



DIVISION OF  
CORPORATION FINANCE

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

January 20, 2016

Benjamin G. Clark  
Expeditors International of Washington, Inc.  
benjamin.clark@expeditors.com

Re: Expeditors International of Washington, Inc.  
Incoming letter dated December 30, 2015

Dear Mr. Clark:

This is in response to your letter dated December 30, 2015 concerning the shareholder proposal submitted to Expeditors by John Chevedden. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair  
Senior Special Counsel

Enclosure

cc: John Chevedden

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

January 20, 2016

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

Re: Expeditors International of Washington, Inc.  
Incoming letter dated December 30, 2015

The proposal relates to director nominations.

There appears to be some basis for your view that Expeditors may exclude the proposal under rule 14a-8(h)(3). We note your representation that Expeditors included the proponent's proposal in its proxy statement for its 2015 annual meeting, but that neither the proponent nor its representative appeared to present the proposal at this meeting. Moreover, the proponent has not stated a "good cause" for the failure to appear. Under the circumstances, we will not recommend enforcement action to the Commission if Expeditors omits the proposal from its proxy materials in reliance on rule 14a-8(h)(3).

Sincerely,

Evan S. Jacobson  
Special Counsel

**DIVISION OF CORPORATION FINANCE**  
**INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS**

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matter under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the Company in support of its intention to exclude the proposals from the Company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes administered by the Commission, including argument as to whether or not activities proposed to be taken would be violative of the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversary procedure.

It is important to note that the staff's and Commission's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholders proposals in its proxy materials. Accordingly a discretionary determination not to recommend or take Commission enforcement action, does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the management omit the proposal from the company's proxy material.



Expeditors International of  
Washington, Inc.

1015 Third Avenue  
12th Floor  
Seattle, WA 98104-1190

Tel: 206.393.5939  
Fax: 206.674.3459

**1934 Act/Rule 14a-8**

December 30, 2015

**VIA E-MAIL (shareholderproposals@sec.gov)**

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

Re: Expeditors International of Washington, Inc.  
Notice of Intent to Omit Shareholder Proposal from Proxy Materials  
Pursuant to Rule 14a-8 Promulgated under the Securities Exchange Act of  
1934, as amended, and Request for No-Action Ruling

Ladies and Gentlemen:

On behalf of Expeditors International of Washington, Inc., a Washington corporation (the "**Company**"), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), I am writing to notify the U.S. Securities and Exchange Commission (the "**Commission**") of the Company's intention to exclude the shareholder proposal submitted by John Chevedden (the "**Proponent**") on December 11, 2015 (the "**2016 Proposal**") from the proxy materials for the 2016 Annual Meeting of Shareholders (collectively, the "**2016 Proxy Materials**").

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 2016 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) provide that shareholder 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 this 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 Staff Legal Bulletin No. 14D. In accordance with Section F of Staff Legal Bulletin 14F (October 18, 2011), the Staff should transmit its response to this no-action request by email to Ben Clark at [benjamin.clark@expeditors.com](mailto:benjamin.clark@expeditors.com).

## BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the 2016 Proposal may be excluded from the 2016 Proxy Materials pursuant to Rule 14a-8(h)(3) because neither the Proponent nor his qualified representative presented the Proponent's shareholder proposal at the 2015 Annual Meeting of Shareholders as contained in the Company's 2015 proxy statement.

A copy of the 2016 Proposal, which would require the Company to adopt shareholder proxy access, is attached hereto as Exhibit A. Our prior correspondence with the Proponent, in which we notified him of our intent to omit his 2016 Proposal, is attached hereto as Exhibit B.

## ANALYSIS

### **The 2016 Proposal May Be Excluded Under Rule 14a-8(h)(3) Because Neither The Proponent Nor His Qualified Representative Presented The Proponent's Shareholder Proposal At The Company's 2015 Annual Meeting Of Shareholders As Contained In The Company's 2015 Proxy Statement.**

Under Rule 14a-8(h)(1), a shareholder proponent must attend the shareholders' meeting to present its shareholder proposal or, alternatively, must send a representative who is qualified under state law to present the proposal on the proponent's behalf. Rule 14a-8(h)(3) provides that, if a shareholder or his or her qualified representative fails, without good cause, to appear and present a proposal included in a company's proxy materials, the company will be permitted to exclude all of such shareholder's proposals from the company's proxy materials for any meetings held in the following calendar year.

