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Bay Point, CA 94565  
December 19, 2014

Via email to: [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov)  
U.S. Securities and Exchange Commission  
Division of Corporation Finance  
Office of Chief Counsel  
100 F Street, NE  
Washington, DC 20549-2736

*Re: Shareholder Proposal of Jing Zhao for Inclusion in IBM 2015 Proxy Statement*

Ladies and Gentlemen:

It is a surprise that rather than communicating with shareholders on important corporate policy issues, IBM “outsourced” the policy duty to outside lawyers against shareholders. This is one indication that IBM need improve its public policy and testifies the importance to respect shareholders’ right to request company’s policy change.

There is no need to use common reason and logic to rebut the three baseless “bases” for exclusion in the December 18, 2014 letter to the SEC by Cravath, Swaine & Moore LLP. However, to prevent the company’s Board from repeating the same baseless statements from the letter in their predictable Opposition Statement against my proposal in the proxy material, I would like to reply the above letter briefly.

- If “implementation of the Proposal would cause the Company to violate federal laws, rules and regulations”, why Microsoft’s establishment of such a public policy committee in 2012 did not cause Microsoft “to violate federal laws, rules and regulations”? Even though there is possibility that a new public policy committee may have some overlapping functions with existing committees (which exist even among existing committees), the Company **can chose not** to violate federal laws, rules and regulations, as Microsoft does.

- My Supporting Statement does not contain any false and misleading statements. Because the Company refuses to communicate with shareholders, it is natural for

shareholders to regard the Company “without a committee to legitimately and ethically deal with public issues, especially international affairs, affecting our business” from media coverage and other independent sources. If the Company ever contacted me, there is possibility to improve shareholders’ view. Again, I urge the Company to positively and constructively communicate with shareholders. At least, there should be an email account to receive shareholders’ concerns, suggestions and proposals.

- My Supporting Statement used my personal unique case to inform the Company and shareholders of the public policy situation regarding Japan and China, where the Company has heavy business (as cited in my Supporting Statement). It is not “a personal grievance against the Japanese government,” and it never “wishes to further a personal interest.” The letter also doubted my statement of my life in Japan without checking the facts I listed in the Supporting Statement. I am always willing to provide any information, but the Company never contacted me. This is another indication how the Company mistreated shareholders.

Let shareholders vote on this important policy issue. Should you have any questions, please contact me at 925-643-5034 (phone)  
or [zhao.cpri@gmail.com](mailto:zhao.cpri@gmail.com).

Respectfully,



Jing Zhao

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