



DIVISION OF
CORPORATION FINANCE

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

January 9, 2018

Grant M. Dixon
The Boeing Company
cso@boeing.com

Re: The Boeing Company
Incoming letter dated December 20, 2017

Dear Mr. Dixon:

This letter is in response to your correspondence dated December 20, 2017 concerning the shareholder proposal (the "Proposal") submitted to The Boeing Company (the "Company") by Neil Gladstein for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. 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,

Matt S. McNair
Senior Special Counsel

Enclosure

cc: Neil Gladstein
International Association of Machinists and Aerospace Workers
9000 Machinists Place
Upper Marlboro, MD 20772

January 9, 2018

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: The Boeing Company
Incoming letter dated December 20, 2017

The Proposal requests that the board “disclose detailed information and omitting proprietary information of Boeing’s selection process and criteria for selecting new or expanding existing locations for the Company’s new models of aircraft production locations.”

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(7), as relating to the Company’s ordinary business operations. In this regard, we note that the Proposal relates to decisions relating to the location of the Company’s aircraft-production facilities. 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,

Evan S. Jacobson
Special Counsel

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.



Grant M. Dixon
Vice President,
Deputy General Counsel &
Corporate Secretary

The Boeing Company
100 N Riverside Plaza MC 5003-1001
Chicago, IL 60606-1596

December 20, 2017

BY EMAIL

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

Re: Shareholder Proposal for Increased Disclosure of Manufacturing Site Selection Analysis

Dear Sir or Madam:

On November 16, 2017, The Boeing Company (“Boeing”) received a shareholder proposal (the “Proposal”) from Neil Gladstein (the “Proponent”) seeking increased disclosure of Boeing’s manufacturing site selection analysis.¹ Boeing intends to omit the Proposal from its 2018 annual meeting proxy materials (the “Proxy Materials”) in reliance on Rule 14a-8(i)(7) of the Securities Exchange Act of 1934, as amended (the “Act”), on the basis that it addresses matters relating to the Company’s ordinary business operations, or alternatively, in reliance on Rule 14a-8(i)(11) of the Act, on the basis that it substantially duplicates an earlier-submitted proposal by another proponent. This letter seeks confirmation that the staff of the Division of Corporation Finance (the “Staff”) will not recommend enforcement action to the Securities and Exchange Commission (the “Commission”) in connection with such omission.

THE PROPOSAL

The Proposal states, in relevant part:

Resolved: Shareowners request that the board of directors disclose detailed information and omitting proprietary information of Boeing’s selection process and criteria for selecting new or expanding existing locations for the Company’s new models of aircraft production locations. The report shall be made available to shareholders.

BASES FOR EXCLUSION

BOEING MAY EXCLUDE THE PROPOSAL FROM THE PROXY MATERIALS PURSUANT TO RULE 14a-8(i)(7) BECAUSE IT ADDRESSES MATTERS RELATING TO BOEING’S ORDINARY BUSINESS OPERATIONS

¹ Copies of the Proposal and all related correspondence are attached as Exhibit A.



I. Background

Rule 14a-8(i)(7) permits a company to omit shareholder proposals from its proxy materials when such proposals relate to the company's "ordinary business" operations. According to the Commission, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but "is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release").

In the 1998 Release, the Commission described the underlying policy of what would become Rule 14a-8(i)(7) as "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. The first consideration relates to a proposal's subject matter. The Commission explained in the 1998 Release that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." The second consideration relates to proposals that, if implemented, would restrict or regulate certain complex company matters. The Commission noted that such proposals seek 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." 1998 Release (citing Exchange Act Release No. 2999 (Nov. 22, 1976)). The 1998 Release notes that a shareholder proposal that relates to ordinary business operations may not be excludable if it would transcend day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.

II. Analysis

The Proposal implicates both of the considerations in the 1998 Release and is precisely the type of proposal that Rule 14a-8(i)(7) was designed to exclude. First, decisions relating to the location of manufacturing facilities are an integral part of running Boeing's ordinary business operations, and it would be utterly impractical to subject such decisions to shareholder oversight. Second, the Proposal asks shareholders to vote on an issue on which they cannot reasonably be expected to make an informed judgment—namely, which factors should be used—and, ultimately, how those factors are prioritized—when making complex decisions about the location of Boeing's manufacturing sites, including whether to expand existing sites or develop new sites. Finally, the Proposal does not address any significant policy issue that would preclude exclusion of the Proposal under Rule 14a-8(i)(7).

