not be excluded in reliance on Rule 14a-8(i)(7)).

Moreover, "the presence of widespread public debate regarding an issue is among the factors to be considered in determining whether proposals concerning that issue 'transcend the day-to-day business matters.'" SLB No. 14A (July 12, 2002). The use and welfare of animals used in research specifically is subject to widespread debate, exemplified by the very existence of Pfizer's published Animal Care and Use Policy. *See No-Action Request*, at 5. Additionally, polling by the Pew Research Center found that 52 percent of U.S. adults oppose the use of animals in scientific research altogether—regardless of the level of care they receive, Mark Strauss, *Americans Are Divided Over the Use of Animals in Scientific Research*, Pew Research Center (Aug. 16, 2018), up from just *eight* percent in 1948, Harold A. Herzog & Lorna B. Dorr, *Electronically Available Surveys of Attitudes Toward Animals*, 8(2) Society & Animals 1 (2000). Other surveys suggest that the shrinking group that does accept animal experimentation does so only because it believes it to be necessary for medical progress. *See* Peter Aldhous and Andy Coghlan, *Let the People Speak*, New Scientist (May 22, 1999). As one United Kingdom court has recognized, the public interest in the welfare of animals in laboratories "is almost so obvious as not to require much by way of spelling it out." *See* Judgment, Covance Laboratories Ltd. v. The Covance Campaign et al., Claim No 5C – 00295 (June 16, 2005).

Accordingly, even if the Staff finds that the Proposal relates to Pfizer's ordinary business operations, it focuses on a significant social policy issue that transcends day-to-day business matters, and is appropriate for a shareholder vote.

Pfizer's attempt to distinguish this precedent on the ground that the Proposal "lacks a sufficient connection to Pfizer's business" is unavailing. *No-Action Request*, at 8-9. As Pfizer acknowledges, "a proposal generally will not be excludable 'as long as a sufficient nexus exists between the nature of the proposal and the company.'" *Id.* at 8 (quoting Staff Legal Bulletin No. 14E (Oct. 27, 2009)). Pfizer acknowledges that "animal welfare has a nexus to its business." *No-Action Request*, at 5. Indeed, the Proposal asks that the Company "implement a policy that it will not fund, conduct, or commission use of" a specific test that is intended to cause distress, that it has admittedly conducted, that Pfizer-affiliated authors have published on, and that it has not foreclosed in the future despite expert opinion that it is not a valid test for the efficacy of antidepressant drugs. There is clearly a "sufficient nexus" between the nature of the Proposal and the Company. That should be the end of the matter.[1]

B. The Proposal does not seek to micromanage the company.

Pfizer argues that it may exclude the Proposal pursuant to Rule 14a-8(i)(7) because it "probe[s] too deeply into the complex area of choosing pharmaceutical research methods and techniques," as "[t]he development of pharmaceutical products is highly complex and involves critical business and scientific considerations and judgments." *No-Action Request*, at 9. Yet the Proposal urges the board to make a single decision regarding Pfizer's use of a single test, which, the Proposal describes, is cruel and distressing, results in poor animal welfare, and does not produce human-relevant results. The Company does not dispute any of the Proposal's assertions regarding the FST.

[1] Despite this nexus, Pfizer attempts to argue that the Proposal is not sufficiently significant to the Company. As the Proposal indisputably relates to tests that have been and can again be conducted by Pfizer, the factors set forth in Staff Legal Bulletin No. J are more pertinent to a Rule 14a-8(i)(5) analysis and are therefore discussed below.

Furthermore, as discussed above, the Staff has already rejected the position that "choosing pharmaceutical research methods and techniques" is necessarily too complex for a shareholder vote. *See, e.g., Schering-Plough Corp.*, 2005 WL 329675 (Feb. 10, 2005); *Wyeth* (February 4, 2004) (finding that a proposal requesting that the board issue a policy statement publicly committing to use *in vitro* tests and generally committing to the elimination of product testing on animals could not be excluded in reliance on Rule 14a-8(i)(7)).

Accordingly, this is not a complex matter into which shareholders seek to "prob[e] too deeply," and is one for which they can make an informed judgment.

III. **The Proposal Is Significantly Related to the Company's Business and May Not Be Excluded Pursuant to Rule 14a-8(i)(5).**

Rule 14a-8(i)(5) allows a company to exclude a proposal "[i]f 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."

First, Pfizer argues that the Proposal "relates to operations that account for less than 5% of Pfizer's total assets, net earnings and gross sales," *No-Action Request*, at 3, but offers no evidence to support this conclusion. Rather, it provides its revenue, income, and asserts for the year ending December 31, 2017, and states that it "has not used the FST since 2009 and has no current plans to fund, use, or commission use of the test." *Id.* The Company provides no information as to the portion of revenue, income, or assets that relate to drugs for which the FST was used or how it calculated the percent of operations impacted.

Second, regardless of the percent of the Company's revenue, income, or assets that relate to the FST, the use of the test and the sale of products for which the test was used is significantly related to the company's business within the meaning of Rule 14a-8(i)(5).

In *Lovenheim v. Iroquois Brands, Ltd.*, 618 F. Supp. 554 (D.D.C. 1985), the plaintiff submitted a resolution regarding "the procedure used to force-feed geese for production of paté de foie gras in France, a type of paté imported by Iroquois/Delaware." Specifically, the resolution called on the company to:

> form a committee to study the methods by which its French supplier produces paté de foie gras, and report to the shareholders its findings and opinions, based on expert consultation, on whether this production method causes undue distress, pain or suffering to the animals involved and, if so, whether further distribution of this product should be discontinued until a more humane production method is developed.

Id. at 556. The defendant sought to exclude the proposal on the basis of Rule 14a-8(i)(5), as its foie gras business—and thus, the operations implicated by the proposal—represented "*none* of the company's net earnings and less than *.05 percent* of its assets, *id.* at 558-59 (emphasis added), and the plaintiff sought a preliminary injunction. After reviewing the history of the rule, the court rejected the defendant's solely economic argument and held that "in light of the ethical and social significance of plaintiff's proposal and the fact that it implicates significant levels of sales [even though at a net loss], plaintiff has shown a

likelihood of prevailing on the merits with regard to the issue of whether his proposal is 'otherwise significantly related' to [the defendant's] business." *Id.* at 561.

The court's finding of an "ethical and social significance" relied on the plaintiff's argument that "the very availability of a market for products that may be obtained through the inhumane force-feeding of geese cannot help but contribute to the continuation of such treatment," citing the various federal and state animal protection statutes in the country, and "the support of … leading organizations in the field of animal care … for measures aimed at discontinuing use of force-feeding." *Id.* at 559 n.8.

