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October 22, 2008

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

File Reference: File Number 4-567, 21st Century Disclosure Initiative

Dear Ms. Morris,

United Technologies Corporation (UTC) welcomes the opportunity to share its views on the Securities and Exchange Commission's (the SEC or the Commission) proposed 21st Century Disclosure initiative. We appreciate the opportunity to reconsider all aspects of the reporting and filing of required financial and other information with the Commission in order to make best use of interactive data. This will greatly enhance the usefulness of disclosure to filers, investors, regulators and other users.

UTC is a \$60 billion global provider of high technology products and services to the building systems and aerospace industries, operating in 186 countries around the world. We have been actively involved with the SEC's Interactive Data efforts through the XBRL voluntary filing program for over three years. During this time, we have been a member of the XBRL US Board of Directors; the Domain Steering Committee and Voluntary Filers Working Group efforts led by XBRL US, and the Assurance Task Force Committee of the AICPA. UTC has participated in the SEC's roundtables on interactive data, and is interested in participating in further projects related to the 21st Century reporting initiative. Moreover, we have submitted 17 furnishings through the Voluntary Filing Program, including the first complete Form 10-Q, and have already voluntarily subjected some of our XBRL filings to attestation in an effort to understand the potential implications. It is with this background and perspective that UTC offers our comments and observations on the SEC's proposal to modernize the disclosure system.

We support the goals of the 21st Century Disclosure Initiative, namely a transition to a disclosure system that is accessible and easier to use, dynamic and organized around core company information. While we support the Commission's phased approach to the 21st Century Disclosure Initiative, we would not want a focus on this initiative to impede the Commission's progress on the reforms being considered arising from the current turmoil in the credit markets. Moreover, we want to be clear that UTC believes that the transition to a modernized disclosure system should not be a method for increasing the frequency of required filings, the quantity of data required to be filed, or a reduction in the regulatory time frame for filing.

We agree with the SEC that the IDEA database is an effective means to reach its goals. There are many benefits associated with a change to the current disclosure system, including:

- Improved access to data, eliminating hours spent searching and extracting from multiple forms
- Enhanced accuracy and comparability of data across companies through XBRL tagging
- Reduced manual effort by filers through the full integration of technology into the reporting process.

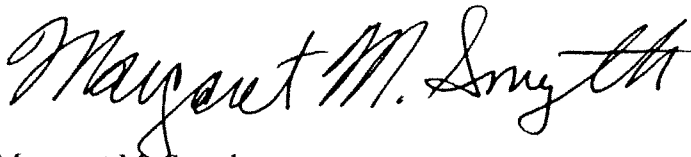
Allowing filers to voluntarily furnish additional information, for example through XBRL tagged earnings releases or press releases, will help establish IDEA as a database of financial information, rather than a database purely of documents.

There are, however, several areas of concern or issues raised by the proposal, including:

- Ensuring adequate security over the information contained in the IDEA database to prevent unauthorized changes being made
- Developing a hierarchy of assurance (audited, reviewed, etc.) to clearly identify to the user whether data points in IDEA are covered by an auditor's attestation or not
- Ensuring a clear distinction between information furnished and filed, and the related issues of company liability
- Creating a transparent process over restating data, clearly indicating how users will be able to identify restated amounts
- Ensuring that any revised disclosure system can seamlessly accommodate changes required for the eventual transition to IFRS.

The attached document contains UTC's comments and observations to the specific questions raised by the Commission; we would be pleased to meet with you to discuss any of the comments we have provided.

Very truly yours,

A handwritten signature in black ink, reading "Margaret M. Smyth". The signature is written in a cursive, flowing style.

Margaret M. Smyth
Vice President, Controller

I. General Issues

a. Should the Commission make changes to its current forms-based disclosure system? Please explain why or why not.

Yes. The current disclosure system is document driven, which does not provide for easy searching across multiple time periods, filing documents or between similar entities. Advances in technology over the last two decades provide an opportunity for the Commission to improve the availability and usability of financial information to those who need it, while lowering the administrative burden on company filers.

b. What are the key issues to be considered in the review of the Commission's disclosure system? Are particular aspects of the system and process especially useful and well executed, and are particular aspects especially in need of improvement?

The EDGAR system has amassed a tremendous volume of data. However, the form and structure of EDGAR does not facilitate easy navigation, search, or reporting. In addition, EDGAR data does not reflect all of the information that an investor, analyst or other interested party may require about a given company. As a result, further searches through other data sources are necessary. A revised disclosure system that enables the electronic filing of other documents and files, beyond those mandated by regulatory disclosure requirements, would transform IDEA into a repository for a comprehensive set of financial and related information. Examples of additional data sets that could be included within IDEA are proxy data, earnings releases, earnings release call presentations and the related transcripts, and analyst reports.

