

December 18, 2020

VIA E-MAIL

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Re: *General Electric Company*  
*Shareowner Proposal of Martin Harangozo*  
*Securities Exchange Act of 1934—Rule 14a-8*

Ladies and Gentlemen:

This letter is to inform you that our client, General Electric Company (the “Company”), intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareowners (collectively, the “2021 Proxy Materials”) portions of the shareowner proposal (the “Proposal”), consisting of statements and an image submitted therewith, which was received from Martin Harangozo (the “Proponent”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2021 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareowner proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

Office of Chief Counsel  
Division of Corporation Finance  
December 18, 2020  
Page 2

## THE PROPOSAL

The Proposal requests that the Company’s proxy statement “features at minimum two candidates for each available board seat.” In addition to the text of the Proposal, the supporting statements include the following sentence: “Electing board directors where each board seat has only one option, is a laughable circus and has no performance merit as demonstrated by the General Electric stock price (see image).” Following the Proposal is a half-page image that includes a graph and some text (the “Image”).

A copy of the Proposal, the supporting statements, the Image and related correspondence with the Proponent is attached to this letter as Exhibit A.

## BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Image and the portion of the supporting statement that references the Image may be excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(3). As discussed below, the Image is false and misleading under Rule 14a-8(i)(3) because the Image renders the Proposal vague and indefinite, and is irrelevant to a consideration of the subject matter of the Proposal, such that there is a strong likelihood that a reasonable shareowner would be uncertain as to the matter on which he or she is being asked to vote. In this respect, the submission presents substantially the same issue considered by the Staff in *General Electric Co.* (avail. Mar. 6, 2019) (“*General Electric 2019*”).

## ANALYSIS

Rule 14a-8(i)(3) permits the exclusion of a shareowner proposal if the proposal “or” supporting statement is contrary to any of the Commission’s proxy rules or regulations, including Rule 14a-5(a), which requires information in a proxy statement to be clearly presented, and Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials.

In Staff Legal Bulletin No. 14I (Nov. 1, 2017) (“SLB 14I”), the Staff addressed the use of images in shareowner proposals, stating that “the Division recognizes the potential for abuse in this area” but noting that “these potential abuses can be addressed through other provisions of Rule 14a-8.” The Staff provided as an example that graphs and/or images can be excluded under Rule 14a-8(i)(3) as false and misleading where they:

- render the proposal so inherently vague or indefinite that neither the stockholders voting on the proposal, nor the company in implementing it, would be able to

Office of Chief Counsel  
Division of Corporation Finance  
December 18, 2020  
Page 3

determine with any reasonable certainty exactly what actions or measures the proposal requires; . . . or

- are irrelevant to a consideration of the subject matter of the proposal, such that there is a strong likelihood that a reasonable shareholder would be uncertain as to the matter on which he or she is being asked to vote.

Notably, the footnote accompanying this statement in SLB 14I – footnote 17 – cites *General Electric Co.* (avail. Feb. 3, 2017, recon. granted Feb. 23, 2017) (“*General Electric 2017*”), in which the Staff concurred that images accompanying a proposal submitted by the Proponent were properly excludable under Rule 14a-8(i)(3) on the basis of irrelevance. The Proponent submitted proposals to the Company in each of the two following years, both of which included images that were irrelevant to consideration of the substance of the proposal. In each case, the Staff concurred with exclusion of the images submitted under Rule 14a-8(i)(3). See *General Electric 2019* and *General Electric Co.* (avail. Mar. 1, 2018) (“*General Electric 2018*”). As with each of the foregoing precedent, the Image does not bear on the subject matter of the Proposal. Moreover, although the Image here is slightly different from the images at issue in *General Electric 2017* and *General Electric 2018*,<sup>1</sup> the Image is substantially similar to the image at issue in *General Electric 2019*, which the Staff concurred was properly excludable. See Exhibit B (the “2019 Proposal”). The 2019 Proposal requested that the Company’s board of directors take the necessary steps to provide for cumulative voting in the election of directors, and the image consisted of a graph purporting to present a comparison of the Company’s share price to the S&P 500. Like the 2019 Proposal, the Proposal also relates to director elections, and similar to the image excluded in *General Electric 2019* the Image here bears no relationship to the Proposal.