Pfizer acknowledges that the Staff has since "declined to permit exclusion under Rule 14a-8(i)(5) of proposals related to the humane treatment or welfare of animals on the basis that the shareholder proposal was significantly related to the company's business," including in the pharmaceutical context. *No-Action Request*, at 4 (citing *Revlon, Inc.* (Mar. 18, 2014); *Coach, Inc.* (Aug. 9, 2010); *Wal-Mart Stores, Inc.* (Mar. 31, 2010); *Coach, Inc.* (Aug. 7, 2009)).

As the Company notes, in Staff Legal Bulletin No. 14I, the Division reaffirmed the principles of Rule 14a-8(i)(5), with a renewed focus on a proposal's relevance or significance to the company's business. "For example, the proponent can provide information demonstrating that the proposal 'may have a significant impact on other segments of the issuer's business or subject the issuer to significant contingent liabilities.'" SLB No. 14I (quoting Release No. 12734 (Oct. 14, 1982)).

In the instant case, the Proposal specifically references recently published studies discussing the Company's use of the test and that "none of the compounds tested by Pfizer since 1989 using the FST are currently approved to treat human depression." The Company admits that notwithstanding these results, it still used the FST two decades later, as recently as 2009. The Company also notes that "the FST was used in connection with CHANTIX® (varenicline) subsequent to its marketing approval in 2006," arguing that because the drug "was already on the market, the FST was not relevant for CHANTIX approval and has not impacted Pfizer's product sales." *No-Action Request*, at 5. Yet Chantix was "already on the market" as a smoking cessation aid, and the FST was used to determine whether varenicline "may have antidepressant potential" and thus receive approval for additional uses. *See* Hans Rollema et al., *Varenicline Has Antidepressant-like Activity in the Forced Swim Test and Augments Sertraline's Effect*, 605 EUR. J. PHARMACOL. 114 (2009), *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2707785/. Pfizer used Company resources to conduct the test as an important aspect of its research and development—evidenced by the paper published by five institutional authors.

The Company's use of the FST is immediately distinguishable from the proposal at issue in *Dunkin' Brands Group, Inc.* (Feb. 22, 2018), cited for the proposition that the Staff permitted exclusion "of a proposal requesting that the company's board issue a report assessing the environmental impact of using K-Cup Pods brand packaging where the company's board determined the proposal was not otherwise significantly related to the company's business." Pfizer fails to acknowledge that the K-Cup Pods at issue were not under Dunkin's control: "On its face, the Proposal does not address the Company's primary business operations, which is acting as franchisor of quick service restaurants … but focuses instead on the packaging used in certain products manufactured by third parties under the Company's licensing arrangements," and "it is the licensing partner who

has the expertise to understand the various impacts of materials choices on the integrity of the coffee contained in the pods, the environmental impact of those choices and other factors." *Id.* Here, the Proposal relates to Pfizer's own use, funding, or commission of the FST.

Additionally, the use of the FST "may have a significant impact on other segments of the issuer's business or subject the issuer to significant contingent liabilities." As the Proposal states, experts substantially refute that the FST is applicable to human depression or "produce[s] human-relevant results," and "experts cite the use of such animal experiments as a major reason for lack of progress" in developing effective therapeutics to treat human depression. Accordingly, the use of the FST inhibits Pfizer's drug development because "useful antidepressant compounds may be abandoned if they do not produce desired results in the FST."

Additionally, reliance on ineffective research can result in substantial liability. Pfizer's Chantix FST study concluded that the drug "has activity in an animal model that has good predictive validity for antidepressant activity," Rollema et al., *supra*, but the FDA required a warning label on the drug after concluding that it may worsen "a current psychiatric illness even if it is currently under control and may cause an old psychiatric illness to reoccur." While the warning was ultimately removed, the agency asserts these mental health side effects are still present, FDA, *Drug Safety Communication Regarding Chantix (varenicline) and Zyban (bupropion)* (Dec. 16, 2016), https://www.fda.gov/Drugs/DrugSafety/ucm532221.htm, and Pfizer has settled claims regarding the neuropsychiatric adverse effects of varenicline to the tune of $288 million, Neil M. Davies & Kyla H. Thomas, *The Food and Drug Administration and Varenicline: Should Risk Communication be Improved?*, 112(4) ADDICTION 555 (2017), *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5347897/.

Finally, Pfizer argues that although "the Staff declined to permit exclusion under Rule 14a-8(i)(5) of proposals related to the humane treatment or welfare of animals on the basis that the shareholder proposal was significantly related to the company's business," the board's analysis of the Proposal pursuant to Staff Legal Bulletin Nos. I and J concluded that the Proposal is "not significantly related to Pfizer's business." *No-Action Request*, at 4. Specifically, the Company's arguments include:

- "The proposal does not relate to Pfizer's core business" because it is not at this moment using the FST. *Id.* at 5. Clearly, a test used by a pharmaceutical company to develop compounds and further research already-approved compound uses, and about which several Pfizer-affiliated authors have published, relates to Pfizer's core business of developing and marketing such compounds.
- "Pfizer already addresses the humane treatment of animals through its [Animal Care and Use] Policy." *Id.* The Policy does not address FST, and did not prevent its use despite its inherent cruelty, that experts have substantially refuted its applicability to human depression, and that it had not led to the marketing of new antidepressant medications in the two decades prior.
- Animal care and welfare proposals published by Pfizer between 2004-2011 received, at most, 8.5% of the vote. *Id.* at 6. As indicated by the Company's chart, the past five such proposals received sufficient support to be resubmitted by the proponents pursuant to Rule 14a-8(i)(12). One of these proposals received more than 357 *million* votes for approval.

- Other investors have not previously raised the FST, and "retail investor communications included comments or inquiries about the general topic of animal testing approximately" nine times since 2016. *Id.* at 6. Even assuming that the Committee was and could be aware of all such communications, these shareholders are highly unlikely to have known about the existence of the FST or Pfizer's use of it. Additionally, the hundreds of millions of votes cast in favor of the animal care and welfare proposals noted by the company clearly demonstrate that the number of inquiries received directly by the company is a minuscule fraction of the number of shareholders concerned about these issues.

Thus, none of these factors overcomes the clear conclusion that the Proposal is significantly related to the very core of Pfizer's business, and it may not be excluded in reliance on Rule 14a-8(i)(5).

