FMC TECHNOLOGIES INC
Form 10-K
March 14, 2005
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2004

OR

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission file number 1-16489

FMC TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**36-4412642**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1803 Gears Road, Houston, Texas	**77067**
(Address of principal executive offices)	**(Zip Code)**
Registrant s telephone number, including area code:	**281/591-4000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $0.01 par value	New York Stock Exchange
Preferred Share Purchase Rights	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

INDICATE BY CHECK MARK WHETHER THE REGISTRANT (1) HAS FILED ALL REPORTS REQUIRED TO BE FILED BY SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 DURING THE PRECEDING 12 MONTHS (OR FOR SUCH SHORTER PERIOD THAT THE REGISTRANT WAS REQUIRED TO FILE SUCH REPORTS), AND (2) HAS BEEN SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST 90 DAYS. YES x NO ¨

INDICATE BY CHECK MARK IF DISCLOSURE OF DELINQUENT FILERS PURSUANT TO ITEM 405 OF REGULATION S-K IS NOT CONTAINED HEREIN, AND WILL NOT BE CONTAINED, TO THE BEST OF REGISTRANT S KNOWLEDGE, IN DEFINITIVE PROXY OR INFORMATION STATEMENTS INCORPORATED BY REFERENCE IN PART III OF THIS FORM 10-K OR ANY AMENDMENT TO THIS FORM 10-K. x

INDICATE BY CHECK MARK WHETHER THE REGISTRANT IS AN ACCELERATED FILER (AS DEFINED IN RULE 12b-2 OF THE ACT). YES x NO ¨

THE AGGREGATE MARKET VALUE OF THE REGISTRANT S COMMON STOCK HELD BY NON-AFFILIATES OF THE REGISTRANT, DETERMINED BY MULTIPLYING THE OUTSTANDING SHARES ON JUNE 30, 2004, BY THE CLOSING PRICE ON SUCH DAY OF $28.80 AS REPORTED ON THE NEW YORK STOCK EXCHANGE, WAS $1,364,038,560.*

THE NUMBER OF SHARES OF THE REGISTRANT S COMMON STOCK, $0.01 PAR VALUE, OUTSTANDING AS OF FEBRUARY 28, 2005 WAS 69,119,497.

DOCUMENTS INCORPORATED BY REFERENCE

DOCUMENT	**FORM 10-K REFERENCE**
Portions of Proxy Statement for the 2005 Annual Meeting of Stockholders	Part III

* Excludes 19,998,657 shares of the registrant s Common Stock held by directors, officers and holders of more than 5% of the registrant s Common Stock as of June 30, 2004. Exclusion of shares held by any person should not be construed to indicate that such person or entity possesses the power, direct or indirect, to direct or cause the direction of the management or policies of the registrant, or that such person or entity is controlled by or under common control with the registrant.

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PART I

ITEM 1. BUSINESS

OVERVIEW

We provide mission-critical solutions, based on innovative, industry-leading technologies, for the energy, food processing, and air transportation industries. We design, manufacture and service sophisticated machinery and systems for our customers through four business segments: Energy Production Systems, Energy Processing Systems, FoodTech and Airport Systems. Financial information about our business segments is incorporated herein by reference from Note 20 to our consolidated financial statements included in Item 8 of this Form 10-K.

We were incorporated in November 2000 under Delaware law and were a wholly owned subsidiary of FMC Corporation until our initial public offering in June 2001, when 17% of our common stock was sold to the public. On December 31, 2001, FMC Corporation distributed its remaining 83% ownership of our stock to FMC Corporation s stockholders in the form of a dividend. Our principal executive offices are located at 1803 Gears Road, Houston, Texas 77067. As used in this report, except where otherwise stated or indicated by the context, all references to the Company, we, us, or our are to FMC Technologies, Inc. and its consolidated subsidiaries.

