

FMC TECHNOLOGIES INC

Form 11-K

June 27, 2008

Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

**FORM 11-K**

**x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2007

OR

**.. TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-16489

**A. FMC TECHNOLOGIES, INC. SAVINGS AND  
INVESTMENT PLAN**

(Full title of the Plan)

**B. FMC TECHNOLOGIES, INC.**

**1803 Gears Road, Houston, Texas 77067**

**(Name and Address of Principal Executive Office**

**of Issuer of Securities Held by the Plan)**

**Table of Contents**

**FMC TECHNOLOGIES, INC.  
SAVINGS AND INVESTMENT PLAN**

**Table of Contents**

	<b>Page</b>
<u>Report of Independent Registered Public Accounting Firm</u>	1
Financial Statements:	
<u>Statements of Net Assets Available for Benefits</u>	2
<u>Statements of Changes in Net Assets Available for Benefits</u>	3
<u>Notes to Financial Statements</u>	4
<b>Supplemental Schedule</b>	
<u>Schedule H, Line 4i – Schedule of Assets (Held at End of Year)</u>	9

**Table of Contents**

**Report of Independent Registered Public Accounting Firm**

The Employee Welfare Benefits Plan

Committee of FMC Technologies, Inc.:

We have audited the accompanying statements of net assets available for benefits of the FMC Technologies, Inc. Savings and Investment Plan (the Plan ) as of December 31, 2007 and 2006, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. Our audits include consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007 and 2006, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2007 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Grant Thornton LLP

Chicago, Illinois

June 25, 2008

**Table of Contents**

**FMC TECHNOLOGIES, INC.**

**SAVINGS AND INVESTMENT PLAN**

Statements of Net Assets Available for Benefits

December 31, 2007 and 2006

(In thousands)

	2007	2006
<b>Assets:</b>		
Investments, at fair value	\$ 611,136	\$ 485,262
Participants' loans	14,085	12,908
Total investments	625,221	498,170
Company contribution receivable	729	
Total assets	625,950	498,170
<b>Liabilities:</b>		
Contributions refundable	39	96
Accrued administrative expenses	31	69
Total liabilities	70	165
Net assets available for benefits at fair value	625,880	498,005
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	535	834
Net assets available for benefits	\$ 626,415	\$ 498,839

See accompanying notes to financial statements.

**Table of Contents**

**FMC TECHNOLOGIES, INC.**

**SAVINGS AND INVESTMENT PLAN**

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2007 and 2006

(In thousands)

	<b>2007</b>	<b>2006</b>
<b>Additions:</b>		
Net appreciation in fair value of investments	\$ 126,006	\$ 70,044
Interest and dividend income	24,458	17,644
Net investment income	150,464	87,688
Employee contributions	24,926	22,750
Employer contributions	12,527	11,876
<b>Total additions</b>	<b>187,917</b>	<b>122,314</b>
<b>Deductions:</b>		
Benefit distributions to participants	59,953	33,361
Administrative expenses	388	412
<b>Total deductions</b>	<b>60,341</b>	<b>33,773</b>
<b>Net additions</b>	<b>127,576</b>	<b>88,541</b>
<b>Net assets available for benefits, beginning of year</b>	<b>498,839</b>	<b>410,298</b>
<b>Net assets available for benefits, end of year</b>	<b>\$ 626,415</b>	<b>\$ 498,839</b>

See accompanying notes to financial statements.

**Table of Contents**

**FMC TECHNOLOGIES, INC.**

**SAVINGS AND INVESTMENT PLAN**

Notes to Financial Statements

December 31, 2007 and 2006

**(1) Description of the Plan**

The following description of the FMC Technologies, Inc. (the Company) Savings and Investment Plan (the Plan) provides general information. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

***(a) General***

The Plan is a qualified salary-reduction plan under Section 401(k) of the Internal Revenue Code, which covers substantially all full-time employees and certain eligible part-time employees of the Company (other than employees who generally reside or work outside of the United States). Such employees are eligible to participate in the Plan immediately upon commencement of their employment with the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by the FMC Technologies, Inc. Employee Welfare Benefits Plan Committee, acting on behalf of the plan administrator, the Company.

