

RAYTHEON CO/
Form 4
December 27, 2010

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
SCHOTTLAENDER COLIN

2. Issuer Name and Ticker or Trading Symbol
RAYTHEON CO/ [RTN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
870 WINTER STREET

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/22/2010

____ Director
 Officer (give title below)
____ 10% Owner
____ Other (specify below)
Vice President

WALTHAM, MA 02451

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

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

(City) (State) (Zip)

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	12/22/2010		M		8,500 (1) A \$ 31.815	69,606	D
Common Stock	12/22/2010		S		8,500 (1) D \$ 44.953 (2)	61,106	D
Common Stock	12/22/2010		M		3,194 (1) A \$ 29.685	64,300	D
Common Stock	12/22/2010		S		3,194 (1) D \$ 44.9456 (3)	61,106	D
Common Stock						3,553 (4)	I 401(k)

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 Security (Instr. 3 and 4)	8. Amount or Number of Shares
Performance Stock Option	\$ 31.815	12/22/2010		M	8,500	10/27/2006 ⁽⁵⁾ 01/24/2011	Common Stock	8,500
Employee Stock Option	\$ 29.685	12/22/2010		M	3,194	05/23/2003 ⁽⁶⁾ 05/23/2011	Common Stock	3,194

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHOTTLAENDER COLIN 870 WINTER STREET WALTHAM, MA 02451			Vice President	

Signatures

Dana Ng,
Attorney-in-fact 12/27/2010

**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) The stock option exercises and sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on November 22, 2010.

The reported price is based on a weighted average of multiple same-day transactions with prices ranging from \$44.90 to \$45.01 per share.

(2) Full information regarding the number of shares sold at each separate price is available to the Securities and Exchange Commission, the Issuer or any security holder of the Issuer upon request.

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- The reported price is based on a weighted average of multiple same-day transactions with prices ranging from \$44.9325 to \$44.97 per share. Full information regarding the number of shares sold at each separate price is available to the Securities and Exchange Commission, the Issuer or any security holder of the Issuer upon request.
- (3)

- The Reporting Person indirectly beneficially owns 3,553 shares of the Issuer's Common Stock based on funds in the Reporting Person's Savings and Investment Plan/Excess Savings Plan Account divided by \$45.60, the closing price of the Issuer's Common Stock on December 22, 2010.
- (4)

- The options became exercisable in three equal installments. The first installment became exercisable on February 28, 2002, upon the Issuer's Common Stock sustaining (for a period of twenty (20) consecutive trading days) a market price of at least \$36.59 per share; the second installment became exercisable on May 29, 2002 upon the Issuer's Common Stock sustaining a market price of at least \$42.08 per share; and the third installment became exercisable on October 27, 2006 upon the Issuer's Common Stock sustaining a market price of at least \$48.39 per share
- (5)

- (6) The options became exercisable in two annual installments beginning on May 23, 2002.

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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