1. *The Proposal involves ordinary business matters because it relates to fundamental business decisions regarding the location of Boeing facilities*

The Staff has consistently concurred with the exclusion of shareholder proposals under Rule 14a-8(i)(7) to the extent that they attempt to micro-manage decisions relating to the location of company facilities. For example, in *Minnesota Corn Processors, LLC* (Apr. 3, 2002), the proposal recommended that the company build a new corn processing plant based



on nine factors. The Staff concurred that the proposal could be excluded because it implicated ordinary business operations by involving “decisions relating to the location of its corn processing plants.” Similarly, in *Hershey Co.* (Feb. 2, 2009), the Staff permitted the exclusion under Rule 14a-8(i)(7) of a proposal that would have required the company to manufacture in the United States or Canada all products to be sold in such markets, because the proposal addressed “decisions relating to the location of its manufacturing operations.” Likewise, in *McDonald’s Corp.* (Mar. 3, 1997), the Staff permitted the exclusion of a proposal “to assure that the site selection process for all McDonald’s facilities protects the integrity of, and prevents the loss of, any public park land” because it related to the ordinary business of “plant location.” Similar cases abound. *See, e.g., Sempra Energy* (Jan. 12, 2012, *recon. denied* Jan. 23, 2012) (concurring in the exclusion of a proposal requesting the company’s board to review and report on the company’s management of certain risks posed by company operations in any country that may pose an elevated risk of corrupt practices); *Tim Horton’s Inc.* (Jan. 4, 2008) (concurring in the exclusion of a proposal involving “decisions relating to the location of restaurants”); *The Allstate Corp.* (Feb. 19, 2002) (concurring in the exclusion of a proposal recommending that the company cease operating in Mississippi); *MCI Worldcom, Inc.* (Apr. 20, 2000) (concurring in the exclusion of a proposal seeking analysis of future plans to relocate or expand office or operating facilities); *Tenneco Inc.* (Dec. 28, 1995) (concurring in the exclusion of a proposal requesting a report on the relocation of the company’s corporate headquarters); *Pacific Gas & Electric Co.* (Jan. 3, 1986) (concurring in the exclusion of a proposal requesting a feasibility study to relocate the company’s headquarters); *Sears, Roebuck & Co.* (Mar. 6, 1980) (concurring in the exclusion of a proposal requesting that the board adopt a policy to favor store development in central business districts over replacement of stores in suburban malls because it related to the “location of new Company facilities”).

Like the proposals cited above, the Proposal directly relates to the location of Boeing facilities and would intrude on management’s ability to make decisions relating to the location of its operations. Boeing is the world’s largest aerospace company and leading manufacturer of commercial jetliners, defense, space and security systems, and service provider of aftermarket support. Boeing employs more than 140,000 people in all 50 states and in more than 65 countries and, as of December 1, 2017, occupied more than 85 million square feet of floor space for manufacturing, warehousing, engineering, administration, and other productive uses. The process of selecting sites for Boeing’s manufacturing plants is highly complex and depends on numerous factors that must be analyzed and balanced by those with intimate knowledge about Boeing, its supply chain, and its customer base. Although many of the factors set forth in the Proposal are among those management considers today when making such decisions, the Proposal would dictate the terms of such decisions and would prevent management from determining the relevant factors to be carefully considered and weighed in connection with a particular location decision. The ability to determine the locations for manufacturing facilities is so fundamental to management’s ability to run Boeing on a day-to-day basis, it could not, as a practical matter, be subject to direct shareholder oversight.