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are available free of charge through our website at www.fmctechnologies.com, under Investor Center SEC Filings, as soon as reasonably practicable after we electronically file, or furnish, such material with the Securities and Exchange Commission (SEC). Our Annual Report on Form 10-K for the year ended December 31, 2004, is also available in print to any stockholder free of charge upon written request submitted to Jeffrey W. Carr, General Counsel and Secretary, FMC Technologies, Inc., 1803 Gears Road, Houston, Texas, 77067.

Throughout this Form 10-K, we incorporate by reference certain information from our Proxy Statement for the 2005 Annual Meeting of Stockholders. The SEC allows us to disclose important information by referring to it in that manner. Please refer to such information. We provide stockholders with an annual report containing financial information that has been examined and reported upon, with an opinion expressed thereon by an independent registered public accounting firm. On or about March 31, 2005, our Proxy Statement for the 2005 Annual Meeting of Stockholders will be available on our website under Investor Center SEC Filings. Similarly, our 2004 Annual Report to Stockholders will be available on our website under Investor Center Financial Information.

BUSINESS SEGMENTS

Energy Production Systems

Energy Production Systems designs and manufactures systems and provides services used by oil and gas companies involved in land and offshore, particularly deepwater, exploration and production of crude oil and gas. Our production systems control the flow of oil and gas from producing wells. We specialize in offshore production systems and have production facilities near the world s principal offshore oil and gas producing basins. We market our products primarily through our own technically oriented sales organization. This segment includes subsea systems, surface production equipment, floating production systems, and separation systems. Energy Production Systems revenue comprised approximately 53%, 49% and 45% of our total revenue in 2004, 2003 and 2002, respectively.

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Principal Products and Services

Subsea Production Systems. Subsea systems represent 37%, 35%, and 33% of consolidated revenues in 2004, 2003, and 2002, respectively. Our systems are used in the offshore production of crude oil and natural gas reserves. Subsea systems are placed on the seafloor and are used to control the flow of crude oil and natural gas from the reservoir to a host processing facility, such as a floating production facility, a fixed platform, or an onshore facility. Our subsea equipment is remotely controlled by the host processing facility.

The design and manufacture of subsea systems require a high degree of technical expertise and innovation. They are designed to withstand exposure to the extreme hydrostatic pressure that deepwater environments present as well as internal pressures of 15,000 pounds or more per square inch and temperatures in excess of 350º F. The foundation of this business is our technology and engineering expertise.

The development of our integrated subsea systems usually includes initial engineering design studies, subsea trees, control systems, manifolds, seabed template systems, flowline connection and tie-in systems, installation and workover tools, and subsea wellheads. In order to provide these systems and services, we utilize highly-developed system and detail engineering, project management and global procurement, manufacturing, assembly and testing capabilities. Further, we provide service technicians for installation assistance and field support for commissioning, intervention and maintenance of our subsea systems throughout the life of the oilfield. Additionally, we provide tools such as our LWI (light well intervention) system for certain well workover and intervention tasks.

Surface Production Equipment. In addition to our subsea systems that control the flow of oil and natural gas from deepwater locations, we provide a full range of surface wellheads and production systems for both standard service and critical service applications. Surface production systems, or trees, are used to control and regulate the flow of oil and gas from the well. Our surface products and systems are used worldwide on both land and offshore platforms and can be used in difficult climatic conditions, such as Arctic cold or high temperatures. We support our customers through leading engineering, manufacturing, field installation support, and aftermarket services.

Floating Production Systems. We are a global supplier of marine terminals, turret and mooring systems, riser systems, swivel systems and control and service buoys for a broad range of marine and subsea projects through our SOFEC subsidiary. These products and services are part of our customers overall floating production system, which produces, processes, stores, and offloads crude oil from offshore fields.