The Company intends to omit the 2016 Proposal from its 2016 Proxy Materials because the Proponent failed, without good cause, to appear and present a shareholder proposal (the "**2015 Proposal**") that he had submitted for the 2015 Annual Meeting of Shareholders held on May 21, 2015 (the "**2015 Annual Meeting**"). The Company included the 2015 Proposal in the Company's 2015 proxy statement as Proposal No. 10, which was the final shareholder proposal to be considered at the 2015 Annual Meeting. Prior to the 2015 Annual Meeting, the Proponent notified the Company that he had designated a representative (the "**Proponent's Representative**") to present the 2015 Proposal, a copy of which letter is attached hereto as Exhibit C. At the 2015 Annual Meeting, the Chairman of the Board of Directors of the Company asked if anyone would like to present the Proponent's 2015 Proposal. Neither the Proponent nor the Proponent's Representative, nor any other qualified representative of the Proponent, presented the 2015 Proposal. Despite this, the Company allowed a vote to be taken on the matter for the convenience of its shareholders. The results of that vote were reported on Form 8-K. Neither Proponent nor Proponent's Representative ever presented any good cause or other reason for the failure to appear and present the 2015 Proposal.

December 30, 2015

Page 3

On numerous occasions the Staff has concurred that a company may exclude a shareholder proposal under Rule 14a-8(h)(3) because the proponent or his or her qualified representative, without good cause, failed to appear and present a proposal at either of the company's previous two years' annual meetings. See, e.g., *McDonald's Corporation* (avail. March 3, 2015); *E.I. du Pont de Nemours and Co. (Phippen)* (avail. Feb. 16, 2010); *Entergy Corp.* (avail. Jan. 12, 2010); *Comcast Corp.* (avail. Feb. 25, 2008); *Eastman Kodak Co.* (avail. Dec. 31, 2007).

Moreover, the Staff consistently has permitted exclusion of a shareholder proposal under Rule 14a-8(h)(3) where the company permitted its shareholders to vote on a shareholder proposal submitted by the proponent at either of the previous two years' annual meetings, even though the proponent of the proposal or its qualified representative failed to appear and present the proposal. See, e.g., *McDonald's Corporation* (avail. Mar. 3, 2015); *Providence and Worcester Railroad Co.* (avail. Jan 17, 2013); *Medco Health Solutions, Inc.* (avail. Dec. 3, 2009); *E.I. du Pont de Nemours and Co.* (avail. Jan. 16, 2009). In each case, such company reported the results of that vote on a Form 8-K or Form 10-Q. Thus, in accordance with this precedent, the Company's decision to permit the 2015 Proposal to be voted upon, and reporting the results of that vote on Form 8-K, does not constitute a waiver of its right to exclude the Proponent's 2016 Proposal.

Consistent with the precedent cited above, the Company believes that under Rule 14a-8(h)(3) it may exclude the 2016 Proposal from the 2016 Proxy Materials.

#### CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the 2016 Proposal from its 2016 Proxy Materials.

If you have any questions or require any additional information, please do not hesitate to call me at (206) 892-4430.

Very truly yours,

Expeditors International of Washington, Inc.



Benjamin G. Clark  
Senior Vice President, General Counsel &  
Corporate Secretary

Enclosures

cc: John Chevedden

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

cc: Kimberley Anderson  
Dorsey & Whitney LLP  
701 5<sup>th</sup> Avenue, Suite 6100  
Seattle, WA 98104  
[anderson.kimberley@dorsey.com](mailto:anderson.kimberley@dorsey.com)

**Exhibit A**

(See Attached)

JOHN CHEVEDDEN

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

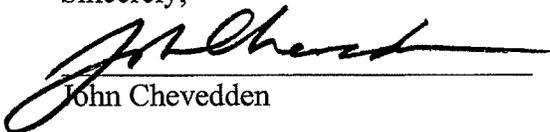
Mr. Bradley S. Powell  
Corporate Secretary  
Expeditors International of Washington, Inc. (EXPD)  
1015 Third Avenue, 12th Floor  
Seattle WA 98104  
PH: 206 674-3400  
PH: 206-674-3441  
FX: 206-682-9777  
FX: 206-674-3459