In addition, many of the individual factors that the Proposal’s supporting statement (the “Supporting Statement”) states “should be included in Boeing’s decision-making for new aircraft production sites” involve matters themselves repeatedly recognized by the Staff as implicating ordinary business, such as employment decisions, relationships with suppliers,



investment decisions, and levels of tax expense. *See, e.g., The Boeing Company* (Feb. 25, 2005) (concurring in the exclusion of a proposal requiring information relating to the elimination of jobs or the relocation of jobs overseas because it related to “management of the workforce”); *PepsiCo* (Feb. 21, 1991) (concurring in the exclusion of a proposal involving prohibiting terminating employees except for cause because it related to “employment and personnel decisions”); *Spectra Energy Corp.* (Oct. 7, 2010) (concurring in the exclusion of a proposal requiring the company to purchase products made in America because it involved “decisions relating to supplier relationships”); *The Western Union Co.* (Mar. 6, 2009, *recon. denied* Mar. 23, 2009) (concurring in the exclusion of a proposal requesting a report on company policies for investing in local communities in ways that address community needs because it related to “investment decisions”); *The Boeing Company* (Feb. 8, 2012) (concurring in the exclusion of a proposal requesting a report on the risks relating to changing in tax laws because it related to “tax expenses and sources of financing”).

The fact that the Proposal takes the form of a request for a report does not impact the application of Rule 14a-8(i)(7). The Commission has stated that, when evaluating whether a Proposal seeking the production of a report is excludable under Rule 14a-8(i)(7), the Staff should consider the underlying subject matter of the proposal. Exchange Act Release No. 20091 (Aug. 16, 1983) (the “1983 Release”). The Staff has consistently applied the guidance set forth in the 1983 Release. *See, for example, Johnson Controls, Inc.* (Oct. 26, 1999), where the Staff noted that “[where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business... it may be excluded under [R]ule 14a-8(i)(7).” *See also Cardinal Health, Inc.* (Aug. 4, 2017) and *McKesson Corp.* (June 1, 2017) (proposals seeking a report disclosing information about the company’s product distribution, on the grounds that the underlying subject matter of the proposal related to the companies’ ordinary business operations); *Foot Locker, Inc.* (Mar. 3, 2017) (concurring in the exclusion pursuant to Rule 14a-8(i)(7) of a proposal seeking a report on how the company monitors its suppliers). The factors underlying Boeing’s site selection process are complex and must be analyzed and balanced in the context of Boeing’s overall business strategy. By requesting “detailed information” in a report that discloses information about the selection process and criteria for selecting new or expanding existing locations for Boeing’s new models of aircraft, the Proposal probes too deeply into matters of a complex nature upon which the shareholders are not in a position to make an informed judgment. In addition, by including a detailed list of factors that should be considered and specifying that the report will disclose all factors considered and the weighting applied to each, the Proposal seeks to impermissibly micro-manage Boeing’s production site selection process. Accordingly, the Proposal may be excluded under Rule 14a-8(i)(7).

2. The Proposal does not raise any significant policy issues

The Commission has concluded that certain proposals focus on significant policy issues that would “transcend the day-to-day business matters” so as to not be excludable under Rule 14a-8(i)(7), even if they otherwise relate to the company’s ordinary business operations. For example, in *Apple Inc.* (Dec. 14, 2015), the Staff did not permit the exclusion of a proposal seeking a report identifying the criteria for investing in regions with poor human rights records because the proposal “focuses on the significant policy issue of human rights.” Unlike the proposal in *Apple*, however, the Proposal does not address any significant policy issue, let



alone one that would transcend Boeing's day-to-day business operations. Instead, the Proposal is concerned solely with ordinary business concerns. The Supporting Statement suggests that the purpose of the Proposal is to ensure that the site selection process balances the search for economic incentives with sites that effectively support the core operations of Boeing's business. The Supporting Statement notes that Boeing incurred high costs associated with the 787 program, "adversely impacting shareholder value." The list of factors set forth in the Proposal, including the availability of experienced workers, an appropriate level of vertical integration, the supporting infrastructure of the locality, a network of suppliers, the potential for severe weather, the development of a skilled labor pool, the quality of life for workers, and tax structures and economic incentives offered by the region, are all factors that could impact the success of a production site and, ultimately, Boeing's profitability. The Proposal is plainly driven by ordinary business concerns, and the Proposal does not touch upon, and there is no suggestion in the Supporting Statement that the Proposal is intended to address, any policy concerns. Even if the Proposal were to touch upon a significant policy issue, the Staff has repeatedly concurred with the exclusion of proposals where the policy issue was not so significant as to transcend the company's day-to-day business. To highlight just one example, the proposal in *McDonald's Corp.* would have required the company to prevent the loss of public park lands in its site selection process. The Staff concurred in the exclusion of the proposal as relating to ordinary business decisions of "plant location" despite the proponent's argument that issues of environmental and community conservation raised significant policy implications. Although recent Staff guidance in Staff Legal Bulletin No. 14I indicates that the applicability of the significant policy exception "depends, in part, on the connection between the significant policy issue and the company's business operations," in this case, no significant policy issue was raised by the Proponent and therefore there is no policy issue to analyze for any potential nexus with Boeing's business operations. Because the Proposal relates solely to Boeing's ordinary business operations and does not raise any significant policy issue, the Proposal may be excluded under Rule 14a-8(i)(7).