Separation Systems. In 2003, we took a step toward expanding our subsea capabilities by acquiring a 55 percent ownership in CDS Engineering (CDS) with a commitment to purchase the remaining 45 percent in 2009. CDS designs and manufactures systems that separate production flows from wells into oil, gas and water. CDS separation technology modifies conventional separation technologies by moving the flow in a spiral, spinning motion. This causes the elements of the flow stream to separate more efficiently. These systems are currently capable of operating on surface systems onshore or on offshore facilities. We believe this technology has the potential to operate on the seabed near a subsea production system providing subsea processing capabilities in the future.

Status of Product Development

In 2003, we formed a joint venture company, GTL MicroSystems, with Accentus plc, a subsidiary of AEA Technology plc, for the commercial development of gas-to-liquids (GTL) technology, specifically addressing the problem of associated gas production in remote offshore oil fields. A significant portion of the world s natural gas exists in small, stranded reserves or is associated with oil production. These reserves are difficult to exploit economically using current technology. However, we believe our new GTL technology will allow commercial extraction of gas reserves at lower capital costs

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than those of traditional, large-scale plants, and the technology is designed to enable the plants to be located on floating production facilities.

We advanced the development of subsea separation processing technologies through our CDS subsidiary. Subsea processing is an emerging technology in the industry, which we believe offers considerable benefits to the oil and gas producer, enabling a more rapid and cost-efficient approach to separation. First, if separation is performed on the seabed, the hydrostatic pressure of the fluid going from the seabed to the surface is reduced, allowing the well to flow more efficiently, accelerating production and enabling higher recoveries from the subsea reservoir. Also, it can significantly reduce the capital investment required for floating vessels or platforms, since the integration of processing capabilities will not be required.

We have also continued development of an all-electric subsea production system. Several production systems with electric choke valves operated problem-free in the North Sea throughout 2004. The all-electric subsea system will use simpler controls than conventional systems, which rely on hydraulics.

Capital Intensity

Most of the systems and products that we supply for subsea and floating production applications are highly engineered to meet the unique demands of our customers and are typically ordered one or two years prior to installation. Therefore, it is common practice to receive advance and progress payments from our customers in order to fund our working capital requirements. In addition, due to factors such as higher engineering content and the outsourcing of certain low value-added manufacturing activities, we believe that our Energy Production Systems business is less capital intensive than our competitors.

Dependence on Key Customers

Generally, our customers in this segment are major integrated oil or exploration and production companies. No single Energy Production Systems customer accounts for more than 10% of the Company s annual consolidated revenue.

With our integrated systems for subsea production, we have aggressively pursued alliances with oil and gas companies that are actively engaged in the subsea development of crude oil and natural gas. Development of subsea fields, particularly in deepwater environments, involves substantial capital investments by our customers. Our customers have sought the security of alliances with us to ensure timely and cost-effective delivery of subsea and other energy-related systems that provide an integrated solution to their needs. Our alliances establish important ongoing relationships with our customers. While our alliances generally do not contractually commit our customers to purchase our systems and services, they have historically led to, and we expect that they will continue to result in, such purchases. The loss of one or more of our significant oil and gas company customers could have a material adverse effect on our Energy Production Systems business segment.

Competition

Energy Production Systems competes with other companies that supply subsea systems, floating production systems, surface production equipment, and separation systems, and with smaller companies that are focused on a specific application, technology or geographical niche. Companies such as Cooper Cameron Corporation, Vetco International Ltd., Aker Kværner ASA, Single Buoy Moorings Inc., and Wood Group, compete with us in the marketplace across our various product lines.

Some of the factors upon which we compete include reliability, cost-effective technology, execution, and delivery. We derive competitive strength from our intellectual capital, experience base and breadth of technologies and products that enable us to design a unique solution for project requirements while incorporating standardized components to contain costs. Our deepwater expertise, experience and technology help us to maintain a leadership position in subsea.

