

YATES RICHARD L
Form 4
October 30, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
YATES RICHARD L

(Last) (First) (Middle)
TEXTRON INC., 40
WESTMINSTER STREET
(Street)

PROVIDENCE, RI 02903

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
TEXTRON INC [TXT]

3. Date of Earliest Transaction
(Month/Day/Year)
10/29/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Senior VP and Controller

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount (A) or (D) Price | | |
| Common Stock | 10/29/2007 | | M | | 14,332 A \$ 37.4687 | D | |
| Common Stock | 10/29/2007 | | S | | 100 D \$ 68.4 | D | |
| Common Stock | 10/29/2007 | | S | | 400 D \$ 68.41 | D | |
| Common Stock | 10/29/2007 | | S | | 400 D \$ 68.42 | D | |
| Common Stock | 10/29/2007 | | S | | 200 D \$ 68.43 | D | |

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| | | | | | | | | |
|--------------|------------|---|-------|---|----------|-----------|---|--|
| Common Stock | 10/29/2007 | S | 3,200 | D | \$ 68.44 | 59,081 | D | |
| Common Stock | 10/29/2007 | S | 600 | D | \$ 68.45 | 58,481 | D | |
| Common Stock | 10/29/2007 | S | 300 | D | \$ 68.46 | 58,181 | D | |
| Common Stock | 10/29/2007 | S | 800 | D | \$ 68.47 | 57,381 | D | |
| Common Stock | 10/29/2007 | S | 400 | D | \$ 68.48 | 56,981 | D | |
| Common Stock | 10/29/2007 | S | 700 | D | \$ 68.49 | 56,281 | D | |
| Common Stock | 10/29/2007 | S | 700 | D | \$ 68.5 | 55,581 | D | |
| Common Stock | 10/29/2007 | S | 600 | D | \$ 68.51 | 54,981 | D | |
| Common Stock | 10/29/2007 | S | 932 | D | \$ 68.52 | 54,049 | D | |
| Common Stock | 10/29/2007 | S | 200 | D | \$ 68.53 | 53,849 | D | |
| Common Stock | 10/29/2007 | S | 1,300 | D | \$ 68.54 | 52,549 | D | |
| Common Stock | 10/29/2007 | S | 900 | D | \$ 68.55 | 51,649 | D | |
| Common Stock | 10/29/2007 | S | 600 | D | \$ 68.56 | 51,049 | D | |
| Common Stock | 10/29/2007 | S | 2,000 | D | \$ 68.57 | 49,049 | D | |
| Common Stock | | | | | | 3,543.925 | I | Held on behalf of Reporting Person by the Textron Savings Plan (as of September 30, 2007). |
| Common Stock | | | | | | 189.707 | I | Held on behalf of Reporting Person's spouse by the Textron |

Savings Plan (as of September 30, 2007).

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee stock option (right to buy) | \$ 37.4687 | 10/29/2007 | | M | 5,832 | 12/10/1999 12/09/2008 | Common Stock | 5,832 | |
| Employee stock option (right to buy) | \$ 37.4687 | 10/29/2007 | | M | 8,500 | 12/10/2000 12/09/2008 | Common Stock | 8,500 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships |
|--|----------------------------------|
| | Director 10% Owner Officer Other |
| YATES RICHARD L TEXTRON INC. 40 WESTMINSTER STREET PROVIDENCE, RI 02903 | Senior VP and Controller |

Signatures

Ann T. Willaman,
Attorney-in-Fact

10/30/2007

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Issued pursuant to the Textron 1994 Long-Term Incentive Plan.

Remarks:

All share numbers and related prices have been adjusted to reflect Textron Inc.'s two-for-one Common Stock split which occurred on 10/30/2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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