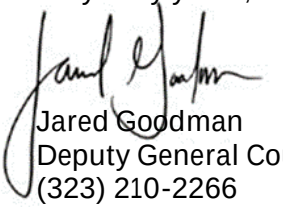
IV. Conclusion

We respectfully request that the Staff decline to issue a no-action response to Pfizer and inform the company that it may not omit the Proposal from its proxy materials in reliance on Rules 14a-8(i)(7) or 14a-8(i)(5).

Should you need any additional information in reaching your decision, please contact me at your earliest convenience. If you intend to issue a no-action response to Pfizer, we would welcome the opportunity to discuss this matter further before that response is issued.

Thank you.

Very truly yours,



Jared Goodman
Deputy General Counsel for Animal Law
(323) 210-2266
JaredG@petaf.org

cc: Margaret M. Madden, Pfizer Inc.

Margaret M. Madden
Senior Vice President and Corporate Secretary
Chief Governance Counsel

Pfizer Inc. – Legal Division
235 East 42nd Street, New York, NY 10017
Tel 212 733 3451 Fax 646 563 9681
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BY EMAIL (shareholderproposals@sec.gov)

December 19, 2018

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

RE: Pfizer Inc. – 2019 Annual Meeting
Omission of Shareholder Proposal of
People for the Ethical Treatment of Animals

Ladies and Gentlemen:

We are writing pursuant to Rule 14a-8(j) promulgated 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, Pfizer Inc., a Delaware corporation ("Pfizer"), may exclude the shareholder proposal and supporting statement (the "Proposal") submitted by People for the Ethical Treatment of Animals (the "Proponent") from the proxy materials to be distributed by Pfizer in connection with its 2019 annual meeting of shareholders (the "2019 proxy materials").

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D"), we are emailing this letter and its attachments to the Staff at shareholderproposals@sec.gov. In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of Pfizer's intent to omit the Proposal from the 2019 proxy materials.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent submits correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned.

I. The Proposal

The text of the resolution contained in the Proposal is copied below (footnote omitted):

> **RESOLVED**, given the animal suffering inherent in the "Forced Swim Test" (FST), its questionable scientific validity, and the fact that the majority of Americans object to the use of animals in experiments, our Board should implement a policy that it will not fund, conduct, or commission use of this test.

II. Bases for Exclusion

We hereby respectfully request that the Staff concur with Pfizer's view that it may exclude the Proposal from the 2019 proxy materials pursuant to:

- Rule 14a-8(i)(5) because the Proposal relates to operations of Pfizer that account for less than 5% of Pfizer's total assets, net earnings and gross sales and is not otherwise significantly related to Pfizer's business; and

- Rule 14a-8(i)(7) because the Proposal deals with matters relating to Pfizer's ordinary business operations.

III. Background

Pfizer received an initial version of the Proposal, accompanied by a cover letter from the Proponent, by email on November 12, 2018 and a letter from RBC Wealth Management, dated November 12, 2018, verifying Pfizer's stock ownership as of such date. On November 14, 2018, Pfizer sent a letter to the Proponent, by email, informing the Proponent that the Proposal contained more than 500 words (the "Deficiency Letter"). On November 21, 2018, the Company received a revised version of the Proposal from the Proponent. Copies of the Proposal, the cover letter, the Deficiency Letter and related correspondence are attached hereto as Exhibit A.

IV. The Proposal May Be Excluded Under Rule 14a-8(i)(5) Because It Relates to Operations that Account for Less than 5% of the Company's Total Assets, Net Earnings and Gross Sales and Is Not Otherwise Significantly Related to the Company's Business.

Rule 14a-8(i)(5) provides that a company may omit a shareholder proposal from its proxy materials "[i]f 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." The purpose of this exclusion is to ensure that a company's proxy materials do not include shareholder proposals that lack a significant

relationship to the company. *See* Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release") and Exchange Act Release No. 34-19135 (Oct. 14, 1982). Consistent with Rule 14a-8(i)(5) and its underlying purpose, the Staff has concurred on a number of occasions with the exclusion of proposals that relate to operations that account for less than 5% of a company's total assets, net earnings and gross sales. *See, e.g.*, *Arch Coal, Inc.* (Jan. 19, 2007); *Merck & Co., Inc.* (Jan. 27, 2004); *The Procter & Gamble Co.* (Aug. 11, 2003); *The Walt Disney Co.* (Nov. 29, 2002); *Eli Lilly & Co.* (Feb. 2, 2000).

Historically, the Staff generally did not grant no-action relief pursuant to Rule 14a-8(i)(5) to exclude a proposal addressing an issue of broad social or ethical significance even where the shareholder proposal arguably was not significantly related to the company's business. In Staff Legal Bulletin No.14I (Nov. 1, 2017) ("SLB 14I"), however, the Staff acknowledged that its "application of Rule 14a-8(i)(5) has unduly limited the exclusion's availability because [the Staff] has not fully considered the second prong of the rule as amended in 1982 – the question of whether the proposal 'deals with a matter that is not significantly related to the issuer's business' and is therefore excludable." The Staff further stated in SLB 14I that going forward, its "analysis will focus, as the rule directs, on a proposal's significance to the company's business when it otherwise relates to operations that account for less than 5% of total assets, net earnings and gross sales" and invited companies to provide a discussion reflecting the board's analysis of the proposal's significance to the company. Under this framework, proposals that raise issues of social or ethical significance may be excluded, notwithstanding their importance in the abstract, if the proposal does not significantly relate to the company's business.

A. The Proposal Relates to Operations that Account for Less than 5% of Pfizer's Total Assets, Net Earnings and Gross Sales.

In this instance, the Proposal relates to operations that account for less than 5% of Pfizer's total assets, net earnings and gross sales. For the fiscal year ended December 31, 2017, Pfizer had revenues of $52.5 billion and net income attributable to Pfizer of $21.3 billion, and as of the fiscal year ended December 31, 2017, Pfizer had total assets of $171.8 billion. In particular, the Proposal requests that the Board implement a policy that it will not fund, conduct, or commission use of the forced swim test (the "FST"). Pfizer has not used the FST since 2009 and has no current plans to fund, use or commission use of the test. Therefore, the FST accounts for less than 5% of Pfizer's total assets, net earnings and gross sales and is thus not economically significant to Pfizer pursuant to Rule 14a-8(i)(5).