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Energy Processing Systems

Energy Processing Systems designs, manufactures and supplies technologically advanced high pressure valves and fittings for oilfield service customers. We also manufacture and supply liquid and gas measurement and transportation equipment and systems to customers involved in the production, transportation and processing of crude oil, natural gas and petroleum-based refined products. We sell to the end user directly using authorized representatives, distributor networks and our own technically oriented sales organization. The segment includes fluid control, measurement solutions, loading systems, and material handling and blending and transfer systems. Energy Processing Systems revenue comprised approximately 18%, 19% and 19% of our total revenue in 2004, 2003 and 2002, respectively.

Principal Products and Services

Fluid Control. We design and manufacture flowline products, under the WECO®/Chiksan® trademarks, and pumps and valves used in well construction and stimulation activities by major oilfield service companies, such as Schlumberger Limited, BJ Services Company and Halliburton Company.

Our flowline products are used in equipment that pump corrosive fracturing fluid into a well during the well servicing process. The performance of this business typically rises and falls with variations in the active rig count throughout the world. Our reciprocating pump product line includes duplex, triplex and quintuplex pumps utilized in a variety of applications. We also supply high-pressure compact production manifolds for the offshore oil and gas exploration industry.

Measurement Solutions Systems. Our measurement systems provide solutions for use in custody transfer of crude oil, natural gas and refined products. We combine advanced measurement technology with state-of-the-art electronics and supervisory control systems to provide the measurement of both liquids and gases for purposes of verifying ownership and determining revenue or tax obligations. Our Smith Meter product lines are well-established in the industry. We are one of only a few suppliers of multi-path, ultrasonic flow meters for custody transfer of natural gas.

Loading Systems. We provide land and marine-based fluid loading and transfer systems primarily to the oil and gas industry. Our systems are capable of loading and offloading marine vessels transporting a wide range of fluids, such as crude oil, liquefied natural gas and refined products. While these systems are typically constructed on a fixed jetty platform, we also supply advanced loading systems that can be mounted on a vessel to facilitate ship-to-ship tandem loading and offloading operations.

Material Handling Systems. We provide material handling systems, including bulk conveying systems to the power generation industry. Our process and software engineering, mechanical design and project management expertise enable us to execute these projects on a turnkey basis.

Blending and Transfer Systems. We provide engineering, design and construction management services in connection with the application of blending technology, process controls and automation for manufacturers in the process industries.

Dependence on Key Customers

No single Energy Processing Systems customer accounts for more than 10% of the Company s annual consolidated revenue.

Competition

Energy Processing Systems currently has the first or second largest market share for its products and services. Some of the factors upon which we compete include technological innovation, reliability and product quality. Energy Processing Systems competes with a number of companies primarily in the gas and liquid custody transfer, high-pressure pumping services, and fluid loading and transfer systems industries. Companies such as Daniel Measurement and Loading, a division of Emerson Electric Company;

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Instromet, Inc., part of E.ON Ruhrgas AG; and Niigata Loading Systems Ltd. compete with us in the marketplace across our various product lines.

FoodTech

Principal Products and Services

FoodTech supplies food processing and handling systems and services to the food industry. We market our systems through our own technically oriented sales and marketing personnel and, in some cases, through independent distributors and sales representatives. We have customers and business operations throughout the world, and FoodTech s equipment is used in more than 100 countries. We capitalize on our markets by having our principal production facilities in the United States (Ohio, California and Florida), Belgium, Brazil, and Sweden. We design, manufacture and service technologically sophisticated food handling and processing systems used for, among other things, fruit juice production, frozen food production, shelf-stable food production and convenience food preparation. FoodTech revenue comprised approximately 19%, 23% and 24% of our total revenue in 2004, 2003 and 2002, respectively.

We supply citrus juice extractors and related citrus processing equipment for use in by-product systems and processing plants, and aseptic juice and pulp systems. Some of our equipment is provided under full-service leases for which we are paid fixed rates plus payments based on actual production volumes. We are developing new extraction technology to provide more value to customers and increase our competitive advantage in yield and efficiencies.