While we advocate an open database structure for IDEA to provide the widest possible access to data, the Commission must give careful consideration to the security surrounding all aspects of the revised disclosure system and IDEA, including authentication at the time of data submission, and protection from unauthorized amendment.

Other considerations include:

- Identifying level of Auditor attestation (i.e. audited versus reviewed versus unaudited data)
- Ensuring a clear distinction between information furnished and information filed, and the related company liability
- Developing a process for the treatment and presentation of restated financial data, clearly indicating that such amounts have been restated from previously submitted data
- Structuring IDEA to be flexible enough to seamlessly accommodate an eventual transition to IFRS

c. What are the purposes of issuer disclosure from the perspective of investors, filers, and regulators?

From the filer's perspective, disclosure provides a means of transparent and timely communication with our investors of the financial position of UTC and its subsidiaries as of a certain date, and the results of our operations and cash flows for certain time periods. Not only does disclosure provide investors with important data about UTC's financial and operating performance results, but it also satisfies SEC regulatory requirements.

II. Specific Issues

a. The Market's Use of Disclosure Information

i. How do operating and investment companies collect, summarize, analyze, file, and disseminate the information that is submitted to the Commission?

The current financial reporting process UTC uses to file its quarterly form 10-Q includes the gathering of underlying financial information from locations worldwide, consolidation at a business level, then overall consolidation of UTC's results at a corporate level. Needed information is then manually extracted from the consolidation system using reports or retrieves and entered into a Word document that will become the 10-Q. Other information required for the 10-Q that is not contained within the consolidation system is received through various supplemental files that are emailed to the corporate headquarters. This information is manually extracted and entered into the Word document. As data is manually adjusted, there is an ongoing validation required that is constantly checking that the information conforms to certain rules and reconciles with its source. As the 10-Q approaches completion in Word, it is disseminated to all the involved parties for review, commentary and approval. Changes from this review group are manually entered into the Word document and again proofed back to the source documents. When complete, the Word document is provided to the filing agent for conversion to HTML, after which a full proof to the underlying Word document is made before the 10-Q is filed in EDGAR.

ii. How do operating and investment companies submit disclosure and reporting information to the Commission? How have these methods changed during the last 15 years, particularly after filing via EDGAR was fully implemented? How could the Commission's system be changed to reduce burdens and create efficiencies, consistent with investor protection?

The entire process described in section II.a.i above takes UTC approximately 850 hours. As data is extracted from our financial reporting system and is managed between multiple documents, nearly 20% of those hours are spent on the non-value added activities of proofing, reading, checking and footing. Additionally, it is this manual aspect of the process that has the greatest potential for errors.

Considerations for the Commission during the design of a modernized disclosure system may include:

- The requirement for any initial certification of the data contained in the company file system by the filer and its external audit firm;
- The process by which a filer may be required to provide subsequent certifications or confirmations of the validity and accuracy of the core data maintained in IDEA;
- How to clearly distinguish between data that has been filed and data that has been furnished;
- Requiring detailed tagging of footnotes, rather than block tagging;
- Ensuring that detailed taxonomies continue to be available, with sufficient granularity to provide meaningful information to end users, and flexible enough to accommodate any changes required for the transition to IFRS reporting;
- The process for restating data, and how to identify restated amounts;
- Developing a hierarchy of assurance to enable users of IDEA to clearly identify the level of assurance over each data element. Including a separate dimension for each data point could indicate the assurance status of that data point: Audit, Review, Restated, Informational or None, depending upon the source. The reporting mechanism should default to the highest level of assurance provided on the data element. A user searching for Net Income, for example, should see the same dollar amount whether derived from a press release or the 10-Q. IDEA should present the 10-Q information as the default, however, as the 10-Q has a higher level of assurance than the press release. While the inclusion of an assurance status tag requires an enhancement to the common taxonomy, the benefit to users of the data will be significant.

In respect of non-required data only (e.g. earnings releases or webcasts), the design of the IDEA framework should also address questions relating to the retention period for data within the active database. The Commission should develop an archiving policy for each type of data or attachment collected, and then implement this policy through archiving within IDEA.

viii. Are any changes to the Commission’s disclosure regulations required for a transition to a company file system? How could these changes be identified?

The transition to a modernized disclosure system should not be a method for increasing the frequency of required filings, the quantity of data required to be filed, or for a reduction in the regulatory time frame for filing.

The Commission will surely consult with the appropriate legal counsel to determine if the recommendations we and others have proposed would require changes to Regulations S-X or S-K and need Congressional approval.