***(b) Contributions***

Participants may elect to have their annual compensation reduced by up to \$15,500 for 2007 (\$15,000 for 2006), subject to adjustments to reflect changes in the cost of living, but not by more than 20% of their total compensation. The aggregate amount of such reductions is contributed to a trust on a pretax basis. Participants may also elect to make after-tax contributions, either as an alternative to pretax contributions, or in addition to the maximum pretax contributions of \$15,500 for 2007 (\$15,000 for 2006). The aggregate of pretax and after-tax contributions cannot exceed 75% of a participant's total compensation or 20% for highly compensated employees. Active employees who meet the following requirements are eligible to make catch-up contributions to the prescribed limit: (1) attain age 50 or older during the year, (2) already contributing at least 5% to the Plan on a pretax basis and (3) will reach the pretax contribution limit for the year. The amount of the catch-up contribution was \$5,000 for both 2007 and 2006.

The Company makes matching contributions for all active participants, except for certain bargaining unit employees. The Company matches 100% of basic contributions up to 5% of each participant's eligible compensation (Basic Contribution).

At December 31, 2007, a total of 7,016 current and former employees participated in the Plan.

***(c) Trust and Recordkeeping***

The Company and Fidelity Management Trust Company (the Trustee) established a trust (the Trust) for investment purposes as part of the Plan. The Trustee is also the Plan's recordkeeper.

***(d) Investment Options***

Upon enrollment in the Plan, a participant may direct his or her contributions in 1% increments, with a minimum of 2%, to any of the available investment options. Company matching contributions to the Plan are allocated to the investment options selected by the participants. Prior to October 1, 2006, Company contributions were invested initially by the Trustee in the FMCTI Stock Fund. Participants were able to reallocate the Company contributions from the FMCTI Stock Fund to other investment options after the funds were placed into their accounts following each pay period.





**Table of Contents****(e) Vesting**

Participants are immediately vested in their elective contributions plus actual earnings thereon. Vesting in the Company's contributions and related earnings is determined according to the following graduated schedule based on years of service.

<b>Years of Service</b>	<b>Percent Vested</b>
Fewer than 2	0%
2 but fewer than 3	20%
3 but fewer than 4	40%
4 but fewer than 5	60%
5 or more	100%

**(f) Payment of Benefits and Forfeitures**

Upon termination of service, death, disability or attainment of age 59 1/2, any participant may elect to immediately receive a lump sum distribution equal to the vested interest of his or her account. Participants may, upon termination, elect to defer their lump sum distribution or receive annual installments. If a participant is not fully vested in the Company's contributions to his or her account on the date of termination of his or her employment, the non-vested portion is forfeited. The forfeited balances held in the Plan as of December 31, 2007 and 2006 were \$303,000 and \$274,000, respectively. Forfeitures are used to pay certain administrative expenses of the Plan and to reduce future Company contributions to the Plan.

**(g) Expenses**

Certain administrative expenses of the Plan are paid by the Trustee out of the assets of the Plan and constitute a charge upon the respective investment funds or upon the individual participants' accounts. Certain other plan expenses may be paid by the Plan from the forfeitures balance, or by the Company.

**(h) Withdrawals and Loans**

The Plan allows participants to make hardship cash withdrawals (subject to income taxation and IRS penalties) of some or all of their vested account balances. Eligible participants may also receive money from the Plan in the form of loans. The minimum that may be borrowed is \$1,000. The maximum that may be borrowed is the lesser of \$50,000, as adjusted, or 50% of the participant's vested account balance. Loans, which are secured by the participant's vested account balance, must be repaid over not more than 60 months with interest at a reasonable rate as determined by the plan administrator. A participant may have up to two loans outstanding at any one time.

**(i) Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Plan and ERISA. In the event of plan termination, participants will become 100% vested in their account balances.

**(j) Participant Accounts**

Each participant's account is credited with the participant's contributions, the Company's matching contributions and an allocation of Plan earnings and charged with an allocation of administrative expenses. Allocations of Plan earnings are based on the participant's account balance while a fixed amount is charged to each participant's account for administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**(2) Summary of Significant Accounting Policies**

The following are the significant accounting policies followed by the Plan:

**(a) Basis of Accounting**

The Plan's financial statements are prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America.

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**Table of Contents**

***(b) Investment Transactions and Income Recognition***

Security transactions are recorded in the financial statements on a trade-date basis. Dividends are recorded as earned on the record date. Interest is recorded as earned on the accrual basis.