B. The Proponent Has Not Demonstrated That the Proposal is Otherwise Significantly Related to Pfizer's Business.

In SLB 14I, the Staff explained that "[w]here a proposal's significance to a company's business is not apparent on its face, a proposal may be excludable unless the proponent demonstrates that it is 'otherwise significantly related to the company's business.' . . . The mere possibility of reputational or economic harm will not preclude no-action relief." *See Dunkin' Brands Group, Inc.* (Feb. 22, 2018) (permitting exclusion under

Rule 14a-8(i)(5) of a proposal requesting that the company's board issue a report assessing the environmental impact of using K-Cup Pods brand packaging where "the Proposal's significance to the Company's business [was] not apparent on its face, and that the Proponent ha[d] not demonstrated that it [was] otherwise significantly related to the Company's business.")

On its face, the Proposal does not demonstrate that it is significantly related to Pfizer's business. The resolution contained in the Proposal, and the vast majority of the supporting statement, relate to the FST in the abstract, describing the test, the questions or concerns raised by the test, and the Proponent's urging that Pfizer should no longer fund, conduct or commission use of the FST. The only references specific to Pfizer are to "Pfizer-affiliated authors" having described the FST in scientific papers in 2006 and 2010 and that "none of the compounds tested by Pfizer since 1989 using the FST are currently approved to treat human depression, which means that the test did not lead to marketing these compounds as new medications." This statement, in fact, affirms the lack of significance of the FST to Pfizer's business. The Proponent has provided no factual or other support in the Proposal to demonstrate the Proposal's significance to Pfizer's business and, therefore, the Proposal is excludable under Rule 14a-8(i)(5).

C. The Proposal Is Not Otherwise Significantly Related to Pfizer's Business.

We are aware that, previously, the Staff declined to permit exclusion under Rule 14a-8(i)(5) of proposals related to the humane treatment or welfare of animals on the basis that the shareholder proposal was significantly related to the company's business. *See, e.g.*, *Revlon, Inc.* (Mar. 18, 2014); *Coach, Inc.* (Aug. 9, 2010); *Wal-Mart Stores, Inc.* (Mar. 31, 2010); *Coach, Inc.* (Aug. 7, 2009). As discussed above, however, in SLB 14I, the Staff stated that "proposals that raise issues of social or ethical significance may be included or excluded, notwithstanding their importance in the abstract, based on the application and analysis of each of the factors of Rule 14a-8(i)(5) in determining the proposal's relevance to the company's business." In addition, the Staff stated that a company's request for exclusion should "include a discussion that reflects the board's analysis of the proposal's significance to the company" and should detail "the specific processes employed by the board to ensure that its conclusions are well-informed and well-reasoned." *See* SLB 14I; *see also Dunkin' Brands Group, Inc.* (Feb. 22, 2018) (permitting exclusion under Rule 14a-8(i)(5) of a proposal requesting that the company's board issue a report assessing the environmental impact of using K-Cup Pods brand packaging where the company's board determined the proposal was not otherwise significantly related to the company's business). Moreover, in Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("SLB 14J"), the Staff indicated that a well-developed discussion of the board's analysis that focuses on specific substantive factors can assist the Staff in evaluating a company's no-action request.

In this case, the Corporate Governance Committee (the "Committee") of Pfizer's Board of Directors (the "Board") evaluated the Proposal's significance to Pfizer's business and determined that it was not significantly related to Pfizer's business. The Committee's process included reviewing written materials describing the purpose and history of the FST

and the substantive factors summarized below. On December 14, 2018, the Committee reported its findings and analysis to the Board and the Board concurred with the Committee's conclusion. These conclusions took into consideration the following factors:

The Proposal does not relate to Pfizer's core business.

The Committee considered that, as a research-based global pharmaceutical company, Pfizer believes in the humane treatment of animals and that animal welfare has a nexus to its business, which is reflected in Pfizer's Animal Care and Use Policy (the "Policy"). Pfizer's Policy is attached hereto as Exhibit B. Pursuant to the Policy, Pfizer reviews each research proposal to ensure that it provides a high level of care to experimental animals and that no scientifically appropriate and validated alternative test method exists.

Nevertheless, the Committee observed that the Proposal is solely focused on the FST, which has not been used by Pfizer since 2009 and which Pfizer has no current plans to fund, use or commission. Therefore, while the broader topic of humane treatment of animals may be significant to Pfizer's business, the Proposal's narrow request on the FST does not relate to Pfizer's core business activities.

The quantitative data, including financial statement impact, related to the Proposal illustrates the lack of significance to Pfizer.

The Committee considered that since Pfizer last used the FST in 2009, and has no current plans to conduct, fund or commission use of the FST, none of Pfizer's 2017 assets, gross sales or net earnings are impacted by the FST.

In its analysis, the Committee noted that the FST was used in connection with CHANTIX® (varenicline) subsequent to its marketing approval in 2006. However, since CHANTIX was already on the market, the FST was not relevant for CHANTIX approval and has not impacted Pfizer's product sales. For these reasons, the Committee concluded that the FST lacks significance to Pfizer.

Pfizer has already addressed the humane treatment of animals used in biomedical research such that the differences between the Proposal's specific request and the actions Pfizer has already taken do not present a significant policy issue for Pfizer.

The Committee considered that Pfizer already addresses the humane treatment of animals through its Policy, which would subsume any concerns raised by the Proposal regarding the FST. Due to the lack of use of the FST since 2009 and the lack of any current plans to use the FST, the Committee viewed the difference between the specific request of the Proposal and Pfizer's existing policies as not representing a significant policy issue for Pfizer.

Pfizer has had extensive engagement with its shareholders and those shareholders have not expressed an interest in this issue.

The Committee took into consideration that Pfizer has a robust shareholder outreach program to proactively seek shareholder feedback on a variety of corporate governance topics and related matters and this topic has not been raised by shareholders. Specifically, during each of the years 2016 through 2018, Pfizer met with over 30 investors representing approximately 30% of shares outstanding. These engagement meetings covered a variety of topics, but neither the use of animal testing generally, nor the FST in particular, was raised by any of these investors.

No one other than the Proponent has requested the type of action or information sought by the Proposal.

The Committee considered that no shareholder, other than the Proponent, has raised issues concerning potential use of the FST. In addition, retail investor communications included comments or inquiries about the general topic of animal testing approximately only six times in 2016, twice in 2017 and once in 2018.

The Committee also noted that in response to the Proponent's "call to action" on FST, the Proponent reposted to Pfizer's Facebook page comments it received from the Proponent's subscribers concerning the use of the FST at pharmaceutical companies, including Pfizer.

Pfizer's shareholders have not previously voted on proposals relating to the FST, and votes on proposals relating to the humane treatment of animals have received low levels of support.

