

NUCOR
CORPORATE OFFICE

October 1, 2007

Ms. Nancy M. Morris
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

**Re: Shareholder Proposals Relating to the Election of Directors (File No. S7-17-07);
Shareholder Proposals (File No. S7-16-07)**

Dear Ms. Morris:

I am the Chairman, President and Chief Executive Officer of Nucor Corporation, a NYSE listed company that manufactures steel and steel products, with operating facilities primarily in the U.S. and Canada. Nucor is one of the largest steel producers in the United States and currently has a market capitalization of approximately \$17.0 billion.

On behalf of Nucor, I am pleased to submit the following comments in response to the Securities and Exchange Commission's (the "SEC") proposed changes to Rule 14a-8 of the Securities Exchange Act of 1934. The proposal in SEC Release No. 34-56161 would codify the SEC's longstanding position under Rule 14a-8(i)(8) that shareholder proposals on proxy statement access for board nominations are categorically excludable, a position that was called into question by the decision of the Second Circuit Court of Appeals in *AFSCME v. AIG*, 462 F.3d 121 (2d Cir. 2006). In contrast, the changes proposed in SEC Release No. 34-56160 (the "Access Proposal") would amend Rule 14a-8(i)(8) to enable shareholders (or a group of shareholders) owning 5% or more of a company's voting shares to include shareholder nomination bylaw proposals in a company's proxy materials. Nucor strongly believes that the SEC should affirm its longstanding interpretation of Rule 14a-8(i)(8). Therefore, I am writing in support of the proposal in Release No. 34-56161 and in opposition to the Access Proposal.

Proxy access by shareholders for their nominees was extensively debated in a full public forum in 2003 and 2004. At that time, proxy access was deemed too complicated, with too many known and unknown destabilizing consequences, to be implemented. The landscape of director elections has changed dramatically since that time, and all shareholders, and particularly institutional shareholders, now have a greatly increased voice in the director election process. The landscape will change even more if the SEC approves the NYSE's proposal to eliminate uninstructed broker voting in uncontested director elections. However, the complexities of proxy access by shareholders for their nominees and the potential for significant negative consequences remain undiminished:

- ***Distraction of management and diversion of corporate resources.*** Permitting shareholders direct access to company proxy materials could result in the company undergoing frequent, if not annual, proxy contests. Election contests are not only expensive and time consuming but they are also extremely disruptive and divert the attention and energy of a company's board and management away from the governance and management of the corporation.
- ***Creation of "special interest" agendas.*** Direct access to company proxy materials would facilitate the election of "special interest directors" who would represent the narrow interests of the shareholders who nominated them without regard to the interests of all of the shareholders or the future of the corporation. In fact, the most vocal supporters of proxy access proposals tend to be shareholder activists with political, labor or other narrow agendas unrelated to the governance or core business interests of the company. The increasing number of activist hedge fund investors with short-term investment horizons and objectives could also use proxy access to pursue their short-term trading objectives to the detriment of the Company's other shareholders with longer term investment horizons and objectives.
- ***Divisive Influence on the Board.*** Candid boardroom deliberations, mutual respect and trust among directors, and an atmosphere of teamwork and cooperation all are vital to attaining effective board governance by creating an environment where directors feel more comfortable discussing and debating the merits and risks of business decisions, opportunities and corporate policy and work together to reach an informed consensus. However, to the extent the Access Proposal would facilitate the nomination and election of dissident or "special interest directors," it will lead to a breakdown in communications among directors and between management and the board and create a divisive, partisan and ineffectual boardroom environment.
- ***Disruption of productive dialogue between companies and their shareholders.*** Shareholders today have an increasing number of avenues to communicate their views and provide input to company management and directors short of a proxy contest, and well advised companies are generally very receptive and sensitive to shareholder views and concerns. For example, the threat of a concerted "withhold vote" campaign is a powerful tool in the hands of increasingly active and coordinated investor groups acting in concert. Election contests, which often devolve into personal attacks, are fundamentally incompatible with cooperation. Thus, an increase in the incidence of election contests will likely channel the evolving and increasingly productive dialogue between companies and their shareholders into a less cooperative and productive framework.
- ***Increased difficulty of recruiting directors.*** An increase in the frequency of election contests, or simply the threat thereof, will also likely discourage qualified, independent directors from serving on corporate boards, exacerbating a recruitment

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process that has already become more difficult due to the increased demands on directors and their concerns about heightened exposure to personal liability.

The primary argument in favor of shareholder access to a company proxy has traditionally been that the cost of printing and mailing a competing proxy is too high to permit shareholders to nominate their own directors separately. However, the implementation of the SEC's new rules for electronic dissemination of proxy materials will significantly reduce the costs of distributing proxy materials, easing the way for shareholders who wish to pursue a standalone proxy contest for their nominees. With electronic delivery of proxy materials and the anticipated elimination of broker voting in uncontested elections, shareholders (especially institutions) will have a greater ability than ever before to influence the outcome and the process of annual elections.

In short, shareholder proxy access would impose an undue burden on public companies and result in destabilizing consequences without offering shareholders any additional benefit. Accordingly, we believe the SEC should reject the Access Proposal and instead adopt the proposal in Release No. 34-56161 codifying its longstanding interpretation of Rule 14a-8(i)(8) that a company may exclude shareholder nominations of directors and related bylaw amendment proposals from its proxy materials.

Sincerely,

NUCOR CORPORATION

A handwritten signature in black ink that reads "Daniel R. DiMicco". The signature is written in a cursive, flowing style.

Daniel R. DiMicco
Chairman, President and Chief Executive Officer