We design, assemble and sell a number of industry-leading freezing technologies including individual quick freezing, self-stacking spiral freezer and impingement freezing technologies. Our equipment is used for a variety of frozen food products, such as meat, seafood, poultry, bakery products, ready-to-serve meals, fruits, vegetables and dairy products.

We also manufacture and supply an array of equipment and services that enable us to provide integrated systems for a variety of convenience foods. Our products include coating and cooking systems; portioners, such as our water jet portioners; and continuous batter-breading, frying and oven-cooking equipment. In addition, we supply complete processing lines for the production of french fries and potato chips.

We are a global supplier of commercial sterilization systems used for the production of shelf-stable and pasteurized packaged foods including fruits, vegetables, soups, milk and a broad range of ready-to-serve meals. These systems may include a filler, a closer, a sterilizer and a control system. We also supply tomato processing equipment.

Seasonality

Due primarily to the seasonal nature of fruit production, FoodTech revenue is typically greater in the second and fourth quarters of each year.

Dependence on Key Customers

No single FoodTech customer accounts for more than 10% of the Company s annual consolidated revenue.

FoodTech is a major supplier of citrus processing equipment and services to large citrus processors. We have signed multiyear full-service lease contracts to supply these customers with our equipment and services. The loss of one or more of these customers could have a material adverse effect on our FoodTech business segment.

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Competition

FoodTech competes with a variety of local and regional companies typically focused on a specific application, technology or geographic area, and with a few large multinational companies. In each of our markets we have the first or second largest share. Some of the factors upon which we compete include technology, system integration, high product quality and reliability, safety and quality aftermarket services. Our ability to source from multiple locations around the world helps us to respond to the market conditions that affect the industries we serve, which we believe provides an advantage over local or regional companies. Our continuing presence with our installed base of products and systems and our aftermarket business enables us to tailor and apply our development efforts to fit our customers specific requirements.

The food industry is undergoing continuing consolidation as food processors are subject to growing pressure to increase efficiency and lower costs to maintain profitability. Major food processors are increasing their purchasing power through these consolidations with other food processors. As a result, they are seeking technologically sophisticated integrated systems and services, such as those we provide, to maximize the efficiency of their operations, while maintaining high standards of food safety.

Airport Systems

Principal Products and Services

Airport Systems is a global supplier of passenger boarding bridges, cargo loaders, and other ground support products and services. We design, manufacture and service technologically advanced equipment and systems primarily for commercial airlines, air freight companies, and airports. These products are sold and marketed through our own technically oriented sales force as well as through independent distributors and sales representatives. Our products are in operation in more than 70 countries around the world. Airport Systems revenue comprised approximately 10%, 9% and 12% of our total revenue in 2004, 2003 and 2002, respectively.

Our Jetway® passenger boarding bridges provide passengers access from the aircraft to the terminal. In addition to passenger boarding bridges, we supply an array of auxiliary boarding bridge equipment, including preconditioned air, potable water and power conversion systems.

We also supply cargo loaders to commercial airlines, air freight service providers, ground handlers, and the U.S. Air Force. Our loaders service wide-body jet aircraft and can be configured to lift up to 30 tons. We service the rapidly growing narrow-body aircraft market with the 2004 introduction of the RampSnake® automated baggage loader. Since 2000, we have been supplying the U.S. Air Force with a cargo loader designed specifically for military applications, commonly referred to today as the Halvorsen loader. U.S. government procurement funding authorization determines the amount ordered each year. We are actively pursuing the expansion of the market for Halvorsen loaders beyond the U.S. Air Force by marketing this unit to international customers.

We provide other ground support equipment, such as deicers and push-back tractors. We provide airport services which offer the customer centralized management for airport facility and ground support equipment maintenance. We also provide automated guided vehicles used in a variety of industries.

Dependence on Key Customers

No single Airport Systems customer accounts for more than 10% of the Company s annual consolidated revenue.

