



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-3010

February 12, 2008

Peter J. Sherry, Jr.  
Secretary  
Ford Motor Company  
One American Road  
Room 1134 WHQ  
Dearborn, MI 48126

Re: Ford Motor Company  
Incoming letter dated December 21, 2007

Dear Mr. Sherry:

This is in response to your letter dated December 21, 2007 concerning the shareholder proposal submitted to Ford by Carl Olson. We also have received a letter from the proponent dated January 5, 2008. Our response is attached to the enclosed photocopy of your correspondence. By doing this, we avoid having to recite or summarize the facts set forth in the correspondence. Copies of all of the correspondence also will be provided to the proponent.

In connection with this matter, your attention is directed to the enclosure, which sets forth a brief discussion of the Division's informal procedures regarding shareholder proposals.

Sincerely,

Jonathan A. Ingram  
Deputy Chief Counsel

Enclosures

cc: Carl Olson

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

CFOCC-00033101

February 12, 2008

**Response of the Office of Chief Counsel**  
**Division of Corporation Finance**

Re: Ford Motor Company  
Incoming letter dated December 21, 2007

The proposal recommends that the board adopt a policy that every proxy statement shall contain a direct postal mailing address for each director.

There appears to be some basis for your view that Ford may exclude the proposal under rule 14a-8(i)(7), as relating to Ford's ordinary business operations (i.e., procedures for enabling shareholder communications on matters relating to ordinary business). Accordingly, we will not recommend enforcement action to the Commission if Ford omits the proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

Heather L. Maples  
Special Counsel



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2007 DEC 26 PM 6:07  
OFFICE OF CHIEF COUNSEL  
CORPORATION FINANCE

Office of the Secretary  
Peter J. Sherry, Jr.  
Secretary  
313/323-2130  
313/248-8713 (Fax)  
psherry@ford.com

One American Road  
Room 1134 WHQ  
Dearborn, Michigan 48126

December 21, 2007

Securities and Exchange Commission  
Division of Corporation Finance  
Office of the Chief Counsel  
100 F Street, N.E.  
Washington, D.C. 20549

**Re: Omission of Shareholder Proposal Submitted by Mr. Carl Olson**

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the "Act"), Ford Motor Company ("Ford" or the "Company") respectfully requests the concurrence of the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") that it will not recommend any enforcement action to the Commission if the shareholder proposal described below is omitted from Ford's proxy statement and form of proxy for the Company's 2008 Annual Meeting of Shareholders (the "Proxy Materials"). The Company's Annual Meeting of Shareholders is scheduled for May 8, 2008.

Mr. Carl Olson (the "Proponent") has submitted for inclusion in the 2008 Proxy Materials a proposal that requests the Board to adopt a policy that the Company publish in proxy statements a direct mailing address for each incumbent director and for each nominee for director so that shareholders may communicate directly with such persons (see Exhibit 1; the "Proposal"). The Company proposes to omit the Proposal from its 2008 Proxy Materials for the following reason:

- The Proposal is excludable under Rule 14a-8(i)(7) because it deals with matters relating to the Company's ordinary business operations.

***The Proposal Deals with Matters Relating to the Company's Ordinary Business Operations***

The Proposal may be omitted pursuant to Rule 14a-8(i)(7) because it encompasses matters relating to the Company's ordinary business operations. Specifically, the proposal requests that the Board adopt a policy whereby a direct mailing address for each incumbent director and each nominee for director be published in the Company's annual proxy statement. The Proposal provides that the address must be "a direct one" so that no Company employee may handle or direct the handling of any mail. The Proposal allows the

Company to provide each director with a budget to hire clerical staff to assist in the processing of the mail. Importantly, the Proposal makes no distinction between communications to directors on matters that contemplate ordinary business matters and those which are outside of the Company's ordinary business concerns.

Rule 14a-8(i)(7) permits the omission of shareholder proposals dealing with matters relating to the Company's "ordinary business" operations. According to *Release No 34-40018* (May 21, 1998) (the "Release"), the underlying policy of the ordinary business exclusion is 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 meeting." The Release recognizes that "certain tasks are so fundamental to management's ability to run a company on a day-to-day basis" that they are not proper subjects for shareholder proposals.

The Proposal is excludable under Rule 14a-8(i)(7) because it does not limit the nature of the communications contemplated in the Proposal to other than ordinary business matters. The Staff has consistently made this distinction in determining whether or not a proposal that seeks to establish a method of direct communication with board members is excludable. In the Staff's report entitled *Review of the Proxy Process Regarding the Nomination and Election of Directors* (July 15, 2003), this distinction was explained. The Staff denied no-action relief in *The Kroger Co.* (April 11, 2003), where the proposal sought the creation of a shareholder committee to communicate with the Kroger board about the subject matter of shareholder proposals approved but not acted upon. In a footnote, the Staff noted that no-action relief was denied under the ordinary business exclusion because the proposal "limited the nature of the communications to other than ordinary business" (emphasis added). In *Kerr-McGee Corp.* (March 15, 2003), exclusion was denied when the proposal requested establishment of an office of the board to enable direct communications with board members on corporate governance matters. See also *Amerada Hess Corp.* (March 15, 2004) and *Unocal Corp.* (March 16, 2004).