***(c) Valuation of Investments***

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year-end. Participant loans are valued at their outstanding balances, which approximate fair value. The plan's interest in the collective trust is valued based on information reported by the investment advisor using the audited financial statements of the collective trust at year-end.

As described in Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The plan invests in investment contracts through a collective trust. As required by the FSP, the Statement of Net Assets Available for Benefits presents the fair value of the investment in the collective trust as well as the adjustment of the investment in the collective trust from fair value to contract value relating to the investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis. The FSP was adopted during the 2006 Plan year.

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 157, *Fair Value Measurements*, which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS No. 157 is effective in fiscal years beginning after November 15, 2007. We do not believe the adoption of this standard will have a material impact on the Plan's financial statements upon adoption in 2008.

***(d) Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates, but the plan administrator does not believe such differences will materially affect the Plan's financial position or results of operations.

The Plan utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

***(e) Payment of Benefits***

Benefit distributions to participants are recorded when paid.

**(3) Party-in-Interest Transactions**

Fidelity Management Trust Company provides certain accounting and administrative services to the Plan for which approximately \$388,000 and \$412,000 of expenses were charged for the years ended December 31, 2007 and 2006, respectively.

**Table of Contents****(4) Investments**

Investments at fair value, which represent 5% or more of the Plan's assets available for benefits at December 31, 2007 and 2006, are separately identified below:

	December 31,	
	2007	2006
	(In thousands)	
FMCTI Stock Fund	\$ 267,930	\$ 177,902
Fidelity MIP II CL 2 Fund	70,499	69,623
Fidelity Diversified International Fund	39,294	30,491
Fidelity Low-Priced Stock Fund	*	25,490

\* Less than 5% of Plan assets as of December 31, 2007

The Plan's investments (including investments bought, sold, and held during the year) appreciated (depreciated) in value as follows:

	Year ended December 31,	
	2007	2006
	(In thousands)	
Employer securities (FMCTI Stock)	\$ 129,898	\$ 58,960
Registered investment companies	(4,663)	9,044
Common collective trusts	771	2,040
	\$ 126,006	\$ 70,044

A majority of the Fidelity Managed Income Portfolio Class II, a common collective trust ( CCT ), is invested in guaranteed investment contracts ( GICs ) and synthetic GICs which are fully benefit responsive. As described in the Valuation of Estimates note, contract value is the relevant measurement attribute for GICs and synthetic GICs. Contract value, as reported to the Plan, represents the principal balances of the contracts, plus accrued interest at the stated rate, less payments received and contract charges by the insurance company.

**(5) Income Taxes**

The Internal Revenue Service has determined and informed the Company by a letter issued November 3, 2003, that the Plan is qualified under Section 401(a) of the Internal Revenue Code (Code) and exempt from Federal income taxes under Section 501(a) of the Code. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that, in all material respects, the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code.

The Company receives a Federal income tax deduction for its contributions to the Plan. Participating employees are not currently subject to Federal income tax on their elective pretax contributions, Company contributions, investment income, or other items allocated to their individual accounts. Individual participants are taxed on such items at the time of distribution from the Plan.

**Table of Contents****(6) Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at December 31, 2007 and 2006:

	<b>December 31,</b>	
	<b>2007</b>	<b>2006</b>
<b>(In thousands)</b>		
Net assets available for benefits per the financial statements, contract value	\$ 626,415	\$ 498,839
Less: Adjustment from fair value to contract value for interest in collective trust relating to fully benefit responsive investment contracts	(535)	(834)
<b>Net assets available for benefits per the Form 5500, fair value</b>	<b>\$ 625,880</b>	<b>\$ 498,005</b>

The following is a reconciliation of the increase in net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2007:

<b>(In thousands)</b>	
Increase in net assets available for benefits per financial statements	\$ 127,576
Less: Adjustment from fair value to contract value for interest in collective trust relating to fully benefit responsive investment contracts	
Prior year adjustment	834
Current year adjustment	(535)
<b>Increase in net assets available for benefits per the Form 5500</b>	<b>\$ 127,875</b>

**(7) Subsequent Event**

On October 29, 2007 the Company announced its intention to separate into two independent publicly-traded companies through the spin-off and distribution of 100% of its food and airport equipment businesses. In connection with the spin-off, a new qualified salary-reduction savings and investment plan under Section 401(k) of the Internal Revenue Code will be established for the spin-off company. Following the spin-off, plan assets related to employees of the spin-off company will be transferred to the new plan.