BOEING MAY EXCLUDE THE PROPOSAL FROM THE PROXY MATERIALS PURSUANT TO RULE 14a-8(i)(11) BECAUSE IT SUBSTANTIALLY DUPLICATES A PROPOSAL SUBMITTED EARLIER TO BOEING BY ANOTHER PROPONENT

Prior to receiving the Proposal, on November 15, 2017, Boeing received a similar proposal for inclusion in the Proxy Materials from John and Patricia Jorgensen, requesting that Boeing include certain factors in its production site selection process (the "First Proposal").² As with the Proposal, Boeing believes that the First Proposal may be excluded from the Proxy Materials in reliance on Rule 14a-8(i)(7), and Boeing has submitted a letter to the Staff requesting its concurrence to that effect. However, in the event that the Staff does not concur with Boeing's view that the First Proposal is excludable pursuant to Rule 14a-8(i)(7) Boeing commits to include the First Proposal in the Proxy Materials, in which case Boeing believes that the Proposal may properly be excluded from the Proxy Materials in reliance on Rule 14a-8(i)(11). Rule 14a-8(i)(11) permits a company to exclude a proposal if it substantially duplicates a proposal previously submitted by another proponent that will be included in the company's proxy materials.

² A copy of the First Proposal is attached as Exhibit B.



Boeing believes that the Proposal is substantially identical to the First Proposal because they both concern the factors to be considered in Boeing's site selection process and cite a nearly identical list of factors. Although the First Proposal does not ask for disclosure of the factors considered by Boeing when selecting production sites, and asks merely that the same factors be considered by Boeing, it is clear that the Proposal relates to the exact same subject matter, and shares the same principal focus, as the First Proposal. The Staff has previously concurred that proposals that address the same subject matter and have the same principal thrust and focus are substantially duplicative even if they have a different scope or call for different actions. In *Chevron Corp.* (Mar. 23, 2009, recon. denied Apr. 6, 2009) the Staff concurred with the exclusion under Rule 14a-8(i)(11) of a proposal requesting a report on "the environmental damage that would result from the company's expanding oil sands operations in the Canadian boreal forest" because it was substantially duplicative of a previously submitted proposal requiring that the company adopt "quantitative, long-term goals...for reducing total greenhouse gas emissions." See also *Wells Fargo & Co.* (Feb. 8, 2011) (concurring in the exclusion of a proposal requesting a report on the company's residential mortgage loss mitigation policies and outcomes because it was substantially duplicative of a previously submitted proposal seeking a review and report on internal controls related to loan modifications, foreclosures and securitizations); *Cooper Industries* (Jan. 17, 2006) (concurring in the exclusion of a proposal requesting that the company "review its policies related to human rights to assess areas where the company needs to adopt and implement additional policies and report its findings" because it was substantially duplicative of a previously submitted proposal requesting that the company "commit itself to the implementation of a code of conduct based on" identified, internationally-recognized human rights principles); and *Siebel Systems, Inc.* (Apr. 15, 2003) (concurring in the exclusion of a proposal requesting that the board "adopt an executive compensation policy that all future stock option grants to senior executives be performance-based" because it was substantially duplicative of a previously submitted proposal requesting that the company "adopt and disclose in the Proxy Statement, an 'Equity Policy' designating the intended use of equity in management compensation programs").

