1934 Act, Section 14(a) Rule 14a-8(i)(7)



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December 4, 2001

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
450 Fifth Street, N. W.
Washington, D.C. 20549

Public Avail. Date: 1/10/02 0211200238 Act Section Rule

1934 14(a)

14a-8

Re: Omission of Share Owner Proposal by Richard Kurek

Gentlemen and Ladies:

This letter is to inform you, pursuant to Rule 14a-8(i)(7) under the Securities Exchange Act of 1934 (the "Exchange Act"), that General Electric Company ("GE") intends to omit from its proxy statement for its 2002 Annual Meeting the following resolution and its supporting statement (the "Proposal") which it received from Richard Kurek:

"Resolved that the shareholders of General Electric Company urge the board of directors to develop, implement then audit a process by which all news programs broadcasted by the company will be fair and balanced to both conservatives and liberals. The process, once implemented, will be forwarded to the stockholders for information in a manner suitable to the board."

A copy of the Proposal is attached.

The resolution in the Proposal is substantially similar to a resolution submitted for GE's 1992 proxy materials that GE "take affirmative steps to eliminate the liberal bias that pervades the news programming at NBC" (the "Mattan" proposal). In General Electric Company (February 4, 1992), the Staff of the Division of Corporation Finance ("Staff") concurred that the Mattan proposal was excludable under then Rule 14a-8(c)(7), noting that "the subject matter is directed

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to the content of news broadcasts, a matter relating to the Company's ordinary business operations."

It is GE's opinion that, pursuant to Rule 14a-8(i)(7), the current Proposal is excludable for the same reasons as the Mattan proposal. The Proposal relates to the essence of NBC's ordinary business ----i.e., the everyday content of its news programming.

A. The Content of News Programming is a Matter Relating to a Media Company's Ordinary Business.

The Staff has consistently concurred that shareholder proposals concerning the nature, content and presentation of a company's product --- television programming in the case of GE's subsidiary, NBC --- are excludable under Rule 14a-8(i)(7) as matters relating to the conduct of ordinary business operations of broadcast networks or other media companies. In addition to allowing the exclusion of the Mattan proposal, the Staff agreed last year, in General Electric Company (Jan. 27, 2000), that a proposal requesting among other things more "family-friendly" programming was excludable since the nature, content and presentation of programming was part of day-to-day business operations. And, in General Electric Company (Feb. 1, 1999), the Staff concurred that a proposal to prohibit all unbiblical programming on NBC could be omitted from GE's proxy statement as a matter relating to its ordinary business operations.

B. <u>The Editorial Process is a Matter Relating to a Media Company's</u> Ordinary Business

The Staff has also recognized that decisions involving editorial positions, including what programs to air, what interviews to conduct and what news events to cover are routine matters in the ordinary course of a media company's business and part of the day to day operations of a news organization.

In Gannett Co. Inc. (January 21, 1997), the Staff allowed the omission of a proposal requesting Gannett to establish a policy to prohibit its newspapers from publishing anti-Catholic and anti-Semitic material and to have such policy overseen by and ecumenical group with the ability to censure. The Staff allowed the exclusion pursuant to then Rule 14a-8(c)(7) because the proposal was directed at the "editorial and related policies for the Company's newspapers."

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Similarly, in separate letters, <u>Capital Cities/ABC</u>, <u>Inc.</u> and <u>CBS</u>, <u>Inc.</u> (each available March 16, 1993), the Staff concurred that a proposal requesting a management review of criticism of each company's news reporting with a view to adopting measures to increase public confidence in the accuracy and objectivity of each company's news programs could be omitted as a matter relating to ordinary business operations – "i.e., the nature, presentation and content of television news programming."

For the above reasons, GE respectfully requests the concurrence of the Staff in GE's determination to omit the Proposal from GE's 2002 proxy statement pursuant to Rule 14a-8(i)(7) because the Proposal "deals with a matter relating to the company's ordinary business," the nature, presentation and content of television news programming.

Five additional copies of this letter and the attachments are enclosed pursuant to Rule 14a-8(i)(7) under the Exchange Act. By copy of this letter, Mr. Kurek is being notified that GE does not intend to include the proposal in its 2002 proxy statement.

We expect to file GE's definitive proxy material with the Securities and Exchange Commission on or about March 8, 2002, the date on which GE currently expects to begin mailing the proxy statement to its share owners. In order to meet printing and distribution requirements, GE intends to start printing the proxy statement on or about February 18, 2002. GE's Annual Meeting is scheduled to be held on April 24, 2002.