In its analysis, the Committee considered that Pfizer shareholders have not previously voted on the FST and that shareholder proposals on the more general topic of animal care and welfare have received low levels of support from Pfizer shareholders. Since 2004, six proposals on animal welfare have gone to a shareholder vote at Pfizer and all received less than 10% support, with the most recent proposal receiving less than 5% support. The proposals and votes were:

Year	Topic	% of Votes Cast in Support
2004	Use of Non-Animal Testing Methods	2.2%
2006	Review Animal Welfare Standards	6.4%
2006	Do not Promote Animal Testing	5.3%
2007	Review Overseas Animal Welfare Testing	8.5%
2007	Review Animal Welfare Standards	7.3%
2011	Animal Research	4.5%

The Committee noted that no actions were taken in response to the votes, nor were there any intervening events that would have increased the FST's significance to Pfizer.

Based on the foregoing, in accordance with the framework set forth in SLB 14I and SLB 14J, Pfizer believes that the Proposal is not significantly related to Pfizer's business. Accordingly, because the Proposal relates to less than 5% of Pfizer's total assets, net earnings and gross sales as of and for its most recent fiscal year and is not otherwise significantly related to the Pfizer's business, the Proposal is excludable under Rule 14a-8(i)(5).

V. The Proposal May be Excluded Under Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to the Company's Ordinary Business Operations.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In the 1998 Release, the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain 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. The second consideration relates to 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.

A. The Proposal Deals with Pfizer's Ordinary Business Operations Related to Product Research, Development and Testing.

In accordance with these principles, the Staff has permitted the exclusion under Rule 14a-8(i)(7) of proposals addressing ordinary business matters related to a company's product research, development and testing. In *PepsiCo, Inc.* (Feb. 28, 2012), for example, the proposal requested that the board adopt certain standards in private and collaborative research and development agreements. In permitting exclusion under Rule 14a-8(i)(7), the Staff noted that the proposal relates to the company's "product research and development" and that proposals "concerning product research, development and testing are generally excludable under [R]ule 14a-8(i)(7)." *See also Pfizer Inc.* (Feb. 14, 2008) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested that the board form a committee to explore certain research programs as relating to "Pfizer's ordinary business operations (i.e., product research development and testing))"; *International Business Machines Corp.* (Jan. 6, 2005) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested that the board take steps to offer the company's customers software technology that had greater simplicity because the proposal related to the company's design and development of its software products); *Pfizer Inc.* (Jan. 25, 2004) (permitting exclusion under Rule 14a-8(i)(7) of a proposal seeking to change the company's research protocols because the proposal related to product research, development and testing); *Eli Lilly & Co.* (Feb. 8, 1990) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company study and report to shareowners on acquiring license rights and FDA approval for a specific drug as relating to the ordinary business operations of "research, development, manufacture, distribution and profitable marketing of a drug").

In this instance, the Proposal concerns ordinary business matters related to Pfizer's product research, development and testing. In this regard, the Proposal's resolution seeks to have the Board implement a policy that it will not fund, conduct or commission use of the FST, a method of product testing, which Pfizer has not used since 2009 and has no current plans to use. The supporting statement also focuses on the use of the FST in testing anti-depressant activity in pharmaceutical drug compounds. Like many other pharmaceutical companies, Pfizer uses animal-based biomedical research (subject to the Policy) to test and develop the products that it sells. Decisions as to how Pfizer researches and tests the drugs it develops are fundamental to Pfizer's day-to-day operations and cannot, as a practical matter, be subject to shareholder oversight. As a result, consistent with the precedent above, the Proposal is excludable under Rule 14a-8(i)(7).

B. The Policy Issue Raised by the Proposal Is Not Sufficiently Significant in Relation to Pfizer.

We note that a proposal may not be excluded under Rule 14a-8(i)(7) if it is determined to focus on a significant policy issue. As stated in SLB 14I, "whether the significant policy exception applies depends, in part, on the connection between the significant policy issue and the company's business operations." *See also* Staff Legal Bulletin No. 14E (Oct. 27, 2009) (a proposal generally will not be excludable "as long as a sufficient nexus exists between the nature of the proposal and the company"). While the Staff has previously determined that the humane treatment of animals is a significant policy issue, Pfizer is not aware of any instance in which the Staff determined that any singular test involving animals is itself a significant policy issue. Even in the event that the FST alone would constitute a significant policy issue, however, the Proposal is still excludable under Rule 14a-8(i)(7) because that policy issue lacks a sufficient connection to Pfizer's business.

In accordance with the request in SLB 14I and SLB 14J for "a well-developed discussion of the board's analysis" of the particular policy issue raised by a proposal and its significance to the company, the Committee evaluated the significance of the particular issue raised by the Proposal and its significance to Pfizer's business operations and determined that it was not sufficiently significant. The Committee's process included reviewing written materials describing the purpose and history of the FST and the substantive factors summarized in Section IV.C, above. On December 14, 2018 the Committee reported its findings and analysis to the Board and the Board concurred with the Committee's conclusion. As discussed above, in reaching this conclusion, the Committee considered that: the Proposal does not relate to Pfizer's core business; the quantitative data, including financial statement impact, related to the Proposal illustrates the lack of significance to Pfizer; Pfizer has already addressed the humane treatment of animals used in biomedical research such that the differences between the Proposal's specific request and the actions Pfizer has already taken do not present a significant policy issue for Pfizer; Pfizer has had extensive engagement with its shareholders and those shareholders have not expressed an interest in this issue; no one other than the Proponent has requested the type of action or information sought by the Proposal; and Pfizer's shareholders have not previously voted on proposals relating to the

FST, and votes on proposals relating to the humane treatment of animals have received low levels of support at Pfizer. Among other things, the most recent time a shareholder proposal on the more general topic of animal care and welfare was considered by Pfizer's shareholders, in 2011, that proposal received only 4.5% support. In addition, the Committee noted that no actions were taken in response to the votes, nor were there any intervening events that would have increased the FST's significance to Pfizer. Accordingly, because the policy issues raised by the Proposal are not sufficiently significant in relation to Pfizer's business, the Proposal is excludable under Rule 14a-8(i)(7).