Despite the differences in the scope and requested action of the proposals described above, the Staff agreed that the proposals were substantially duplicative. Here, while the First Proposal and the Proposal call for different actions, they address the same subject matter—the process and criteria for selecting production sites. The supporting statements indicate that the proposals are motivated by a single common objective of selecting locations that can support the core operations of Boeing's business effectively. Indeed, the list of factors cited in each proposal is nearly identical. Inclusion of both proposals in the Proxy Materials would be contrary to a stated purpose of Rule 14a-8(i)(11), which is "to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other." See Commission Release No. 12999 (November 22, 1976). Accordingly, Boeing respectfully requests that if the Staff does not concur that the Proposal should be excluded because it addresses matters relating to Boeing's ordinary business operations, it concur in Boeing's view that the Proposal may be excluded pursuant to Rule 14a-8(i)(11), on the basis that it substantially duplicates the First Proposal.



* * *

Based on the foregoing analysis, we respectfully request that the Staff concur that it will take no action if Boeing excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7), on the basis that it addresses matters relating to Boeing's ordinary business operations, or alternatively, pursuant to Rule 14a-8(i)(11), on the basis that it substantially duplicates the First Proposal.

In accordance with Rule 14a-8(j) of the Act and Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D"), we are concurrently sending a copy of this letter and its attachments both to the Proponent as notice of Boeing's intent to omit the Proposal from the Proxy Materials and to the Staff at shareholderproposals@sec.gov. If the Proponent submits correspondence to the Commission or the Staff in connection with the Proposal, we request that copies of such correspondence be sent concurrently to the undersigned, as required pursuant to Rule 14a-8(k) and Section E of SLB 14D.

Boeing intends to file the definitive Proxy Materials with the Commission on or about March 16, 2018. Meanwhile, should you have any questions with respect to any aspect of this matter, or require any additional information, please do not hesitate to contact me at (312) 544-2387 or CSO@boeing.com.

Very truly yours,

A handwritten signature in black ink, appearing to read "Grant M. Dixon".

Grant M. Dixon
Corporate Secretary

Enclosures

cc: Neil Gladstein



Exhibit A

The Proposal and All Related Correspondence

**International
Association of
Machinists and
Aerospace Workers**



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 301
967-4500



November 16, 2017

**SENT VIA OVERNIGHT CERTIFIED MAIL AND FAX TO (312)-544-2925
RETURN RECEIPT REQUESTED**

Office of the Corporate Secretary
The Boeing Company
101 North Riverside Plaza
MC 5003-1001
Chicago, IL 60606-1596

Re: Shareholder Proposal for 2018 Annual Meeting

Dear Corporate Secretary:

I, Neil Gladstein, submit the enclosed shareowner proposal for inclusion in the proxy statement that the Boeing Company plans to circulate to shareowners in anticipation of the 2018 annual meeting. The proposal is being submitted under SEC Rule 14a-8 and relates to the Company's production site selection.

I am located at the following address:

9000 Machinists Place
Upper Marlboro, MD 20772
Attn: Neil Gladstein, Strategic Resources Dept.

I have beneficially owned more than \$2,000 worth of Boeing common stock for longer than a year. A letter from Charles Schwab, the record holder, confirming that ownership is being sent by separate cover. I intend to continue ownership of at least \$2,000 worth of Boeing common stock, through the date of the 2018 annual meeting, which a representative is prepared to attend.

I would be pleased to discuss the issues presented by this proposal with you. If you require any additional information, please contact Mr. David White at 301-967-4767, by cell at 240-605-1049, or via email at dwhite@iamaw.org.

Sincerely,

Neil Gladstein, Director
Strategic Resources Department

Shareholder Proposal for Increased Disclosure of Production Site Selection Analysis

Resolved: Shareowners request that the board of directors disclose detailed information and omitting proprietary information of Boeing's selection process and criteria for selecting new or expanding existing locations for the Company's new models of aircraft production locations. The report shall be made available to shareholders.

Supporting Statement:

In the process of site selection for production, we believe that Boeing should balance its search for economic incentives with locations that can support the core operations of the business effectively.

As shareowners, we want to be confident that lessons learned at the Company regarding the substantially high costs associated with the 787 program are not repeated with other new airplane programs. Those high costs negatively impacted profitability of the 787 to the tune of more than \$30 billion in deferred costs, making the overall profit on this jet questionable and thus adversely impacting shareholder value.

