

ESTERLINE TECHNOLOGIES CORP
Form SC 13D/A
July 07, 2015

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

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No. 3)***

Esterline Technologies Corporation

(Name of Issuer)

Common Stock, \$0.20 par value

(Title of Class of Securities)

297425100

(CUSIP Number)

Ralph V. Whitworth

Relational Investors, LLC

12400 High Bluff Drive, Suite 600

San Diego, CA 92130

(858) 704-3333

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

July 6, 2015

(Date of Event Which Requires Filing of this Statement)

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If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1. Names of Reporting Persons.

I.R.S. Identification Nos. of Above Persons (Entities Only)
 Relational Investors, LLC

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) x
 (b) o

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) o

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power
 1,464,658

Number of
 Shares
 Beneficially
 Owned by
 Each
 Reporting
 Person With

8. Shared Voting Power
 -0-

9. Sole Dispositive Power
 1,464,658

10. Shared Dispositive Power
 -0-

11. Aggregate Amount Beneficially Owned by Each Reporting Person
 1,464,658

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) o

13. Percent of Class Represented by Amount in Row (11)
 4.75%

14. Type of Reporting Person (See Instructions)
 IA/HC/OO

1. Names of Reporting Persons.

I.R.S. Identification Nos. of Above Persons (Entities Only)
 Relational Investors Mid-Cap Fund I, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) x
 (b) o

3. SEC Use Only

4. Source of Funds (See Instructions)

WC

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) o

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power
 430,073

Number of
 Shares
 Beneficially
 Owned by
 Each
 Reporting
 Person With

8. Shared Voting Power
 -0-

9. Sole Dispositive Power
 430,073

10. Shared Dispositive Power
 -0-

11. Aggregate Amount Beneficially Owned by Each Reporting Person
 430,073

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) o

13. Percent of Class Represented by Amount in Row (11)
 1.40%

14. Type of Reporting Person (See Instructions)
 PN

1. Names of Reporting Persons.

I.R.S. Identification Nos. of Above Persons (Entities Only)
 Relational Investors Mid-Cap Fund II, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) x
 (b) o

3. SEC Use Only

4. Source of Funds (See Instructions)

WC

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) o

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power
 434,066

8. Shared Voting Power
 -0-

9. Sole Dispositive Power
 434,066

10. Shared Dispositive Power
 -0-

Number of
 Shares
 Beneficially
 Owned by
 Each
 Reporting
 Person With

11. Aggregate Amount Beneficially Owned by Each Reporting Person
 434,066

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) o

13. Percent of Class Represented by Amount in Row (11)
 1.41%

14. Type of Reporting Person (See Instructions)
 PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
Relational Fund Partners, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC/OO
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | |
|---|-----|---------------------------------|
| | 7. | Sole Voting Power
3,024 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power
-0- |
| | 9. | Sole Dispositive Power
3,024 |
| | 10. | Shared Dispositive Power
-0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
3,024
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.01%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
Relational Coast Partners, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC/OO
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | |
|---|-----|----------------------------------|
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 7. | Sole Voting Power
28,516 |
| | 8. | Shared Voting Power
-0- |
| | 9. | Sole Dispositive Power
28,516 |
| | 10. | Shared Dispositive Power
-0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
28,516
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.09%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
Relational Investors IX, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|--------|
| | 7. | Sole Voting Power | 38,406 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | -0- |
| | 9. | Sole Dispositive Power | 38,406 |
| | 10. | Shared Dispositive Power | -0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
38,406
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.12%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
Relational Investors XV, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|--------|
| | 7. | Sole Voting Power | 30,776 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | -0- |
| | 9. | Sole Dispositive Power | 30,776 |
| | 10. | Shared Dispositive Power | -0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
30,776
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.10%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
Relational Investors XVI, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|----|-----|----------------------------------|
| | 7. | | Sole Voting Power
16,171 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | | 8. | Shared Voting Power
-0- |
| | | 9. | Sole Dispositive Power
16,171 |
| | | 10. | Shared Dispositive Power
-0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
16,171
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.05%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
Relational Investors XX, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC/OO
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|--------|
| | 7. | Sole Voting Power | 28,164 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | -0- |
| | 9. | Sole Dispositive Power | 28,164 |
| | 10. | Shared Dispositive Power | -0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
28,164
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.09%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
Relational Investors XXIII, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC/OO
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|--------|
| | 7. | Sole Voting Power | 39,551 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | -0- |
| | 9. | Sole Dispositive Power | 39,551 |
| | 10. | Shared Dispositive Power | -0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
39,551
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.13%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
Relational Investors XXIV, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|-------|
| | 7. | Sole Voting Power | 4,229 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | -0- |
| | 9. | Sole Dispositive Power | 4,229 |
| | 10. | Shared Dispositive Power | -0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
4,229
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.01%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
RH Fund 1, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC/OO
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|--------|
| | 7. | Sole Voting Power | 26,750 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | -0- |
| | 9. | Sole Dispositive Power | 26,750 |
| | 10. | Shared Dispositive Power | -0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
26,750
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
0.09%
 14. Type of Reporting Person (See Instructions)
PN