C. The Proposal Seeks to Micromanage Pfizer's Drug Research Methods and Techniques.

In addition, the Staff has consistently agreed that shareholder proposals attempting to micromanage a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, are not in a position to make an informed judgment are excludable under Rule 14a-8(i)(7). *See* the 1998 Release; *see also Walgreens Boots Alliance, Inc.* (Nov. 20, 2018) (permitting exclusion on the basis of micromanagement of a proposal that requested open market share repurchase programs or stock buybacks subsequently adopted by the board not become effective until approved by shareholders); *SeaWorld Entertainment, Inc.* (Apr. 23, 2018) (permitting exclusion on the basis of micromanagement of a proposal that requested that the board ban all captive breeding in the company's parks); *JPMorgan Chase & Co.* (Mar. 30, 2018) (permitting exclusion on the basis of micromanagement of a proposal that requested a report on the reputational, financial and climate risks associated with project and corporate lending, underwriting, advising and investing on tar sands projects).

In this case, the Proposal seeks to micromanage Pfizer by probing too deeply into the complex area of choosing pharmaceutical research methods and techniques. The development of pharmaceutical products is highly complex and involves critical business and scientific considerations and judgments. Pfizer's shareholders, as a group, would not be in a position to recommend that Pfizer employ or not employ any specific scientific testing method concerning a pharmaceutical product's efficacy or safety. Such considerations are complex and cannot, as a practical matter, be subject to shareholder oversight. Therefore, the Proposal attempts to micromanage Pfizer and is precisely the type of effort that Rule 14a-8(i)(7) is intended to prevent.

Accordingly, for the reasons discussed above, the Proposal should be excluded from Pfizer's 2019 proxy materials pursuant to Rule 14a-8(i)(7) as relating to Pfizer's ordinary business operations.

VI. Conclusion

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if Pfizer excludes the Proposal from its 2019 proxy materials.

Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of Pfizer's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact me at (212) 733-3451 or Marc S. Gerber of Skadden, Arps, Slate, Meagher & Flom LLP at (202) 371-7233.

Very truly yours,

Margaret M. Madden

Enclosures

cc: Jared Goodman
Deputy General Counsel for Animal Law
PETA

EXHIBIT A

(see attached)

November 12, 2018

Margaret M. Madden
Corporate Secretary
Pfizer Inc.
235 East 42nd Street
New York, New York 10017-5703

Via UPS Next Day Air Saver

Dear Ms. Madden:

Attached to this letter is a shareholder proposal (also known as a "resolution") submitted for inclusion in the proxy statement for the 2019 annual meeting. Also enclosed is a letter from People for the Ethical Treatment of Animals' (PETA) brokerage firm, RBC Wealth Management, confirming ownership of 116 shares of Pfizer Inc. common stock, which were acquired at least one year ago. PETA has held at least $2,000 worth of common stock continuously and intends to hold at least this amount through and including the date of the 2019 shareholders meeting.

If there are any issues with this proposal being included in the proxy statement or if you need any further information, please contact PETA's authorized representative Jared S. Goodman at 2154 W. Sunset Blvd., Los Angeles, CA 90026, (323) 210-2266, or JaredG@PetaF.org.

Sincerely,

Carrie Edwards, Executive Assistant
PETA Corporate Affairs

Enclosures: 2019 Shareholder Resolution
RBC Wealth Management letter

PEOPLE FOR
THE ETHICAL
TREATMENT
OF ANIMALS

Washington, D.C.
1536 16th St. N.W.
Washington, DC 20036
202-483-PETA

Los Angeles
2154 W. Sunset Blvd.
Los Angeles, CA 90026
323-644-PETA

Norfolk
501 Front St.
Norfolk, VA 23510
757-622-PETA

Oakland
554 Grand Ave.
Oakland, CA 94610
510-763-PETA

Info@peta.org
PETA.org

Affiliates
- PETA India
- PETA Australia
- PETA Germany
- PETA Asia-Pacific
- PETA Netherlands
- PETA Foundation (U.K.)

REDUCE ANIMAL SUFFERING IN PFIZER EXPERIMENTS

RESOLVED, given the animal suffering inherent in the "Forced Swim Test" (FST), its questionable scientific validity, and the fact that the majority of Americans object to the use of animals in experiments,[1] our Board should implement a policy that it will not fund, conduct, or commission use of this test.

BACKGROUND

In the FST, animals are dropped into a container of water. Terrified that they will drown, they swim frantically trying to find an escape. Eventually they become exhausted and stop struggling. It causes substantial distress and is not required by the government to be conducted.

Pfizer-affiliated authors have described the FST as a model or test of depression.[2] Our Company uses the FST to purportedly test the "antidepressant-like"[3] effects of compounds on the assumption that the sooner the animal stops swimming, the more depressed the animal is. However, there is evidence that floating is an adaptive behavior that saves energy and benefits survival,[4] not a sign of depression.

The FST's ability to accurately predict human antidepressants is further undermined by the fact that it yields positive results for compounds that are not prescribed as human antidepressants, like caffeine,[5] and negative results for compounds that are.[6] Therefore, useful antidepressant compounds may be abandoned if they do not produce desired results in the FST. Indeed, the applicability of the FST to human depression has been substantially refuted by experts.[7]

According to our Company's records none of the compounds tested by Pfizer since 1989 using the FST are currently approved to treat human depression, which means that the test did not lead to marketing these compounds as new medications.

We need to develop new therapeutics to treat human depression, but experts cite the use of such animal experiments as a major reason for lack of progress in generating effective treatments.[8]

Given the suffering and distress the FST causes to animals and the failure of test data to produce human-relevant results, our Company should include an assurance in its animal welfare policy[9] that it will no longer fund, conduct, or commission use of the forced swim test.

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[1] Strauss (2018) Americans are divided over the use of animals in scientific research. https://tinyurl.com/ydbgts8z

[2] Siuciak (2006) https://doi.org/10.1016/j.neuropharm.2006.01.012; Beyer (2010) https://doi.org/10.1016/j.nbd.2010.03.020

[3] Siuciak (2004) https://doi.org/10.1007/s00213-004-1809-7; Siuciak (2007) https://doi.org/10.1016/j.neuropharm.2006.07.024; Rollema (2009) https://doi.org/10.1016/j.ejphar.2009.01.002; Grimwood (2011) https://doi.org/10.1124/jpet.111.185108

[4] Molendijk (2015) Immobility in the forced swim test is adaptive and does not reflect depression. https://doi.org/10.1016/j.psyneuen.2015.08.028

[5] Schechter (1979) Non-specificity of "behavioral despair" as an animal model of depression. https://doi.org/10.1016/0014-2999(79)90212-7

[6] Suman (2018) Failure to detect the action of antidepressants in the forced swim test in Swiss mice https://doi.org/10.1017/neu.2017.33; Cryan (2002) https://doi.org/10.1016/S0165-6147(02)02017-5