Like the image at issue in the 2019 Proposal, at the top of the Image, the Proponent has included two lines of text that appear to suggest that the graph set forth in the Image is intended to present a comparison of the Company’s share price versus S&P 500. However, the Image shows a straight-line presentation for both the Company’s share price and the S&P 500, which is not reflective of either the Company’s or the S&P 500 index’s performance. Further, the Image does not offer any indication as to what the numbers from 0 to 300 on the y-axis of the chart represent. Notably, there is no labeling for the x-axis. Whereas the image in the 2019 Proposal also lacked any explanation of the axes, its captioned suggested that it presented stock price performance over an almost 18-year period (January 1, 2000 to November 18, 2018). Here, the Image is even more indefinite than the image used in the

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<sup>1</sup> In those letters, the images similarly focused on stock price performance, but purported to present a comparison relative to stock trades by the Company’s former chief executive officer, and the images included emoji.

Office of Chief Counsel  
Division of Corporation Finance  
December 18, 2020  
Page 4

2019 Proposal because the text included immediately above the graph merely states “... after Mr. Jack Welch.” While shareowners may recognize this as referring to a period of time after Mr. Welch’s ceased to serve as Chief Executive Officer and Chairman of the Board of the Company, the Image does not indicate which period of time “after Mr. Jack Welch” is being addressed. However, without any reference to specific dates in the Image itself, the foregoing is purely speculative and a shareowner reviewing the Image would be left to wonder about the myriad of possible parameters for the graph and the relevance thereof.

More significantly, there is no explanation of why the specific time frame presented (whatever time frame that may be) is relevant or how it relates to the vague statement in the supporting statements asserting, “Electing board directors where each board seat has only one option, is a laughable circus and has no performance merit as demonstrated by GE stock price (see image).” As well, there is no clear connection to how the alleged historical performance of the S&P 500 index could be available to shareowners by requiring a minimum of two candidates for each available board seat. In fact, based on a review of FactSet and Deal Point Data, none of the companies in the S&P 500 index appear to provide for such a minimum of director candidates for each available board seat. Thus, there is simply no basis for suggesting that the historical performance of the S&P 500, or the Company’s historical performance, would be relevant for consideration of the new director election process raised by the Proposal. As such, consistent with the standard set forth in SLB 14I and with *General Electric 2017*, *General Electric 2018* and *General Electric 2019*, the Image and the portion of the supporting statement referring to the Image are excludable under Rule 14a-(i)(3) because they are irrelevant to the subject matter of the Proposal.

The Image is also highly irrelevant to consideration of the Proposal, such that there is a strong likelihood that a reasonable shareowner would be uncertain as to the matter on which he or she is being asked to vote. The Image and the portion of the sentence in the supporting statements referring to the Image suggest that requiring a minimum of two candidates for each available board seat would enhance share price performance along the lines purported to be presented with respect to the S&P 500 Index. The lack of a basis for any such connection, and the fact that the S&P 500 data set is not representative of companies that provide for a minimum of two candidates for each available board seat, also mean that the Image and sentence referring to it are materially false and misleading. As a result of the confusion created by the Image and the sentence that refers to it, there is a strong likelihood that a reasonable shareowner would be uncertain as to the matter on which he or she is being asked to vote, and including the Image could encourage shareowners to base their vote on an unrelated matter altogether—a mischaracterization of the Company’s share price and false and misleading implications about how the requested change to the Company’s director election process would impact the Company’s share price—rather than the Proposal itself.

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Office of Chief Counsel  
Division of Corporation Finance  
December 18, 2020  
Page 5

As with the proposals considered in *General Electric 2017*, *General Electric 2018* and *General Electric 2019*, the deficiencies with the Proposal can be cured through minor revisions by omitting the Image and the portion of the supporting statement that refers to the Image from the 2021 Proxy Materials. For the reasons addressed above, we respectfully request that the Staff concur with our view that the Image and the portion of the supporting statement that refers to the Image, are properly excludable under Rule 14a-8(i)(3).

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to [shareholderproposals@gibsondunn.com](mailto:shareholderproposals@gibsondunn.com). If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Julia Chen, the Company's Counsel, Corporate, Securities and Finance, at (617) 816-6013.