The U.S. Air Force and FedEx are two of our larger customers. While neither customer alone has ever accounted for more than 10% of our consolidated revenue on an annual basis, the loss of either as customers could have a material adverse effect on the Airport Systems business segment.

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Government Contracts

U.S. defense contracts are unilaterally terminable at the option of the U.S. government with compensation for work completed and costs incurred. Contracts with the U.S. government are subject to special laws and regulations, noncompliance with which could result in various sanctions.

Competition

Airport Systems competes with a variety of local and regional companies typically focused on a specific application, technology or geographic area, and with a few large multinational companies, including ThyssenKrupp Airport Systems, S.A., Téléflex Lionel-Dupont (TLD), and Stewart & Stevenson Services, Inc. Some of the factors upon which we compete include reliability, cost-effectiveness, product performance and quality. Airlines, airports and air freight companies continue to outsource an increasing amount of non-core services and search for suppliers like us who provide integrated systems and products that are supported by extensive service capabilities.

OTHER BUSINESS INFORMATION RELEVANT TO ALL OF OUR BUSINESS SEGMENTS

Order Backlog

Information about order backlog is incorporated herein by reference from the section entitled Inbound Orders and Order Backlog in Item 7 of this Form 10-K.

Sources and Availability of Raw Materials

All of our business segments purchase carbon steel, stainless steel, aluminum and steel castings and forgings both domestically and internationally. We do not use single source suppliers for the majority of our raw material purchases and believe the available supplies of raw materials are adequate to meet our needs.

Research and Development

We are engaged in research and development activities directed primarily toward the improvement of existing products and services, the design of specialized products to meet specific customer needs and the development of new products, processes and services. A large part of our product development spending in the past has focused on the standardization of our subsea and surface product lines. With standardized products, we can minimize engineering content, improve inventory utilization, and reduce cost through value engineering. Additional financial information about Company-sponsored research and development activities is incorporated herein by reference from Note 20 to our consolidated financial statements included in Item 8 of this Form 10-K.

We have not spent significant amounts on customer-sponsored research and development activities in the past three years.

Patents, Trademarks and Other Intellectual Property

We own a number of U.S. and foreign patents, trademarks and licenses that are cumulatively important to our businesses. As part of our ongoing research and development, we seek patents when appropriate for new products and product improvements. We have approximately 2,000 issued patents and pending patent applications worldwide. Further, we license intellectual property rights to or from third parties. We also own numerous U.S. and foreign trademarks and trade names and have approximately 800 registrations and pending applications in the United States and abroad. We do not believe that the loss of any one patent, trademark, or license or group of related patents, trademarks, or licenses would have a material adverse effect on our overall business.

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Employees

As of December 31, 2004, we had approximately 9,000 full-time employees; approximately 4,000 in the United States and 5,000 in non-U.S. locations. Only a small percentage of our U.S. employees are represented by labor unions. During 2005, we have a contract expiring with United Steel Workers of America in Ogden, Utah, representing approximately 135 employees in our Airport Systems business segment. Negotiations are expected to proceed in a timely and satisfactory manner and we believe relations with this organization, and our other labor organizations, are good.

Financial Information about Geographic Areas

The majority of our consolidated revenue is generated in markets outside of the United States. Energy Systems revenue is dependent upon worldwide oil and gas exploration and production activity. FoodTech serves a global market, with sales to customers in North America, Europe, Asia and Latin America. Financial information about geographic areas is incorporated herein by reference from Note 20 to our consolidated financial statements in Item 8 of this Form 10-K.

ITEM 2. PROPERTIES

We own executive offices in Houston, Texas and lease executive offices in Chicago, Illinois. We operate 31 manufacturing facilities in 16 countries.

We believe our properties and facilities meet present requirements and are in good operating condition and that each of our significant manufacturing facilities is operating at a level consistent with the requirements of the industry in which it operates.

