



**THE OFFICE OF STATE TREASURER
DENISE L. NAPPIER**

PRESS STATEMENT

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**STATEMENT OF CONNECTICUT STATE TREASURER DENISE L. NAPPIER
ON THE ANNIVERSARY OF THE SANDY HOOK TRAGEDY**

HARTFORD, CT -- December 14th is a day of deep sadness. Words cannot adequately capture the magnitude of the loss of 20 first graders and 6 teachers at Sandy Hook Elementary School in Newtown, Connecticut one year ago, nor is it possible to describe the impact of this tragedy on our collective national consciousness. That the loss of life to senseless gun violence continues in Connecticut and across our country only adds to the urgent need for action.

While we continue to remember those who lost their lives and the families, friends and communities they left behind, I believe that the Newtown massacre compels us all to explore ways to prevent access to dangerous weapons and ammunition by those who would misuse them. I also believe that we all -- public officials, corporate leaders, and citizens alike -- have an obligation to seek the response that best protects our communities and our children.

While our elected officials and citizens continue to debate the proper response to gun violence in America today, including the merits of stronger gun control, I have followed an additional path as an institutional investor. On behalf of the \$27 billion Connecticut Retirement Plans and Trust Funds, I have reached out to the companies in which we invest that manufacture, distribute and sell guns, gun parts, gun accessories and ammunition. In letters to company executives, I have raised the business case for reasonable regulation of firearms and ammunition sales in order to mitigate the potential long-term business risk posed by high rates of mortality that are attributed to the misuse of firearms.

Shareholder engagement of this type has been the long-term policy of my administration, which has proven successful. I have carefully considered the call for divestment of these companies, but the issue is much more complex. I am trying to affect change at individual companies. It is the long-term goal of safer communities that I believe is most important, rather than a quick approach that addresses public outcry, but fails to change corporate practices. I am committed to the long-term objective of creating safer communities and improving the financial well-being of the companies in which we invest.

In my view, companies that adopt a responsible approach to issues concerning safety for our citizens will improve our communities and help their own businesses by enhancing their ability to sustain long-term shareholder value, for the benefit of pension fund retirees and society in general.

Connecticut's pension plans and trusts are broadly invested in companies, including some companies that, as a portion of their business activities, manufacture or sell guns, gun parts, gun accessories, and ammunition. While Connecticut's holdings in such companies are *de minimis*, the value of our investments are enough to ask these companies to demonstrate their commitment to keeping firearms and ammunition out of the hands of those with unlawful intent to do harm to others. These companies are in a position to advance the national debate through their own decisions on safety precautions related to the production and marketing of assault weapons and ammunition to the civilian population, and through their support of reasonable measures to keep guns out of the wrong hands.

The companies to which I have written are: Alliant Techsystems, Inc.; Amazon.com, Inc.; Dick's Sporting Goods; Olin Corp.; Sears Holdings Corp.; and Wal-Mart Stores, Inc. In each case, I have suggested that the company adopt the Sandy Hook Principles ("Principles"). The Principles, developed by Philadelphia Mayor Michael Nutter and the United States Conference of Mayors, outline eight prudent steps that companies can take that demonstrate their commitment to keeping firearms and ammunition out of the hands of those with intent to do harm to others.

I have informed these companies that I believe that they will enhance their long term shareholder value if they are seen as a reasonable public voice in the debate over the proper response to Newtown and, conversely, will suffer if the public perceives them as unwilling to consider reasonable voluntary measures, such as the Sandy Hook Principles, due to longstanding entrenched positions against gun control regulation. Through engagement of these companies, I challenge them to address public safety issues arising from the misuse of guns and ammunition through self-regulation, and thereby mitigate potential risk to shareholder value.

Officials of Sears Holding Corp. have taken the positive step of removing images of gun parts for sale from its website and have stated that it is not in the business of selling firearms, ammunition or gun parts other than air guns, paint ball and air soft guns. Third-party sellers on its website are prohibited from selling firearms and weapons on the website, Sears reported.

Officials of Amazon, Dick's and Walmart are in conversation with my office. Neither Alliant nor Olin has responded. My office continues to seek a conversation with these companies, and with others in the CRPTF portfolio that may arise in the future who are involved in the manufacture or sale of guns and ammunition.

On this somber anniversary, I pledge to continue to raise my voice, to contribute constructively to the public debate over this important issue, and to achieve the outcome for which we all strive: the safety of our communities and of our children.

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