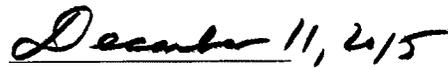
Dear Mr. Powell,

This Rule 14a-8 proposal is respectfully submitted in support of the long-term performance of our company. This Rule 14a-8 proposal is intended as a low-cost method to improve company performance. This proposal is for the next annual shareholder meeting. Rule 14a-8 requirements will be met including the continuous ownership of the required stock value until after the date of the respective shareholder meeting and presentation of the proposal at the annual meeting. This submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

Your consideration and the consideration of the Board of Directors is appreciated in support of the long-term performance of our company. Please acknowledge receipt of this proposal by email to \*\*\*FISMA & OMB Memorandum M-07-16\*\*\*

Sincerely,

  
John Chevedden

  
Date

cc: Melissa Loh <Melissa.Loh@expeditors.com>  
Noelle Figueira <Noelle.Figueira@expeditors.com>

**Proposal [4] - Shareholder Proxy Access**

RESOLVED: Shareholders ask our board of directors to adopt, and present for shareholder approval, a “proxy access” bylaw as follows:

Require the Company to include in proxy materials prepared for a shareholder meeting at which directors are to be elected the name, Disclosure and Statement (as defined herein) of any person nominated for election to the board by a shareholder or an unrestricted number of shareholders forming a group (the “Nominator”) that meets the criteria established below.

Allow shareholders to vote on such nominee on the Company’s proxy card.

The number of shareholder-nominated candidates appearing in proxy materials should not exceed one quarter of the directors then serving or two, whichever is greater. This bylaw should supplement existing rights under Company bylaws, providing that a Nominator must:

- a) have beneficially owned 3% or more of the Company’s outstanding common stock, including recallable loaned stock, continuously for at least three years before submitting the nomination;
- b) give the Company, within the time period identified in its bylaws, written notice of the information required by the bylaws and any Securities and Exchange Commission (SEC) rules about (i) the nominee, including consent to being named in proxy materials and to serving as director if elected; and (ii) the Nominator, including proof it owns the required shares (the “Disclosure”); and
- c) certify that (i) it will assume liability stemming from any legal or regulatory violation arising out of the Nominator’s communications with the Company shareholders, including the Disclosure and Statement; (ii) it will comply with all applicable laws and regulations if it uses soliciting material other than the Company’s proxy materials; and (iii) to the best of its knowledge, the required shares were acquired in the ordinary course of business, not to change or influence control at the Company.

The Nominator may submit with the Disclosure a statement not exceeding 500 words in support of the nominee (the “Statement”). The Board should adopt procedures for promptly resolving disputes over whether notice of a nomination was timely, whether the Disclosure and Statement satisfy the bylaw and applicable federal regulations, and the priority given to multiple nominations exceeding the one-quarter limit. No additional restrictions that do not apply to other board nominees should be placed on these nominations or re-nominations.

Proxy access would “benefit both the markets and corporate boardrooms, with little cost or disruption,” raising US market capitalization by up to \$140 billion. This is according to a cost-benefit analysis by the Chartered Financial Analyst Institute, *Proxy Access in the United States: Revisiting the Proposed SEC Rule*.

Please vote to enhance shareholder value:

**Shareholder Proxy Access – Proposal [4]**

Notes:  
John Chevedden,  
proposal.

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

sponsors this

Please note that the title of the proposal is part of the proposal. The title is intended for publication.

If the company thinks that any part of the above proposal, other than the first line in brackets, can be omitted from proxy publication based on its own discretion, please obtain a written agreement from the proponent.

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

**We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.**

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email

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

**Exhibit B**

(See Attached)

## Barb Finch

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**From:** Ben Clark  
**Sent:** Tuesday, December 15, 2015 5:15 PM  
**To:** \*\*\*FISMA & OMB Memorandum M-07-16\*\*\*  
**Subject:** Shareholder Proposal - Shareholder Proxy Access

Dear Mr. Chevedden,

I write to you about your proposal submitted on December 11, 2015 entitled "Shareholder Proxy Access."

Please note that at the Annual Shareholders' Meeting this year, no designee presented your proposal submitted October 19, 2014 entitled "Recovery of Unearned Management Bonuses." Accordingly, unless you withdraw your current proposal, we intend to seek exclusion of your proposal pursuant to Rule 14-8(h)(3) of the Securities Exchange Act of 1934, as amended.