The significant production properties for the Energy Production Systems operations currently are:

Location	**Square Feet (approximate)**	**Leased or Owned**
United States:		
Houston, Texas	390,000	Owned
International:		
Rio de Janeiro, Brazil	225,000	Owned
*Sens, France	185,000	Owned
Jakarta, Indonesia	44,000	Owned
Johor Darul Takzim, Malaysia	66,000	Leased
Arnhem, The Netherlands	14,000	Owned
*Kongsberg, Norway	568,000	Leased
Dunfermline, Scotland	152,000	Owned
*Singapore	97,000	Owned

Maracaibo, Venezuela	60,000	Owned

* These facilities are production properties for both Energy Production Systems and Energy Processing Systems.

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The significant production properties for the Energy Processing Systems operations currently are:

Location	Square Feet (approximate)	Leased or Owned
United States:		
Tupelo, Mississippi	330,000	Owned
Erie, Pennsylvania	350,000	Owned
Homer City, Pennsylvania	267,000	Owned
Corpus Christi, Texas	15,000	Owned
Stephenville, Texas	300,000	Owned
International:		
Ellerbek, Germany	200,000	Owned

The significant production properties for the FoodTech operations currently are:

Location	Square Feet (approximate)	Leased or Owned
United States:		
Madera, California	250,000	Owned
Lakeland, Florida	208,000	Owned
Northfield, Minnesota	50,000	Owned
Sandusky, Ohio	140,000	Owned
Newberg, Oregon	101,000	Leased
International:		
St. Niklaas, Belgium	539,000	Owned
Araraquara, Brazil	94,000	Owned
Collecchio, Italy	34,000	Leased
Parma, Italy	68,000	Owned
Helsingborg, Sweden	227,000	Owned/Leased

The significant production properties for the Airport Systems operations currently are:

Location	Square Feet (approximate)	Leased or Owned
United States:		
Orlando, Florida	253,000	Owned
Chalfont, Pennsylvania	67,000	Leased
Ogden, Utah	250,000	Owned/Leased
International:		
Madrid, Spain	258,000	Owned
Juarez, Mexico	33,000	Owned

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ITEM 3. LEGAL PROCEEDINGS

We are named defendants in a number of multi-defendant, multi-plaintiff tort lawsuits. Under the Separation and Distribution Agreement with FMC Corporation, which contains key provisions relating to our 2001 spin-off from FMC Corporation, FMC Corporation is required to indemnify us for certain claims made prior to the spin-off, as well as for other claims related to discontinued operations. We expect that FMC Corporation will bear responsibility for the majority of these claims. Certain claims have been asserted subsequent to the spin-off. While the ultimate responsibility for these claims cannot yet be determined due to lack of identification of the products or premises involved, we also expect that FMC Corporation will bear responsibility for a majority of these claims.

In February 2003, we initiated court action in the Judicial District Court in Harris County, Texas, against ABB Lummus Global, Inc. (ABB), seeking recovery of scheduled payments owed and compensatory, punitive and other damages. In October 2004, ABB filed a petition to remove the case to federal court. In February 2005, the United States District Court Southern District set the matter for trial beginning in the fourth quarter of 2005.

While the results of litigation cannot be predicted with certainty, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders during the fourth quarter of fiscal year 2004.

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Pursuant to General Instruction G(3), the information regarding our executive officers called for by Item 401(b) of Regulation S-K is hereby included in Part I of this Form 10-K.