Sincerely,



Ronald O. Mueller

Enclosures

cc: Julia Chen, General Electric Company  
Martin Harangozo

**EXHIBIT A**

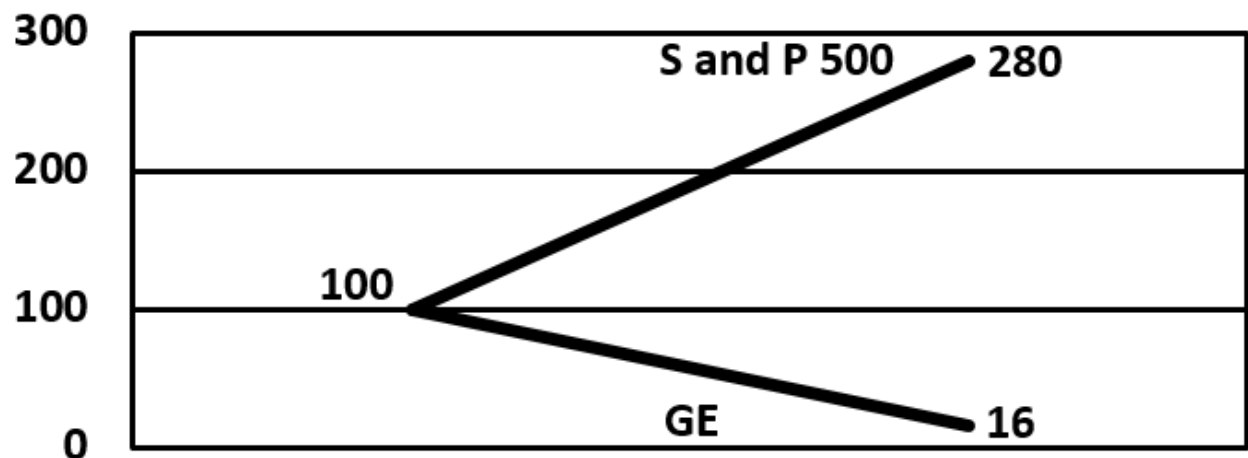
Whereas:

General Electric had lost nearly all its valuation in the last two decades, during a time when the stock market popular S and P 500 performance nearly tripled in valuation. The dividend is all but gone and less than when Mr. Jack Welch became CEO in 1981. Promised benefits to retirees have been broken. Rolling heads around as Mr. John Flannery replacing Mr. Jeffrey Immelt, or Mr. Lawrence Culp Jr. replacing Flannery has had no substantial positive effect in restoring the company valuation, or growing it to the broader market. It is clear that a new approach is needed to drive the General Electric Company so that it performs for the shareholders consistent with general stock market performance. Electing board directors where each board seat has only one option, is a laughable circus and has no performance merit as demonstrated by the General Electric stock price (see image). A presidential election for example, with only one candidate, would be unimaginable, laughable, and void of any election merit where voters have a legitimate voice.

Resolved:

This proposal recommends the proxy features at minimum two candidates for each available board seat.

**Approximate GE stock price comparison to S and P 500, after Mr. Jack Welch (Harangozo Image)**



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**From:** Martin Harangozo \*\*\* >  
**Sent:** Monday, September 28, 2020 11:00 AM  
**To:** ~CORP ShareownerProposals <[Shareowner.Proposals@ge.com](mailto:Shareowner.Proposals@ge.com)>; Martin J GE Indust ConsInd Harangozo  
\*\*\* >  
**Subject:** GE Harangozo Shareholder recommendation 2021

Please include the attached shareowner proposal and image in your 2021 proxy statement for voting. I hold GE shares in my 401 K plan, and you can verify this as you have in previous years. I intend to hold requisite number of GE shares until the end of the 2021 meeting of shareowners.

Kind regards

-Martin Harangozo



**EXHIBIT B**

**RESOLVED: “That the stockholders of General Electric, assembled in Annual Meeting in person and by proxy, hereby request the Board of Directors to take the necessary steps to provide for cumulative voting in the election of directors, which means each stockholder shall be entitled to as many votes as shall equal the number of shares he or she owns multiplied by the number of directors to be elected, and he or she may cast all of such votes for a single candidate, or any two or more of them as he or she may see fit.” REASONS: “Many states have mandatory cumulative voting, so do National Banks”. “In addition, many corporations have adopted cumulative voting.” The increase in shareholder voice as represented by cumulative voting, may serve to better align shareholder performance to that of the broader stock market (see image). “If you AGREE, please mark your proxy FOR this resolution.”**

# General Electric Stock Price vs S and P 500

January 1, 2000 to November 1, 2018