[7] Hendrie (2013) The failure of the antidepressant drug discovery process is systemic. https://doi.org/10.1177%2F0269881112466185; Garner (2014) The significance of meaning: Why do over 90% of behavioral neuroscience results fail to translate to humans, and what can we do to fix it? https://doi.org/10.1093/ilar/ilu047; Molendijk (2015); Commons (2017) The rodent forced swim test measures stress-coping strategy, not depression-like behavior. https://pubs.acs.org/doi/10.1021/acschemneuro.7b00042

[8] Hendrie (2013); Garner (2014)

[9] Pfizer Policy on Animal Care. https://www.pfizer.com/research/research_clinical_trials/laboratory_animal_care

RBC Wealth Management

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Suite 300
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Toll Free: 800.421.2746
Fax: 408.298.8295

November 12, 2018

Tracy Reiman
Executive Vice President
People for the Ethical Treatment of Animals
501 Front Street
Norfolk, VA 23510

Re: Verification of Shareholder Ownership in Pfizer Inc.

Dear Ms. Reiman:

This letter verifies that People for the Ethical Treatment of Animals (PETA) is the beneficial owner of 116 shares of Pfizer Inc. common stock and that PETA has continuously held at least $2,000.00 in market value for at least one year prior to and including the date of this letter.

Should you have any questions or require additional information, please contact me at (408) 947-3322.

Sincerely,

Thach Nguyen
Registered Client Associate to Joshua Levine
Senior Vice President – Financial Advisor
RBC Wealth Management

Suzanne Y. Rolon
Director – Corporate Governance
Legal Division

Pfizer Inc.
235 East 42nd Street, 19/6, New York, NY 10017
Tel +1 212 733 5356 Fax +1 212 573 1853
suzanne.y.rolon@pfizer.com

Via Email

November 14, 2018

Mr. Jared S. Goodman
People for the Ethical Treatment of Animals
1536 16th Street N.W.
Washington, DC 20036
jaredg@petaf.org

Re: Shareholder Proposal for 2019 Annual Meeting of Shareholders

Dear Mr. Goodman:

This letter will acknowledge receipt on November 12, 2018 of the letter from the People for the Ethical Treatment of Animals, dated November 12, 2018, to Pfizer Inc., submitting a shareholder proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934 ("the Exchange Act") for consideration at our 2019 Annual Meeting of Shareholders.

Rule 14a-8(d) under the Exchange Act specifies that any shareholder proposal, including any accompanying supporting statement, may not exceed 500 words. We believe your submission contains more than 500 words. To remedy this defect, you must revise the proposal and supporting statement so that they do not exceed 500 words.

The rules of the SEC require that your response to this letter be postmarked or transmitted electronically no later than 14 days from the date you receive this letter. Please send any response to me via email, or at the address provided above. For your reference, please find enclosed a copy of Rule 14a-8.

Once we receive any response, we will be in a position to determine whether the proposal is eligible for inclusion in the proxy materials for our 2019 Annual Meeting of Shareholders. We reserve the right to seek relief from the SEC as appropriate.

If you have any questions, please feel free to contact me directly.

Sincerely,

Suzanne Y. Rolon

cc: Margaret M. Madden, Pfizer Inc.

Attachment

PEOPLE FOR
THE ETHICAL
TREATMENT
OF ANIMALS
FOUNDATION

Washington, D.C.
1536 16th St. N.W.
Washington, DC 20036
202-483-PETA

Los Angeles
2154 W. Sunset Blvd.
Los Angeles, CA 90026
323-644-PETA

Norfolk
501 Front St.
Norfolk, VA 23510
757-622-PETA

Berkeley
2855 Telegraph Ave.
Ste. 301
Berkeley, CA 94705
510-763-PETA

November 20, 2018

Via email

Suzanne Y. Rolon
Director – Corporate Governance
Legal Division
Pfizer Inc.
suzanne.y.rolon@pfizer.com

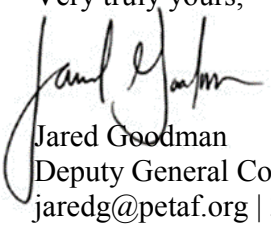
Re: Revised PETA Shareholder Proposal

Dear Ms. Rolon:

I am in receipt of your letter of November 14 regarding People for the Ethical Treatment of Animals' shareholder proposal, in which you assert Pfizer's belief that the proposal, as submitted, contained more than 500 words.

Pursuant to Rule 14a-8(f)(1), enclosed please find a revised version of the proposal that addresses the perceived deficiency.

Very truly yours,



Jared Goodman
Deputy General Counsel for Animal Law
jaredg@petaf.org | 323-210-2266

Enclosure

REDUCE ANIMAL SUFFERING IN PFIZER EXPERIMENTS

RESOLVED, given the animal suffering inherent in the "Forced Swim Test" (FST), its questionable scientific validity, and the fact that the majority of Americans object to the use of animals in experiments,[1] our Board should implement a policy that it will not fund, conduct, or commission use of this test.

BACKGROUND

In the FST, animals are dropped into a container of water. Terrified that they will drown, they swim frantically trying to find an escape. Eventually they become exhausted and stop struggling. It causes substantial distress and is not required by the government to be conducted.

Pfizer-affiliated authors have described the FST as a model or test of depression.[2] Our Company uses the FST to purportedly test the "antidepressant-like"[3] effects of compounds on the assumption that the sooner the animal stops swimming, the more depressed the animal is. However, there is evidence that floating is an adaptive behavior that saves energy and benefits survival, not a sign of depression .[4]

The FST's ability to accurately predict human antidepressants is further undermined by the fact that it yields positive results for compounds that are not prescribed as human antidepressants, like caffeine,[5] and negative results for compounds that are.[6] Therefore, useful antidepressant compounds may be abandoned if they do not produce desired results in the FST. Indeed, the applicability of the FST to human depression has been substantially refuted by experts.[7]

According to our Company's records none of the compounds tested by Pfizer since 1989 using the FST are currently approved to treat human depression, which means that the test did not lead to marketing these compounds as new medications.

We need to develop new therapeutics to treat human depression, but experts cite the use of such animal experiments as a major reason for lack of progress.[8]

Given the suffering and distress the FST causes to animals and the failure of test data to produce human-relevant results, our Company should include an assurance in its animal welfare policy[9] that it will no longer fund, conduct, or commission use of the FST.