We believe the following are important factors that should be included in Boeing's decision-making for new aircraft production sites:

- e The availability of experienced workers that have the specific technical skills required in aerospace manufacturing – a pool of workers possessing the skills and certifications that match the demands of aircraft manufacturing and aerospace technology needs;e
- e A level of vertical integration appropriate for complex heavily-engineered performance-driven products with steep learning curves;e
- e Supporting infrastructure of the locality – the necessary space, buildings, transportation options via roads, rail, and sea, and power supplies to support the production;e
- e A network of suppliers for parts/components/logistics/new innovations;e
- e The potential for severe weather conditions in the area that could impact the facility and lead to costly shutdowns and disruptions;e
- e Regional attributes that support the development of a skilled labor pool – educational/vocational institutions, workforce investment board, university or nearby institutions of higher education with aerospace research capabilities;e
- e The qualities of life for the region – people who do the work are Boeing's greatest resource.e Locating in an environment that provides a safe, healthy, and wide array of diverse social, sporting, recreational, and cultural activities where workers are healthy and can prosper;e
- e Tax structures and economic incentives offered in a specific region are considered. These types of incentives come from the state and local level – tax abatements, exemptions, and rebates for property, utility, sales, and usage taxes, and business privilege status, which include performance-based cash grants.e

We are asking Boeing to provide a detailed report to shareholders on the Company's current analysis applied to its manufacturing site selection for aircraft. This report will disclose all factors considered in site selection and the weighting applied to each factor in the decision-making process for the Company.

We ask shareholders to vote FOR and support this resolution.



The Boeing Company
100 N. Riverside
Chicago, IL 60606 1596

November 20, 2017

VIA EMAIL AND OVERNIGHT COURIER

IAMAW
9000 Machinists Place
Upper Marlboro, MD 20772
Attn: Neil Gladstein, Strategic Resources Dept.

Re: Notice of Defect - Shareholder Proposal

Dear Mr. Gladstein:

We received your shareholder proposal (the "Proposal") for inclusion in The Boeing Company's proxy materials for the 2018 Annual Meeting of Shareholders (the "Annual Meeting"). Under the proxy rules of the Securities and Exchange Commission (the "SEC"), to be eligible to submit a proposal for the Annual Meeting, a proponent must have continuously held at least \$2,000 in market value of Boeing's common stock for at least one year as of the date the proposal is submitted. In addition, the proponent must continue to hold at least this amount of stock through the date of the Annual Meeting. The purpose of this letter is to notify you that we have not received sufficient proof of your ownership, as required by Proxy Rule 14a-8(b).

Our search of the database of our registered shareholders shows that you are not a registered shareholder. Proxy Rule 14a-8(b)(2) requires that as a non-registered shareholder or "beneficial holder" you must demonstrate your eligibility to submit a shareholder proposal by submitting to us a written statement from the "record" holder (usually a bank or broker) verifying that you have continuously held the requisite number of securities for the one-year period preceding and including November 16, 2017, the date on which the Proposal was submitted. The SEC's Staff Legal Bulletin Nos. 14F and 14G (the "Bulletins") provide additional guidance with respect to the standard for proof of ownership. According to the Bulletins, for purposes of Proxy Rule 14a-8(b)(2)(i), only Depository Trust Company ("DTC") participants and their affiliates, as described in the Bulletins, should be viewed as "record" holders of securities that are deposited with the DTC. If your broker is an introducing broker, you may also be able to learn the identity and telephone number of the DTC participant through your account statements, because the clearing broker identified on your account statements will generally be the DTC participant. If the DTC participant knows your broker's holdings, but does not know your holdings, you can satisfy paragraph Proxy Rule 14a-8(b)(2)(i) by obtaining and submitting two proof of ownership statements verifying that, as of the date the Proposal was submitted, the required amount of securities was continuously held for at least one year—one from your broker confirming your ownership and the other from the DTC participant confirming your broker's ownership.

