

SCC Email Alert
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Subject: New Paper on Institutional Voting Processes

Latham & Watkins LLP has recently published an excellent paper, discussing the separation between institutional investing and institutional voting. As a result of this separation, many institutional money managers either delegate voting decisions to an internal voting unit or outsource voting decisions to third-party proxy advisory firms.

In both cases, the typical model for proxy votes—at least those that do not have clear economic significance—is to use “one-size-fits-all” voting policies, with corresponding implications for both institutional investing and corporate governance.

The Latham & Watkins LLP paper, entitled “The Parallel Universes of Institutional Investing and Institutional Voting,” cites the recently released Discussion Draft on Proxy Advisory Services, prepared by the Society of Corporate Secretaries & Governance Professionals and the National Investor Relations Institute. Both organizations are members of the Shareholder Communications Coalition.

Click on the following link to review a copy of this excellent corporate governance paper by Latham & Watkins LLP:

http://www.shareholdercoalition.com/Latham_Corporate_Governance_Commentary_The_Parallel_Universes_of_Institutional_Investing_and_Institutional_Voting.pdf

Thank you for your interest in the Shareholder Communications Coalition.

Niels Holch
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