If you have any questions, please feel free to call me at (203) 373-2442.

Very truly yours,

Eliza W. Fraser

Enclosures

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Special Counsel - 14a-8 - No Action Letters Office of Chief Counsel

Division of Corporation Finance Securities and Exchange Commission 450 Fifth Street, N. W. Washington, DC 20549

Richard A. Kurek cc:

1226 Springwell Place

Newport News, VA 23608

"Resolved: The shareholders of General Electric Company urge the board of directors to develop, implement then audit a process by which all news programs broadcasted by the company will be fair and balanced to both conservatives and liberals. The process, once implemented, will be forwarded to the stockholders for information in a manner suitable to the board."

SUPPORTING STATEMENT

As shareholders, we must insist on fair and balanced reporting by our company because biased news reporting is bad for business. Ratings, which determine advertising rates and revenue, have been dropping for CBS, ABC and CNN (networks accused of biased news reporting) and skyrocketing for the Fox News Channel. Although shows such as "Hannity & Colmes" and "The O'Reilly Factor" on the Fox News Channel have been receiving high marks for being unbiased, fair and balanced can be used to describe their entire news lineup.

As responsible citizens, we must insist on fair and balanced reporting by our company because of the power held by the media to influence public opinion. Influencing public opinion should not be the goal of our networks; it should be their goal to present all the facts then let people decide for themselves. For example:

- 1. When tax cuts are being criticized by liberals, news reporters can continue to express concern about the impact to deficit reduction, but they should also discuss the positive aspects of tax cuts such as personal debt reduction and economic stimulus (with potential for increased future revenues). Present both sides then let people decide for themselves.
- 2. When democrats are being blamed for not increasing energy producing capacity in California, news reporters should remind the public that a republican ex-governor is equally at fault.
- 3. When senate majority leader Daschle is given air time accusing republicans of dipping into the social security trust fund, the news reporters should remind the public that this was done for the last 8 years during the Clinton administration and is nothing new.

While I do not think Tom Brokaw is as blatantly biased as anchors at ABC, CBS and CNN, his and Katie Couric's conduct during the last presidential election was disappointing at best. It was clear to me who their candidate was. Their salary, position and power (to influence) demand that they report news in a professional and unbiased manner. Recent statements from Mr. Brokaw referring to President Clinton and "I have had Bill Clinton on my mind a lot today" are disrespectful to President Bush and those that approve of the job Mr. Bush is doing. Unprofessional behavior at their level should be met with severe punishment and dismissal if necessary. This type of conduct causes ratings and subsequently advertising revenues to drop.

I urge those not convinced to watch one episode of Hannity (the conservative) & Colmes (the liberal) before voting.

Because biased reporting is bad for business and the country, I urge you to vote for this proposal.

September 28, 2001

Benjamin W. Heineman, Jr. Secretary General Electric Company Fairfield, CT 06431 RECEIVED

OCT 0 5 2001

B. W. HEINEMAN, JR.

Dear Mr. Heineman:

My wife and I own approximately 190 General Electric shares held in the GE stock direct plan, which we initially opened in 1995. For verification purposes, our account number is 1002595799, which I believe to be a Bank of New York generated number. We are long term holders of General Electric stock and will continue to be will beyond the next annual meeting.

10/10 ce Bart.

I am concerned with the biased news reporting that has become increasingly obvious in the last few years and therefore have enclosed a share owner proposal to be voted on during the next annual meeting to address this issue. I believe I have met the SEC rule 14a-8 requirements as well as other requirements outlined by Pauline Berardi in her letter to me dated January 8, 2001.

I appreciate how easy you have made it to submit a proposal. I wouldn't have expected it any other way; General Electric is a world class company. If you would like the electronic version of my proposal, you can contact me weekdays at 757-688-0614.

Sincerely,

MAANUC. Richard Kurek

January 10, 2002

Response of the Office of Chief Counsel Division of Corporation Finance

Re: General Electric Company

Incoming letter dated December 4, 2001

The proposal requests that the board develop, implement and audit a process by which all GE news programs would be "fair and balanced to both conservatives and liberals."

There appears to be some basis for your view that GE may exclude the proposal under rule 14a-8(i)(7) as relating to GE's ordinary business operations (i.e., the nature, presentation and content of television programming). Accordingly, we will not recommend enforcement action to the Commission if GE excludes the proposal from its proxy materials in reliance on rule 14a-8(i)(7).

-Şincerely,

Keir Devon Gumbs Special Counsel