In contrast, the Staff has consistently granted no-action relief in situations where proposals do not limit the nature of the communications to other than ordinary business matters. In *People Soft (Recon.)* (March 15, 2004), the Staff granted no-action relief where the proposal sought to establish an office of the board to enable direct communications, including meetings, between non-management directors and shareholders, based upon the applicable standard adopted by the New York Stock Exchange. See also *Washington Service Bureau, Inc. (Recon.)* (March 18, 2004); *Checkfree Corporation* (September 8, 2003); and *Comverse Technology, Inc.* (September 8, 2003). In each of these letters, the Staff reaffirmed its position that proposals that seek to establish a method of direct communication with board members that do not limit the nature of communications to other than ordinary business matters are excludable under Rule 14a-8(i)(7).

The Proposal does not in any way limit the nature of communications that may be sent directly to board members. The Proposal's supporting statement discusses in general terms the perceived necessity of direct communications between directors and shareholders. It states that "[i]f you are unhappy with any corporate policies, or have any suggestions for improvements, you need to be able to communicate these views directly with our directors." (Emphasis added.) By its terms, the Proposal invites shareholders to send communications

of any type to the Board, whether or not they are related to ordinary business matters. For example, some communications could deal with the design of a door handle or the type of engine to be used in certain vehicles, which obviously would implicate the Company's ordinary business matters. Others could deal with the compensation of executive officers, which arguably is not within the Company's ordinary business. Because the Proposal does not limit the nature of shareholder communications to matters other than the ordinary business of the Company, we believe it is excludable under Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

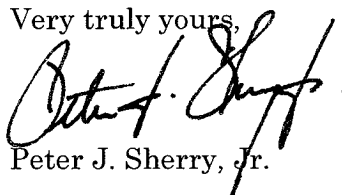
Additionally, the Company submits that the Commission's adoption of its rule on communications between shareholders and boards of directors is relevant to the Staff's consideration of the Proposal's exclusion under Rule 14a-8(i)(7). *See Exchange Act Release No. 34-48825* (November 24, 2003). In the final rule, the Commission chose not to require companies to describe how security holders could communicate directly with individual directors. This modification from the rule originally proposed responded to the many comments that noted that such a requirement would be inappropriate because "named directors could then be targeted for inappropriate correspondence."

### ***Conclusion***

For the foregoing reasons, it is respectfully submitted that the Proposal may be excluded from Ford's 2008 Proxy Materials. Your confirmation that the Staff will not recommend enforcement action if the Proposal is omitted from the 2008 Proxy Materials is respectfully requested.

In accordance with Rule 14a-8(j), the Proponent is being informed of the Company's intention to omit the Proposal from its 2008 Proxy Materials by sending him a copy of this letter and its exhibit. Seven copies of this letter are enclosed. Please acknowledge receipt by stamping and returning one copy in the enclosed self-addressed stamped envelop.

If you have any questions, require further information, or wish to discuss this matter, please call Jerome Zarembo (313-337-3913) of my office or me (313-323-2130).

Very truly yours,  
  
Peter J. Sherry, Jr.

Enclosure  
Exhibit  
cc: Mr. Carl Olson

OFFICE OF THE SECRETARY  
PETER J. SHERRY JR.

CARL OLSON

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

10/1/07 5 P1:28

October 1, 2007

Mr. Peter J. Sherry, Jr.  
Secretary of the Corporation  
Ford Motor Company  
The American Road  
Dearborn, Michigan 48126

Dear Mr. Secretary:

As a stockowner, I am submitting the enclosed "Resolution for Direct Stockowner Communication with Directors" for the upcoming 2008 annual meeting. It and the supporting statement should thus be published in the proxy statement for that meeting.

I am the current owner of 437.4087 shares of Ford common stock. I have owned it continuously for over a year. I intend to own these shares through the upcoming 2008 annual meeting. I intend to present the resolution either personally or by representative.

Please let me know Ford management's position.

Sincerely,



Carl Olson

Encl: Resolution For Direct Stockowner Communication with  
Directors

## **Resolution For Direct Stockowner Communication with Directors**

Be it resolved by the stockowners to recommend that the Board of Directors adopt the following policy for direct stockowner communication with directors:

In every proxy statement, there shall be published a U. S. postal mailing address for each incumbent director and for each nominee for director so that stockowners can send communications. The address shall be a direct one such that no employee or other representative of the corporation (other than the director or nominee) shall handle or direct the handling of any of the mail. In implementing this policy, the Board may provide a budget to each director and nominee personally to hire clerical help to process the incoming mail and any replies.