As you consider this, please also note that we intend to implement, and submit for shareholder approval this year, the proxy access framework approved by our shareholders at the last Annual Shareholders' Meeting. Consequently, we expect to implement a shareholder proxy access regime, which may address some or most of your concerns.

Please let me know if you intend to withdraw your proposal, or would otherwise like to discuss your proposal.

Kind regards,

**Ben Clark**

Senior Vice President, General Counsel  
& Corporate Secretary

**Direct** 206-892-4430  
**Main** 206-674-3400  
**Fax** 206-393-5753  
**Email** [benjamin.clark@expeditors.com](mailto:benjamin.clark@expeditors.com)



**Global Headquarters, Seattle**  
1015 Third Avenue, 12<sup>th</sup> Floor  
Seattle, WA 98104

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**Barb Finch**

---

**From:** \*\*\*FISMA & OMB Memorandum M-07-16\*\*\*  
**Sent:** Tuesday, December 15, 2015 9:20 PM  
**To:** Ben Clark  
**Subject:** Rule 14a-8 Proposal (EXPD)  
**Attachments:** CCE15122015\_25.pdf

Mr. Clark,  
Thank you for the update on proxy access.  
Sincerely,  
John Chevedden

(5) Advisory vote on Company-sponsored proxy access framework:

<b>Number of Shares</b>			
<b>Voted For</b>	<b>Voted Against</b>	<b>Abstain</b>	<b>Broker Non-Votes</b>
107,683,620	45,442,960	2,677,893	11,095,571

(6) Shareholder proposal: shareholder-sponsored proxy access:

<b>Number of Shares</b>			
<b>Voted For</b>	<b>Voted Against</b>	<b>Abstain</b>	<b>Broker Non-Votes</b>
53,626,528	99,456,162	2,721,783	11,095,571

(7) Shareholder proposal: performance-based executive equity awards:

<b>Number of Shares</b>			
<b>Voted For</b>	<b>Voted Against</b>	<b>Abstain</b>	<b>Broker Non-Votes</b>
4,195,672	150,215,593	1,393,208	11,095,571

(8) Shareholder proposal: no accelerated vesting of equity awards upon a change in control:

<b>Number of Shares</b>			
<b>Voted For</b>	<b>Voted Against</b>	<b>Abstain</b>	<b>Broker Non-Votes</b>
66,172,245	88,256,029	1,376,199	11,095,571

(9) Shareholder proposal: retain significant stock from equity compensation:

<b>Number of Shares</b>			
<b>Voted For</b>	<b>Voted Against</b>	<b>Abstain</b>	<b>Broker Non-Votes</b>
32,612,269	121,775,858	1,416,346	11,095,571

(10) Shareholder proposal: recovery of unearned management bonuses:

<b>Number of Shares</b>			
<b>Voted For</b>	<b>Voted Against</b>	<b>Abstain</b>	<b>Broker Non-Votes</b>
42,378,469	112,039,484	1,386,520	11,095,571

**Exhibit C**

(See Attached)

JOHN CHEVEDDEN

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

Mr. Bradley S. Powell  
Corporate Secretary  
Expeditors International of Washington, Inc. (EXPD)  
1015 Third Avenue, 12th Floor  
Seattle WA 98104  
PH: 206 674-3400  
PH: 206-674-3412  
FX: 206-682-9777  
FX: 206-674-3459

Dear Mr. Powell,

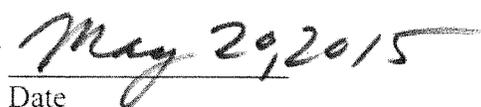
In looking forward to a good annual meeting this is to authorize Ms. Carmen Smith to present the rule 14a-8 proposal. Please forward this information to the Chairman of the meeting and to the Chairman of the Corporate Governance Committee.

This is to respectfully request that the company exercise its fiduciary duty to shareholders and extend every courtesy to facilitate this shareholder presentation. Also for the company to advise and alert me immediately by email and telephone if the company has any question on this message or perceived further requirement.

Thank you and all the best for a good meeting.

Sincerely,

  
John Chevedden

  
Date

cc: Melissa Loh <[Melissa.Loh@expeditors.com](mailto:Melissa.Loh@expeditors.com)>