1. Names of Reporting Persons.

I.R.S. Identification Nos. of Above Persons (Entities Only)
Ralph V. Whitworth
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
NA
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
United States
- | | | |
|---|-----|---------------------------------------|
| | 7. | Sole Voting Power
-0- |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power
1,464,658 |
| | 9. | Sole Dispositive Power
-0- |
| | 10. | Shared Dispositive Power
1,464,658 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,464,658
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
4.75%
 14. Type of Reporting Person (See Instructions)
IN

1. Names of Reporting Persons.

I.R.S. Identification Nos. of Above Persons (Entities Only)
 David H. Batchelder

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) x
 (b) o

3. SEC Use Only

4. Source of Funds (See Instructions)

NA

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) o

6. Citizenship or Place of Organization

United States

7. Sole Voting Power
 -0-

Number of
 Shares
 Beneficially
 Owned by
 Each
 Reporting
 Person With

8. Shared Voting Power
 1,464,658

9. Sole Dispositive Power
 -0-

10. Shared Dispositive Power
 1,464,658

11. Aggregate Amount Beneficially Owned by Each Reporting Person
 1,464,658

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) o

13. Percent of Class Represented by Amount in Row (11)
 4.75%

14. Type of Reporting Person (See Instructions)
 IN

Item 1.

Security and Issuer

This Schedule 13D/A constitutes the third amendment to the Schedule 13D originally filed by the Reporting Persons with the Securities and Exchange Commission (the **SEC**) on May 24, 2012 and amended by Amendment No. 1 and No. 2 filed by the Reporting Persons with the SEC on December 19, 2012 and March 13, 2015 (the **Statement**) with respect to the common stock, \$0.20 par value (the **Shares**), of Esterline Technologies Corporation (the **Issuer** or the **Company**). Except as specifically amended by this Schedule 13D/A, the Statement remains in full force and effect.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 is hereby amended and restated as follows:

The Reporting Persons purchased an aggregate of 1,464,658 Shares for a total consideration (including brokerage commissions) of \$109.8 million derived from their working capital.

Item 4. **Purpose of Transaction**

Item 4 is hereby amended and supplemented as follows:

On July 6, 2015, the Issuer entered into a stock repurchase agreement (the "Stock Repurchase Agreement") with Relational Investors LLC and certain of its affiliates (collectively, "Relational") pursuant to which the Issuer agreed to purchase 688,885 Shares from Relational at a price of \$92.6475 per share, for a total purchase price of approximately \$63,823,473. The purchase of the shares was completed on July 7, 2015.

Pursuant to the Stock Repurchase Agreement, the Issuer has agreed to repurchase the shares of common stock at a 2.5% discount to the volume weighted average price of the Issuer's common stock on the five consecutive trading days ending and including July 6, 2015, the date the agreement was entered into. Pursuant to the Stock Repurchase Agreement, Relational has agreed to certain restrictions on additional sales of Shares, including that Relational will not sell or otherwise dispose of 3% or more shares of outstanding Shares to any entity that is required, or would by virtue of such sale become required, to file a Schedule 13D with the Securities and Exchange Commission with respect to the Issuer's securities, until the first anniversary of the agreement, subject to certain exceptions.