### **Supporting Statement:**

Directors can't properly represent us stockowner without hearing from us directly. Directors are well paid to seek out the best interest of the corporation and its stockowners. They should welcome all communications and spend adequate time on them.

Directors need to have a direct business U. S. postal address. Directors don't usually spend much time at the corporation headquarters, and thus a postal address at the headquarters would not be appropriate and would only slow down the communication. It would also be unwise for corporate employees and management to open any mail that is addressed to any specific director, since a director could not have any realistic expectation of privacy for communications from us stockowners.

If you are unhappy with any corporate policies, or have any suggestions for improvements, you need to be able to communicate these views directly with our directors. Otherwise, the directors and nominees are unduly dependent upon the management on what is the best course of action for our corporation.

Vote YES. If the management opposes this resolution, you should ask yourself why they don't want the directors to hear directly from us stockowners.



Office of the General Counsel  
Phone: 313/3373913  
Fax: 313/248-1988  
E-Mail: jzaremb1@ford.com

Ford Motor Company  
One American Road  
Room 1037-A3 WHQ  
Dearborn, Michigan 48126

October 19, 2007

Carl Olson

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

**Subject: Shareholder Proposal for 2008 Annual Meeting**

Dear Mr. Olson:

Ford Motor Company ("Ford" or the "Company") hereby acknowledges the shareholder proposal contained in your letter dated October 1, 2007, which we received on October 5. Your letter requests that the proposal relating to the Company disclosing in its annual Proxy Statement mailing addresses for members of the Board of Directors (the "Proposal") be included in the Company's proxy materials for the 2008 Annual Meeting of Shareholders.

Eligibility requirements regarding stockholder proposals are set forth in Rule 14a-8 of the rules of the United States Securities and Exchange Commission (the "SEC"). (A copy of Rule 14a-8 is enclosed.) Under Rule 14a-8(b)(1), in order to be eligible to submit a proposal, a shareholder must have continuously held at least \$2,000 in market value, or 1%, of the Company's securities entitled to be voted at the annual meeting for at least one year by the date that the shareholder submitted the proposal. In the event the shareholder is not a registered holder, Rule 14a-8(b)(2) provides that proof of eligibility should be submitted at the time the proposal is submitted. Neither the Company nor its transfer agent was able to confirm that you satisfy the eligibility requirements based on the information that was furnished to the Company.

Pursuant to Rule 14a-8, you can demonstrate eligible share ownership by submitting proper documentation showing (i) that you are the beneficial owner of at least \$2,000 in market value, or 1%, of Ford common stock, and (ii) that you have been the beneficial owner of such securities for one or more years. We request that such documentation be furnished to the Company within 14 calendar days of your receipt of this letter. Under Rule 14a-8(b)(2) a shareholder may satisfy this requirement by either (i) submitting to the Company a written statement from the "record" holder of the shareholder's securities (usually a broker or bank) verifying that, at the time of submission, the shareholder continuously held the securities at least one year, or (ii) if the shareholder has filed a Schedule 13D, Schedule 13G, Form 3, Form 4 and/or Form 5, or amendments to those documents or updated forms, reflecting the shareholder's ownership of the shares as of or before the date on which the one-year period begins. If the shareholder has filed one of these documents, it may demonstrate its eligibility by submitting to the Company a copy of the schedule or form,



and any subsequent amendments, and a written statement that the shareholder continuously held the required number of shares for the one-year period as of the date of the statement. The SEC has specifically stated that copies of account statements, such as the one you provided, do not suffice as sufficient evidence of share ownership eligibility.

If you cannot furnish the Company with proper evidence of share ownership eligibility, we request that you withdraw your proposal so that we do not have to file a No-Action Letter with the SEC. If you do not furnish the Company with such evidence and do not withdraw the proposal within the 14-day period, we will file a No-Action Letter with the SEC to have the proposal excluded from the Company's proxy materials.

If you would like to discuss the SEC rules regarding stockholder proposals or anything else relating to the Proposal, please contact me at (313) 337-3913. Thank you for your continued interest in the Company.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jerome F. Zaremba", written in a cursive style.

Jerome F. Zaremba  
Counsel

Encl.

cc: Peter J. Sherry, Jr.