Executive Officers of the Registrant

The executive officers of the Company, together with the offices in the Company currently held by them, their business experience and their ages as of February 28, 2005, are as follows:

Name	Age	Office, year of election and other information for past five years
Joseph H. Netherland	58	Chairman, President and Chief Executive Officer (2001); President of FMC Corporation (1999); Executive Vice President of FMC Corporation (1998)
William H. Schumann, III	54	Senior Vice President and Chief Financial Officer (2001); Treasurer (2002-2004); Senior Vice President and Chief Financial Officer of FMC Corporation (1999); Vice President, Corporate Development of FMC Corporation (1998)
Charles H. Cannon, Jr.	52	Senior Vice President (2004); Vice President and General Manager FoodTech and Airport Systems (2001); Vice President and General Manager of FMC Corporation FoodTech (1994) and Transportation Systems Group of FMC Corporation (1998)
Jeffrey W. Carr	48	Vice President, General Counsel and Secretary (2001); Associate General Counsel of FMC Corporation (1997)
Peter D. Kinnear	57	Executive Vice President (2004); Vice President (2001); Vice President of FMC Corporation (2000); General Manager, Petroleum Equipment and Systems Division of FMC Corporation (1994)
Ronald D. Mambu	55	Vice President and Controller (2001); Vice President and Controller of FMC Corporation (1995)
Michael W. Murray	58	Vice President, Human Resources (2001); Vice President, Human Resources of FMC Corporation (1995)
Robert L. Potter	54	Vice President (2001); Division President of Energy Transportation and Measurement Division of FMC Corporation (1995)

No family relationships exist among any of the above-listed officers, and there are no arrangements or understandings between any of the above-listed officers and any other person pursuant to which they serve as an officer. During the past five years, none of the above-listed officers have been involved in any legal proceedings as defined in Item 401(f) of Regulation S-K. All officers are elected to hold office until their successors are elected and qualified.

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PART II

ITEM 5. MARKET FOR REGISTRANT S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock is listed on the New York Stock Exchange under the symbol FTI. Market information with respect to our common stock is incorporated herein by reference from Note 21 to our consolidated financial statements in Item 8 of this Form 10-K.

As of February 28, 2005, there were 5,582 holders of record of the Company s common stock.

We have not declared or paid cash dividends in 2003 or 2004, and we do not currently have a plan to pay dividends in the future.

Information regarding securities authorized for issuance under our equity compensation plans is incorporated herein by reference from the section entitled Equity Compensation Plan Information appearing on page 19 of the Proxy Statement for the 2005 Annual Meeting of Stockholders.

We had no unregistered sales of equity securities during the fourth quarter of 2004. We regularly purchase and sell shares of common stock on behalf of the FMC Technologies, Inc. Non-Qualified Savings and Investment Plan. The shares are held in an employee benefit trust established for this purpose. In addition to the shares purchased, we sold 4,670 shares of registered common stock held in this trust during the fourth quarter of 2004. The following table summarizes repurchases of the Company s common stock during the fourth quarter of 2004.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased under the Plans or Programs
October 1, 2004 **October 31, 2004**	**4,220**	**$ 33.60**		
November 1, 2004 **November 30, 2004**	**4,600**	**$ 29.56**		
December 1, 2004	**7,310**	**$ 31.84**		

December 31, 2004				
Total	**16,130**	**$ 31.65**		

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ITEM 6. SELECTED FINANCIAL DATA

The following table sets forth selected financial data derived from our audited financial statements. Audited financial statements for the years ended December 31, 2004, 2003 and 2002 and as of the years ended December 31, 2004 and 2003 are included elsewhere in this report. Financial data relating to periods prior to our June 2001 separation from FMC Corporation represent combined financial information carved out from the consolidated financial statements of FMC Corporation using the historical results of operations and bases of assets and liabilities of the businesses transferred to FMC Technologies, Inc. Our historical combined financial information does not necessarily reflect what our financial position and results of operations would have been had we operated as a separate, stand-alone entity during the periods presented.

Effective January 1, 2004, we adopted the fair value recognition provisions of Statement of Financial Standards (SFAS) No.123, Accounting for Stock-Based Compensation, using the retroactive restatement method described in SFAS No. 148, Accounting for Stock-Based Compensation - Transition and Disclosure. The historical financial data presented here reflect the restated results.

($ In millions, except per share data)

Years ended December 31	2004	2003	2002	2001	2000
Revenue:					