The foregoing description of the Stock Repurchase Agreement is not complete and is subject to, and qualified in its entirety by the full text of the Stock Repurchase Agreement, which is attached as an Exhibit and incorporated herein by reference.

Item 5.**Interest in Securities of the Issuer**

Item 5 is hereby amended and restated as follows:

(a) As of the date of this Statement, the Reporting Persons beneficially own in the aggregate 1,464,658 Shares, constituting approximately 4.75% of the outstanding Shares. The percentage of Shares owned is based upon 30,809,348 Shares reported to be outstanding on June 2, 2015, as set forth in the Issuer's Quarterly Report on Form 10-Q for the quarter ended May 1, 2015. The Reporting Persons may be deemed to have direct beneficial ownership of the Shares as follows:

NAME	NUMBER OF SHARES	% OF OUTSTANDING SHARES	VOTING AND DISPOSITIVE POWER
RILLC	384,932	1.25%	Sole
MC I	430,073	1.40%	Sole
MC II	434,066	1.41%	Sole
RFP	3,024	0.01%	Sole
RCP	28,516	0.09%	Sole
RI IX	38,406	0.12%	Sole
RI XV	30,776	0.10%	Sole
RI XVI	16,171	0.05%	Sole
RI XX	28,164	0.09%	Sole
RI XXIII	39,551	0.13%	Sole
RI XXIV	4,229	0.01%	Sole
RH 1	26,750	0.09%	Sole

RILLC, individually and in its capacity as an investment adviser, may be deemed to possess direct beneficial ownership of the 384,932 Shares that are owned by it and the Managed Accounts. Additionally, RILLC, as the sole general partner, of each of Relational LPs may be deemed to beneficially own (as that term is defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended) the 1,079,726 Shares beneficially owned by the Relational LPs because the limited partnership agreements of the Relational LPs specify that RILLC has sole investment discretion and voting authority with respect to those Shares.

Each of Messrs. Whitworth and Batchelder, as Principals of RILLC, may be deemed to share indirect beneficial ownership of the Shares which RILLC may beneficially own. Each of Messrs. Whitworth and Batchelder disclaims beneficial ownership of such Shares except to the extent of his pecuniary interest therein.

To the best of the knowledge of each of the Reporting Persons, other than as set forth above, none of the persons named in Item 2 is the beneficial owner of any Shares.

- (b) See item (a) above.
- (c) Except as set forth in Exhibit A to this Statement, none of the Reporting Persons has effected any transactions in the Shares during the past sixty days not previously reported.
- (d) No other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Shares covered by this Statement, except that dividends from, and proceeds from the sale of, the Shares held by accounts managed by RILLC may be delivered to such accounts.
- (e) The Reporting Persons ceased to be beneficial owners of more than 5 percent of Shares on July 6, 2015.

Item 7. Material to be Filed as Exhibits

Item 7 is hereby supplemented as follows:

Exhibit A - Information concerning transactions in the Shares effected by the Reporting Persons in the last 60 days not previously reported.

Exhibit D Stock Repurchase Agreement among Issuer, Relational and certain affiliates of Relational, dated as of July 6, 2015.

(incorporated by reference to Exhibit 99.1 to Issuer's Current Report on Form 8-K dated July 7, 2015)

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: July 7, 2015

RELATIONAL INVESTORS MID-CAP FUND I, L.P.
RELATIONAL INVESTORS MID-CAP FUND II, L.P.
RELATIONAL FUND PARTNERS, L.P.
RELATIONAL COAST PARTNERS, L.P.
RELATIONAL INVESTORS IX, L.P.
RELATIONAL INVESTORS XV, L.P.
RELATIONAL INVESTORS XVI, L.P.
RELATIONAL INVESTORS XX, L.P.
RELATIONAL INVESTORS XXIII, L.P.
RELATIONAL INVESTORS XXIV, L.P.
RH FUND 1, L.P.

By: RELATIONAL INVESTORS, LLC
as general partner to each,

By: */s/ Ralph V. Whitworth*
Ralph V. Whitworth, Principal

RELATIONAL INVESTORS, LLC

By: */s/ Ralph V. Whitworth*
Ralph V. Whitworth, Principal

/s/ Ralph V. Whitworth
Ralph V. Whitworth

/s/ David H. Batchelder
David H. Batchelder