Participants in the FMC Technologies Plan will be required to divest their interest in the stock fund related to the distribution and spin-off of the food and airport equipment businesses within 180 days of the distribution date and re-invest in other funds as offered by the Plan.

**Table of Contents****FMC TECHNOLOGIES, INC.****SAVINGS AND INVESTMENT PLAN**

Schedule H, Line 4i Schedule of Assets (Held at End of Year)

December 31, 2007

(In thousands)

(b) Identity of issuer, borrower,		(c) Description of investment including maturity date,		
(a)	lessor, or similar party	number of shares or units, rate of interest, collateral,	(d) Cost**	(e) Current value
		and par or maturity value		
*	FMCTI Stock Fund (FMC Technologies, Inc. Common Stock)	FMC Technologies, Inc. Common Stock 4,725,403 shares	\$ N/A	\$ 267,930
*	FMTC Institutional Cash Portfolio	Money Market Mutual Fund	N/A	12,145
*	Fidelity MIP II CL 2 Fund	Portfolio includes investment contracts offered by major insurance companies and other approved institutions	N/A	70,499
	John Hancock Classic Value Fund	Stock Value Fund	N/A	15,537
	Mutual Qualified Fund (Z)	Stock Long-term Growth Fund	N/A	21,784
	Sequoia Fund	Stock Long-term Growth Fund	N/A	22,418
*	Fidelity Puritan Fund	Stock and Bond Fund	N/A	10,583
*	Fidelity Magellan Fund	Stock Long-term Growth Fund	N/A	9,904
*	Fidelity Blue Chip Growth Fund	Large Companies Stock Fund	N/A	15,154
*	Fidelity Low-Priced Stock Fund	Stock Value Fund	N/A	23,352
*	Fidelity Diversified International Fund	Growth Mutual Fund of Foreign Companies	N/A	39,294
*	Fidelity Retirement Government Money Market Portfolio	Money Market Mutual Fund	N/A	24,697

**(Continued)**

**Table of Contents****FMC TECHNOLOGIES, INC.****SAVINGS AND INVESTMENT PLAN**

Schedule H, Line 4i Schedule of Assets (Held at End of Year), Continued

December 31, 2007

(In thousands)

(b) Identity of issuer, borrower,		(c) Description of investment including maturity date,		(e) Current
(a)	lessor, or similar party	number of shares or units, rate of interest, collateral,	(d) Cost**	value
		and par or maturity value		
*	Fidelity U.S. Equity Index Pool Fund	Stock Index Fund	N/A	\$ 14,003
	PIMCO Total Return Fund Administrative Class	Income Mutual Fund	N/A	7,659
	MSIFT Mid Cap Growth Portfolio Administrative Class	Stock Long-term Growth Fund	N/A	12,838
	Royce Low-Priced Stock Fund	Stock Long-term Growth Fund	N/A	8,380
*	Fidelity Capital & Income Fund	Equity Income & Growth Fund	N/A	10,729
*	Fidelity Freedom Funds:			
	Freedom Income Fund	Asset allocation series funds, which primarily invest in other Fidelity mutual funds (stock, bond and money market) basing asset allocation on a target retirement date.	N/A	1,150
	Freedom 2000 Fund		N/A	619
	Freedom 2010 Fund		N/A	6,335
	Freedom 2020 Fund		N/A	8,105
	Freedom 2030 Fund		N/A	4,705
	Freedom 2040 Fund		N/A	3,316
*	Participant loans	Varying rates of interest 3.91% 8.02%, 1,955 total loans outstanding		14,085
				\$ 625,221

\* Party-in-interest.

\*\* Cost is not required for participant directed funds.

See accompanying notes to financial statements.

**Table of Contents**

**SIGNATURES**

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, FMC Technologies, Inc., as Plan Administrator, has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

FMC TECHNOLOGIES, INC. SAVINGS AND  
INVESTMENT PLAN

By: /s/ William H. Schumann, III  
William H. Schumann, III  
Executive Vice President and Chief Financial  
Officer

Date: June 27, 2008



**Table of Contents**

EXHIBIT INDEX

NUMBER IN

<b>EXHIBIT TABLE</b>	<b>DESCRIPTION</b>
23.1	Consent of Independent Registered Public Accounting Firm (Grant Thornton LLP)

- 12 -