



strategy + support for
musicians creating change

Air Traffic Control

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SHAREHOLDER ACTIVISM: DIRECTLY ENGAGING CORPORATIONS ON ENVIRONMENTAL, SOCIAL JUSTICE & HUMAN RIGHTS ABUSES

Holding stock in a publicly traded company comes with certain privileges like the chance to profit from a change in the company's fortunes, it also implies certain rights, including a chance to directly influence the corporation's behavior. What follows is a guide to shareholder activism including examples of how artists have used stock ownership to influence corporate behavior on social justice and environmental issues of concern with some of the largest corporations in the world.

Stockowners have the right to vote on and sponsor shareholder resolutions (also called proposals), attend a stockholder meeting, and the power to sue corporations (although this is rarely used by activists). Because of these levers of influence, company managers will often meet in **dialogue** with those seeking a change in corporate practice or policy; shareholders will often bring activists or experts to the table to add depth to the conversation.

Shareholder resolutions can be filed to add pressure. These function like a town referendum and while most are non-binding, even a low vote can influence corporate behavior. They can act as key **rallying points within a larger campaign**, and transform the company's annual meeting into a stage on which to speak directly to management and directors.

Since the anti-apartheid campaigns of the 1970s, shareholder advocacy has yielded concrete changes in corporate policies and practices. Current campaigns target deforestation, climate change, workplace discrimination, labor practices, sweatshops, and human rights violations, just to name a few. On occasion, musicians, artists and other celebrities have taken part in these efforts. For example:

- **Chevron's Environmental & Human Rights Missteps:** Trudy Styler, Bianca Jagger and Darryl Hannah have worked to raise public awareness about Chevron's multi-billion dollar liability for polluting the Ecuadorian rainforest. Ms. [Jagger attended Chevron's stockholder meeting in 2004](#), and [ExxonMobil's in 2001](#) to speak out against human rights abuses and the company's unwillingness to recognize the reality of climate change.
- **McDonald's & Improving Living Conditions for Animals:** In 2002, [Sir Paul McCartney wrote to McDonalds's](#) largest shareholders to urge their support for a resolution calling on the fast-food giant to extend its U.S. farmed animal welfare standards to all of the company's restaurants worldwide.
- **Suzuki Out of Burma:** In 1999, Hootie & the Blowfish boldly sported T-shirts proclaiming "Suzuki Out of Burma" at a concert sponsored by the car company. Before the band would play, it had the organizers remove the giant Suzuki banner at the back of the stage and to cap the evening, Hootie gave an interview to VH-1 denouncing Suzuki's ties to the Burmese military.

- **Unocal & the Taliban:** Also in 1999, feminist activist Mavis Leno (who is married to Jay Leno), [attended Unocal's stockholder meeting](#) to protest the company's wooing of Taliban leadership in order to obtain the rights to build a gas pipeline that would pass through Afghan territory. Her role as spokeswoman and philanthropist underwriting that campaign had enormous influence on making the deal politically untouchable. Unocal dropped its efforts several months later.
- **Taco Bell & Worker's Rights:** Concerned shareholders contributed to the successful, broad-based movement to pressure Taco Bell to pay higher wages to tomato pickers by sponsoring a shareholder proposal and pressing the company in dialogue.
- **Gay Rights:** Shareholders have played a critical role in making companies more gay-friendly, pushing scores of companies to expand their nondiscrimination policies to include sexual orientation and gender identity.
- **Apple, Avon & Harmful Chemicals:** Shareholders forced Apple to set a deadline for removing two classes of harmful chemicals from their computers and caused Avon Products to phase out phthalates, which harm reproductive processes.
- **AT&T & Net Neutrality:** [Beastie Boys' Mike D has joined other AT&T shareholders](#) in a call for the company "to publicly commit to operate its wireless broadband network consistent with network neutrality principles." Shareholders will vote on the memo's proposal at their meeting in April 2012.

Shareholder advocacy through dialogue, shareholder resolutions and other media, can be an effective way to focus a company's attention on how its behavior has a profound impact on people, communities and the environment. If you are interested in learning more, ATC can help you think through your shareholder activism or put you in touch with our colleagues at [Trillium Asset Management](#), an independent investment management firm in the U.S. solely devoted to sustainable and responsible investing.

Air Traffic Control (ATC) exists to help musicians play an effective, unique and vital role in the promotion of social justice. Musicians and managers established ATC five years ago to assemble an experienced and trusted team of leaders, resources and tools that would help them to create more effective social change collaborations with each other and with social justice organizations. As a result, ATC became an artists' air traffic control—one that develops capacity, efficiency, and coordination to produce stronger and more creative social change partnerships. For more information, please go to www.atctower.net