

# Inside GE

November 19, 2008

[Original link](#)

---

For the past six months or so, I've been working on getting data out of government in various ways. At one point, I was looking thru SEC files online and noticed that some portions were redacted. I filed a Freedom of Information request for the redacted portion and any documents pertaining to why it was redacted. It ended up costing \$28 and to make sure I get the most for my money, I thought I'd share the results with you:

## **Confidential Treatment Requested by General Electric Company**

**1. Please refer to comment 5 of our letter dated August 21, 2007. Please provide a more detailed analysis justifying the omission of disclosure [...] that specifically sets forth the manner in which competitors could use the information to obtain the competitive advantage cited in your response.**

## **Response**

*[\*\*\* Confidential treatment requested for the paragraphs below:*

General Electric Company's ("GE" or the "Company") long-term performance awards program (the "LTPA") is based on four equally weighted business measurements, which are: (a) average earnings per share growth rate; (b) average revenue growth rate; (c) cumulative return on total capital; and (d) cumulative cash flow from operating activities. As indicated in the Company's response letter, dated October 10, 2007, these business measurements are used to establish financial goals (the "Goals") for the Company over a three-year period and are directly derived from the Company's internal, confidential business plan. Each of the Goals involves confidential information that, if made public, [REDACTED] [REDACTED] For example, upon the announcement of a sizable acquisition, debt investors generally examine the companies ability to fund the acquisition and to service its existing debt and [REDACTED] [REDACTED] [REDACTED] will be affected by the acquisition. This point is illustrated by the Company's December 26, 2007 announcement that GE Capital would acquire certain assets and businesses from Merrill Lynch Capital. Although immaterial to GE Capital, after the announcement of the acquisition [REDACTED] [REDACTED] [REDACTED] Based on its experience the Company believes that [REDACTED] in the Goals such as [REDACTED]

acquisition [REDACTED] like the Merrill Lynch Capital acquisition [REDACTED] [REDACTED] The Company believes that disclosing the goals would [REDACTED] [REDACTED] the Goals [REDACTED] [REDACTED] [REDACTED] As a result, the Company's [REDACTED] [REDACTED]

[...] We do not believe that the SEC's executive compensation disclosure rules should cause the disclosure of the Goals simply because the Company's Management Development and Compensation Committee chose to include them in the LTPA. Such disclosure would have the unintended and harmful effect of [REDACTED] [REDACTED]

The Company therefore believes that it would suffer substantial competitive harm if it had to disclose the Goals because it would [REDACTED] [REDACTED]

*End of request for confidential treatment \*\*\*]*

Hope that helps. At least the SEC uses white-out instead of black marker.