Office of the General Counsel  
Phone: 313/3373913  
Fax: 313/248-1988  
E-Mail: jzaremb1@ford.com

Ford Motor Company  
One American Road  
Room 1037-A3 WHQ  
Dearborn, Michigan 48126

October 29, 2007

Carl Olson

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

**Subject: Shareholder Proposal for 2008 Annual Meeting**

Dear Mr. Olson:

Ford Motor Company ("Ford" or the "Company") hereby acknowledges receipt of evidence of eligible share ownership of Ford common stock relating to the shareholder proposal contained in your letter dated October 1, 2007 (the "Proposal"). Thank you for your prompt attention to this matter. Please note that Ford reserves the right to file a No-Action Letter with the SEC should substantive grounds exist for exclusion of the Proposal. We will notify you in accordance with SEC rules if we file such a request.

Thank you for your continued interest in the Company.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Jerome F. Zaremba".

Jerome F. Zaremba  
Counsel

cc: Peter J. Sherry, Jr.

CARL OLSON

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

October 26, 2007

Mr. Jerome F. Zaremba  
Counsel  
Ford Motor Company  
One American Road  
Room 1037-A3 WHQ  
Dearborn, Michigan 48126

Dear Mr. Zaremba:

In response to your letter of October 19, 2007, regarding my holding of Ford Motor Company stock for purposes of sponsoring a stockowner resolution, please find enclosed a letter from my broker Charles Schwab & Co. confirming that I held 437.4087 Ford shares for at least one year prior to October 5, 2007.

Please acknowledge your receipt of this letter and let me know if it satisfies the SEC requirement that you have put forth.

Sincerely,

A handwritten signature in black ink that reads "Carl Olson". The signature is written in a cursive style with a large, prominent "C" and "O".

Carl Olson

*charles* SCHWAB

Charles Schwab & Company Inc  
5550 Topanga Canyon Blvd #150 Woodland Hills CA 91367  
Toll Free (800) 435 4000

October 26<sup>th</sup>, 2007

Carl Olson

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

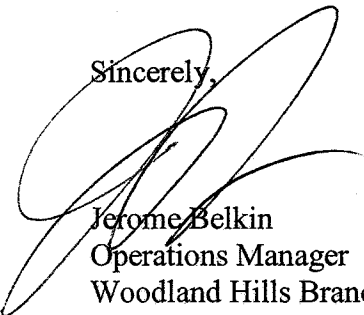
Re: \*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

Dear Mr. Olson,

This letter has been drafted at your request to show ownership in Ford Shares. You have held your 437.4087 Ford shares for more than one year as of October 5, 2007. The shares are held within 2 accounts at Charles Schwab.

If you have any further questions, please call our office at 818-710-2100.

Sincerely,



Jerome Belkin  
Operations Manager  
Woodland Hills Branch

CARL OLSON

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

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2008 JAN 22 PM 12:40

OFFICE OF CHIEF COUNSEL  
CORPORATION FINANCE

January 5, 2008

Office of Chief Counsel  
Division on Corporation Finance  
Securities and Exchange Commission  
100 F Street NE  
Washington, D. C. 20549

Re: Ford Motor Company stockowner proposal

Dear Chief Counsel:

This is in response to a letter of December 21, 2007, from Peter J. Sherry Jr., Secretary of Ford Motor Company, in which he indicates management's intention to omit a proposal of mine from the proxy materials for the 2008 annual meeting. His objection is spurious, and I urge you not to allow the intended omission.

He objects because my proposal on allowing direct mail communication between stockowners and directors or nominees somehow involves something prohibited in the term "ordinary business".

There are two distinct activities of a corporation. The first is corporate governance, that is, relations between stockowners and the board and management of the corporation. The other activity is the "ordinary business", that is, the production and sale of goods and services to customers. Communications between stockowners and directors/nominees is obviously part of corporate governance, and not a part of "ordinary business".

Mr. Sherry makes the preposterous claim that anything the directors/nominees do and think about the business operations of a company are completely beyond the input and concern of stockowners. Directors have fiduciary duties, and they violate these duties by refusing to be available to their constituent stockowner.

Mr. Sherry apparently thinks that directors and nominees at Ford are not competent to deal with correspondence from stockowners regardless of the subject matter. He is trying to prejudge that all correspondence from stockowners to directors/nominees are "ordinary business", and that none have any corporate governance content or purpose.

If it makes a crucial difference to you, I am willing amend my proposal so that (1) the words "on corporate governance" be inserted after "send communications" in the first sentence, and (2) in the third paragraph of the supporting statement, the word "governance" be

Page 2

inserted between "corporate" and "policies" in the . This should completely allay any and all "ordinary business" objections.

The integrity of the publicly-traded stock system of this country depends on the free flow of best ideas between stockowners and their corporate boards. Please do not allow the intended omission.

Sincerely,

A handwritten signature in black ink that reads "Carl Olson". The signature is written in a cursive, slightly slanted style.

Carl Olson

Cc: Peter J. Sherry Jr.