---

[1] Strauss (2018) https://tinyurl.com/ydbgts8z
[2] Siuciak (2006) https://doi.org/10.1016/j.neuropharm.2006.01.012; Beyer (2010), https://doi.org/10.1016/j.nbd.2010.03.020
[3] Siuciak (2004) https://doi.org/10.1007/s00213-004-1809-7; Siuciak (2007)https://doi.org/10.1016/j.neuropharm.2006.07.024; Rollema (2009) https://doi.org/10.1016/j.ejphar.2009.01.002; Grimwood (2011) https://doi.org/10.1124/jpet.111.185108
[4] Molendijk (2015) https://doi.org/10.1016/j.psyneuen.2015.08.028
[5] Schechter (1979) https://doi.org/10.1016/0014-2999(79)90212-7
[6] Suman (2018) Failure to detect the action of antidepressants in the forced swim test in Swiss mice https://doi.org/10.1017/neu.2017.33; Cryan (2002) https://doi.org/10.1016/S0165-6147(02)02017-5
[7] Hendrie (2013) The failure of the antidepressant drug discovery process is systemic. https://doi.org/10.1177%2F0269881112466185; Garner (2014) The significance of meaning: Why do over 90% of behavioral neuroscience results fail to translate to humans, and what can we do to fix it?

https://doi.org/10.1093/ilar/ilu047; Molendijk (2015); Commons (2017) The rodent forced swim test measures stress-coping strategy, not depression-like behavior. https://pubs.acs.org/doi/10.1021/acschemneuro.7b00042

[8] Hendrie (2013); Garner (2014)

[9] https://www.pfizer.com/research/research_clinical_trials/laboratory_animal_care

EXHIBIT B

(see attached)

1. BACKGROUND

Pfizer is dedicated to helping people live longer, healthier lives through the discovery and development of breakthrough medicines and therapies. Animal-based biomedical research in the pharmaceutical industry remains a vital component of the discovery, evaluation and regulatory processes, which lead to the development of products that save or improve human lives throughout the world. Pfizer's Animal Care and Use policy reflects our absolute commitment that all animals used by our business are treated humanely. This means that any research involving animals is conducted only after appropriate ethical consideration and review. This review ensures that we provide a high level of care to all animals used, and that a scientifically appropriate and validated alternative to the use of animals is not available.

Why We Conduct Animal-based Biomedical Research

Pfizer is ethically and legally obliged to rigorously evaluate potential new medicines and therapies. Many of these evaluations can be, and are, accomplished by techniques that do not require the use of animals. However, given the present state of scientific knowledge, testing potential new medicines and therapies in animals is frequently critical to their evaluation, and is required by regulatory authorities worldwide to ensure the quality, efficacy and safety of the medicines we discover.

Pfizer's Commitment to Ethical and Humane Treatment of Animals

Pfizer accepts its responsibility to use animals in a humane and ethical manner and expects all Colleagues to treat animals with respect. We approach the use of animals in our business with a high level of humane and ethical concern for those animals. All use is carefully planned and conducted in such a way as to minimize or avoid pain, distress, or discomfort to the animals. Every proposed use is thoroughly evaluated before being undertaken as the health and well-being of all animals under our care is a primary concern. Similarly, we expect any third party organization we engage to conduct animal based research on our behalf to adhere to this Policy and to comply with all applicable laws and regulations.

Pfizer's Commitment to Alternatives to Animal-based Biomedical Research

Pfizer is fully committed to the development and use of scientifically validated alternative testing methods that are acceptable to regulatory authorities and do not compromise patient safety or the effectiveness of our medicines. Pfizer continues to engage in and lead cross-industry efforts aimed at developing and refining new in-vitro testing and predictive informatics-based systems that hold promise for future reduction of animal usage. Pfizer works directly with regulators and through pharmaceutical trade organizations to increase the recognition and acceptance of alternative models where such alternatives can be used appropriately.

2. POLICY

For as long as it remains necessary to use animals in the discovery, development, evaluation and production of new medicines, we commit to maintaining high standards in the humane treatment of these animals. Significantly, we embrace the principles known as the "3Rs" of animal research first proposed in 1959 by Russell and Burch to describe the use of alternatives in animal research. These are:

Replacement of animal experiments with non-animal methods such as mathematical models, computer simulations, and invitro biological systems wherever appropriate; and where animals must be used;

Reduction of the numbers of animals used in each study, and of the number of studies involving animals, to the absolute minimum necessary to obtain valid results and achieve our research objectives; and

Refinement of procedures involving animals to minimize the potential for pain and distress.

In addition to the 3R's, and to further assure we maintain high standards for our animals, we have adopted the following guidelines:

- When animal experimentation is necessary, great care is taken to choose the most appropriate animal species and to optimize the study design to ensure that the results will be as meaningful as possible.

- Non-human primates will only be used when scientifically justified, for example in cases where other species will not provide sufficiently close analogues to the biological pathways and responses expected in humans.

- All studies are carefully designed to gain the maximum information from the fewest animals possible.

- Each proposed use of animals is reviewed and approved by a panel of objective experts prior to any experiments being performed to ensure that the use of the animals is consistent with sound scientific practices and ethical considerations.

- Our standards of animal care and welfare meet or exceed those required by applicable local, national, or international laws and regulations.

- We regularly monitor our animals for signs of ill health or distress and take prompt action wherever appropriate. We make veterinary care available to our animals at all times.

- Our veterinarians and scientists evaluate every proposed animal procedure with an emphasis on eliminating or minimizing any potential for pain or distress which may be experienced by the animals.

- We train all Colleagues involved in the care, welfare and use of animals to ensure (a) that they are competent in the care of the animals and in the procedures required to complete the proposed work; (b) that they are aware of the ethical issues involved in the use of animals; and (c) that they demonstrate respect and humane treatment towards the animals in their care.

- We expect our contract research organizations, collaborators and vendors to maintain similar high standards. Parties conducting animal based research for Pfizer at their facilities are required to adhere to this Policy and to comply with all applicable laws and regulations. We perform welfare audits of these third party facilities in accordance with our quality assurance policies.

- Because respect is a key tenent in our use of animals, we have also established standards regarding the use of animals in the marketing of Pfizer products. If advertisements featuring animals are used, any animal shown should be healthy and in a natural or appropriate setting. Non-human primates should not be used in the advertising of Pfizer products, and other wild animals will also not be used unless they are shown in their natural setting or portrayed through animation or computer-generated graphics

This Policy represents Pfizer's commitment to high-quality animal care and welfare throughout our business, and to the replacement, reduction and refinement of the use of animalsin research . We are equally committed to bringing important and safe new medicines to patients.