Please respond with the appropriate ownership verification, as per Proxy Rule 14a-8 and the guidance set forth in the Bulletins. We have enclosed copies of the Bulletins and Proxy Rule 14a-8. Your response must be postmarked or transmitted electronically with the appropriate documentation within 14 calendar days of receipt of this letter, the response timeline imposed by Proxy Rule 14a-8(f). Please address your response to me at the address on this letter. Alternatively, you may transmit your response to cso@boeing.com or by facsimile at (312) 544-2829. Once we receive this documentation, we will be in a position to determine whether the Proposal is eligible for inclusion in the proxy materials for the Annual Meeting. The Boeing Company reserves the right to seek relief from the SEC as appropriate.

Regards,

Dana Kumar

Enclosures

From: [GRP CSO](#)
To: dwhite@lamaw.org
Subject: Rule 14a-8 Notice of Defect
Date: Monday, November 20, 2017 5:14:49 PM
Attachments: [SLB14g.pdf](#)
[Rule 14a-8.pdf](#)
[SLB14f.pdf](#)
[2017.11.20 - Goldstein Notice.pdf](#)

Attached please find a copy of the notice of defect relating to the shareholder proposal submitted by Mr. Gladstein. Also attached, for your reference, are copies of Proxy Rule 14a-8 and the SEC's Staff Legal Bulletin Nos. 14F and 14G. Copies of these materials were also sent via Federal Express.

Thank you,
The Corporate Secretary's Office

The Boeing Company
Attention: The Corporate Secretary's Office
100 N. Riverside, MC 5003-1001
Chicago, IL 60606-1596
Fax: 312-544-2829
Email: csso@boeing.com

NOTICE: This communication may contain privileged or other confidential information. If you are not the intended recipient, or believe that you have received this communication in error, please do not print, copy, retransmit, disseminate, or otherwise use the information. Also, please indicate to the sender that you have received this email in error, and delete the copy you received.
Thank you.

**International
Association of
Machinists and
Aerospace Workers**



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 801
967-4500



fax

TO: Boeing	FROM: Neil Gladstein
FAX: 312-544-2829	PAGES: 2
PHONE: N/A	DATE: 11/30/17
RE: Shareholder Proposal	CC: Neil Gladstein & David White

Urgent
 For Review
 Please Comment
 Please Reply
 Please Recycle

Comments: Upon receipt of attached letter, please email confirmation to Mr. Neil Gladstein at ngladstein@iamaw.org and David White at dwhite@iamaw.org. Also, if you have any questions or concerns regarding this matter, please feel free to contact David White at 801-967-4767.



November 29, 2017

Neil Gladstein

Account #: ***** ***

Questions: +1 (877) 594-2578

Confirmation of share ownership.

Dear Neil Gladstein,

I am writing in response to your request for information on the above referenced account.

On November 18, 2017, there were 49.5004 shares of Boeing (symbol BA) held in the above referenced account registered to Neil S. Gladstein at Charles Schwab & Co, Inc. The account has held more than \$2,000.00 worth of Boeing common stock continuously for more than one year prior to that date.

Thank you for choosing Schwab. We appreciate your business and look forward to serving you in the future. If you have any questions, please call me or any Client Service Specialist at +1 (877) 594-2578.

Sincerely,

Melisa Neill

Melisa Neill
OPERATIONS HELP DESK
9800 Schwab Way
Lone Tree, CO 80124



November 29, 2017

Neil Gladstein

Account #: ****. ***

Questions: +1 (877) 594-2578

Confirmation of share ownership.

Dear Neil Gladstein,

I am writing in response to your request for information on the above referenced account.

On November 16, 2017, there were 49.5004 shares of Boeing (symbol BA) held in the above referenced account registered to Neil S. Gladstein at Charles Schwab & Co, Inc. The account has held more than \$2,000.00 worth of Boeing common stock continuously for more than one year prior to that date.

Thank you for choosing Schwab. We appreciate your business and look forward to serving you in the future. If you have any questions, please call me or any Client Service Specialist at +1 (877) 594-2578.

Sincerely,

Melisa Neill

Melisa Neill
OPERATIONS HELP DESK
9800 Schwab Way
Loone Tree, CO 80124

GRP CSO

From: White David <dwhite@iamaw.org>
Sent: Wednesday, November 29, 2017 3:09 PM
To: GRP CSO
Subject: Neil Gladstein's submission of shareholder proposal
Attachments: Schwab Gladstein proof of eligibility.pdf

Attached is a letter confirming Mr. Gladstein's ownership of Boeing shares and proof of eligibility for a submission of a shareholder proposal. Furthermore, Charles Schwab & Co, Inc. is a Depository Trust Company participant (Number 0164, code 40).

