

TEXTRON INC
Form 4
January 20, 2009

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)
01/15/2009

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)
Sr. 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	01/15/2009		M		4,000	A	\$ 0
Common Stock	01/15/2009		D		4,000	D	\$ 15.021
Common Stock					3,886.717	I	

Held on behalf of Reporting Person by the Textron Savings Plan (as of December

Common Stock	194.094	I	31, 2008). Held on behalf of Reporting Person's spouse by the Textron Savings Plan (as of December 31, 2008).
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

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)	8. Price of Underlying Security (Instr. 3 and 4)	
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)
Phantom Stock	\$ 0 ⁽¹⁾	01/15/2009		M	4,000	⁽²⁾	⁽²⁾	Common Stock	4,000

Reporting Owners

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

Signatures

/s/ Ann T. Willaman,
Attorney-in-Fact

01/20/2009

__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) Converts to the cash equivalent of Textron Common Stock on a 1-for-1 basis.
The phantom stock vests in three annual installments as follows: 2,000 shares on December 31, 2006; 4,000 shares on December 31, 2007; and 4,000 shares on December 31, 2008. Vested shares of phantom stock are payable in cash only. Calculation of the per share price is based on an average of the closing price of Textron Inc. Common Stock on the first ten trading days following the vesting date.
 - (2)

Remarks:

All share numbers and related prices have been adjusted to reflect Textron Inc.'s two-for-one Common Stock split which occurred on December 31, 2005.

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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