Please contact me on behalf of Mr. Gladstein if you should have any further questions.

David White
Assistant Director of Strategic Resources
International Association of Machinists and Aerospace Workers
dwhite@iamaw.org
p. 301-967-4767
c. 240-605-1049
f. 301-967-4583

Notice: This message is intended for the addressee only and may contain privileged and/or confidential information. Use or dissemination by anyone other than the intended recipient is strictly prohibited.



Exhibit B

The First Proposal

The UPS Store

The UPS Store #2889
136 E 8TH ST
PORT ANGELES, WA 98362
360.452.6602

Fax

To Office of the Corporate Secretary From John & Patricia Jagers
Company Boeing Phone number . *** - _____
Fax number 312-544-2925
Date Nov 15, 2017 Total Pages 4
(Includes Cover Sheet)

November 15, 2017

BY OVERNIGHT DELIVERY

Office of the Corporate Secretary
The Boeing Company
101 North Riverside Plaza
MC 5003-1001
Chicago, IL 60606-1596

Re: Shareholder Proposal for 2018 Annual Meeting

I, John Dewey and Patricia Caryl Jorgensen, submit the enclosed shareowner proposal for inclusion in the proxy statement that the Boeing Company plans to circulate to shareowners in anticipation of the 2018 annual meeting. The proposal is being submitted under SEC Rule 141-8 and relates to the Company's production site selection.

I am located at the following address:

I have beneficially owned more than \$2,000 worth of Boeing common stock for longer than a year. A letter from the record holder, confirming that ownership is being sent by separate cover. I intend to continue ownership of at least \$2,000 worth of Boeing common stock, through the date of the 2018 annual meeting, which a representative is prepared to attend.

I would be pleased to discuss the issues presented by this proposal with you. If you require any additional information, please let me know. You can reach me on ***

Sincerely,

John Dewey Jorgensen

Patricia Caryl Jorgensen



Shareholder Proposal Regarding Production Site Selection Analysis

Resolved: Shareowners request the board of directors to include certain criteria in the Company's process for selecting new or expanding existing sites for the Company's new models of aircraft production locations.

Supporting Statement:

As shareowners, we want to ensure that lessons learned at the Company regarding the substantially high costs associated with the 787 program are not repeated with other new airplane programs. Those high costs negatively impacted the profitability of the 787 to the tune of more than \$30 billion in deferred costs, making the overall profit on this jet questionable and thus adversely impacting shareholder value.

We believe that Boeing should select locations that have the ability to support the core operations of the business effectively.

The following are important factors that we believe Boeing must consider in the Company's decision-making process for new aircraft production sites:

- a The availability of experienced workers that have the specific technical skills required in aerospace manufacturing – a pool of workers possessing the skills and certifications that match the demands of aircraft manufacturing and aerospace technology needs;a
- a A level of vertical integration appropriate for complex heavily-engineered performance-driven products with steep learning curves;a
- a Supporting infrastructure of the locality – the necessary space, buildings, transportation options via roads, rail, and sea, and power supplies to support the production;a
- a A network of suppliers for parts/components/logistics/new innovations;a
- a The potential for severe weather in the area that could impact the facility and lead to costly shutdowns and disruptions;a
- a Regional attributes that support the development of a skilled labor pool – educational/vocational institutions, workforce investment board, university or nearby institutions of higher education with aerospace research capability;a
- a The qualities of life for the region – people who do the work are Boeing's greatest resource.a Locating in an environment that provides a safe, healthy, and wide array of diverse social, sporting, recreational, and cultural activities where workers are healthy and can prosper;a
- a Tax structures and economic incentives offered in a specific region are considered. These types of incentives come from the state and local level – tax abatements, exemptions, and rebates for property, utility, sales, and usage taxes, and business privilege status. Also includes, a performance-based cash grants.a
- a If the Company determines a location involves a riskier business proposition, other sites must have preference.a

We are asking Boeing to incorporate the above criteria to the Company's manufacturing site selection for aircraft production.

We ask shareholders to vote FOR and support this resolution.