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

FORM 8-K/A

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

Date of Report (Date of earliest event reported) November 20, 1998

NEWELL CO.

(Exact Name of Registrant as Specified in Charter)

Delaware	1-9608	36-3514169
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	IRS Employer Identification No.)

29 East Stephenson Street, Freeport, Illinois 61032

Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (815) 235-4171

This Amendment is being filed to amend Item 7(a) of Newell Co.'s Current Report on Form 8-K, dated November 20, 1998 (the "Form 8-K"), to include therein the audited financial statements of Rubbermaid Incorporated for the fiscal year ended December 31, 1997. Item 7(b) (Pro Forma Financial Information) of the Form 8-K is not being amended.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(a) Financial Statements of Businesses Acquired.

The following unaudited financial statements of Rubbermaid have previously been filed with the Commission as part of Rubbermaid's Quarterly Report on Form 10-Q for the quarter ended October 2, 1998 and are incorporated herein by reference:

- Condensed Consolidated Balance Sheets as of October 2, 1998 and December 31, 1997.
- Condensed Consolidated Statements of Earnings for the Nine Months Ended October 2, 1998 and September 30, 1997.
- Condensed Consolidated Statements of Cash Flows for the Nine Months Ended October 2, 1998 and September 30, 1997.
- Notes to Condensed Consolidated Financial Statements.

The following audited financial statements of Rubbermaid for the fiscal year ended December 31, 1997 are filed herewith:

(c) Exhibits.

23.1 Consent of KPMG Peat Marwick LLP.

INDEPENDENT AUDITORS' REPORT

SHAREHOLDERS AND BOARD OF DIRECTORS
RUBBERMAID INCORPORATED:

We have audited the accompanying consolidated balance sheets of Rubbermaid Incorporated and subsidiaries as of December 31, 1997 and 1996, and the related consolidated statements of earnings, cash flows, and shareholders' equity for each of the years in the three-year period ended December 31, 1997. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Rubbermaid Incorporated and subsidiaries as of December 31, 1997 and 1996, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1997, in conformity with generally accepted accounting principles.

/s/ KPMG PEAT MARWICK LLP

KPMG Peat Marwick LLP
Cleveland, Ohio
January 30, 1998

CONSOLIDATED STATEMENT OF EARNINGS

(Dollars in thousands except per share amounts)

Years Ended December 31	1997	1996	1995
Net sales	$ 2,399,701	$ 2,354,989	$ 2,344,170
Cost of sales	1,748,424	1,649,520	1,673,232
Selling, general, and administrative expenses	416,641	432,063	402,586
Realignment costs	16,000	--	158,000
Other charges (credits), net:			
Interest expense	37,944	26,281	13,682
Interest income	(2,182)	(1,933)	(3,422)
Miscellaneous	(51,032)	4,046	4,457
	(15,270)	28,394	14,717
Earnings before income taxes	233,906	245,012	95,635
Income taxes	91,370	92,614	35,863
NET EARNINGS	$ 142,536	$ 152,398	$ 59,772
BASIC AND DILUTED NET EARNINGS PER COMMON SHARE	$ .95	$ 1.01	$ .38

See accompanying notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEET

(Dollars in thousands except per share amounts)

At December 31	1997	1996
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 114,024	$ 27,599
Receivables, less allowance for doubtful accounts of $8,882 in 1997 and $10,900 in 1996	421,911	496,601
Inventories	250,597	276,811
Other current assets	29,672	55,709
TOTAL CURRENT ASSETS	816,204	856,720
Property, plant, and equipment, net	707,974	721,914
Intangible and other assets, net	399,716	475,346
TOTAL ASSETS	$ 1,923,894	$ 2,053,980
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Notes payable	$ 223,744	$ 399,865
Long-term debt, current	281	3,287
Payables	160,820	154,518
Accrued liabilities	182,239	185,151
TOTAL CURRENT LIABILITIES	567,084	742,821
Other deferred liabilities	153,385	142,992
Long-term debt, non-current	153,163	154,467
SHAREHOLDERS' EQUITY:		
Preferred stock, without par value. Authorized 20,000,000 shares; none issued	--	--
Common Shares of $1 par value. Authorized 400,000,000 shares; issued 162,677,082 shares in 1997 and 1996	162,677	162,677
Paid-in capital	68,819	70,829
Retained earnings	1,216,166	1,165,052
Foreign currency translation adjustment	(36,682)	(25,359)
Treasury shares, at cost (12,975,131 shares in 1997 and 12,924,764 shares in 1996)	(360,718)	(359,499)
TOTAL SHAREHOLDERS' EQUITY	1,050,262	1,013,700
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 1,923,894	$ 2,053,980

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(Dollars in thousands)
( ) Denotes decrease in cash and cash equivalents

Years Ended December 31	1997	1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net earnings	$ 142,536	$ 152,398	$ 59,772
Adjustments to reconcile net earnings to net cash from operating activities:			
Gain on sale of business	(134,447)	--	--
Asset impairment charges	81,000	--	--
Depreciation and amortization	118,133	109,082	104,158
Non-cash realignment costs	16,000	--	129,000
Employee benefits	15,982	8,762	11,992
Deferred income taxes	9,793	49,046	(22,388)
Other	(2,577)	4,411	2,110
Changes in:			
Receivables	43,575	9,078	(27,506)
Inventories	(2,845)	(1,980)	4,052
Other assets	(24,867)	(17,723)	(39,265)
Payables	13,725	10,345	(5,771)
Accrued liabilities	(17,941)	(8,178)	13,867
NET CASH FROM OPERATING ACTIVITIES	258,067	315,241	230,021
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(145,847)	(171,764)	(151,528)
Acquisition of businesses, net of cash	--	(318,047)	(43,996)
Proceeds from sale of business	246,500	--	--
Purchase of marketable securities	--	--	(100,000)
Proceeds from sale of marketable securities	--	--	159,049
Other, net	1,839	(6,246)	(8,867)
NET CASH FROM INVESTING ACTIVITIES	102,492	(496,057)	(145,342)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net change in notes payable	(176,121)	283,326	95,562
Proceeds from long-term debt	--	150,000	--
Repayment of long-term debt	(3,035)	(4,382)	(6,999)
Cash dividends paid	(91,422)	(86,016)	(81,731)
Common Shares repurchased	(2,575)	(185,482)	(134,190)
Other, net	(981)	--	1,399
NET CASH FROM FINANCING ACTIVITIES	(274,134)	157,446	(125,959)
NET CHANGE IN CASH AND CASH EQUIVALENTS	86,425	(23,370)	(41,280)
Cash and cash equivalents at beginning of year	27,599	50,969	92,249
Cash and cash equivalents at end of year	$ 114,024	$ 27,599	$ 50,969
SUPPLEMENTAL CASH FLOW INFORMATION:			
Income taxes paid	$ 36,002	$ 48,762	$ 94,683
Interest paid	$ 33,407	$ 17,720	$ 12,971

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

(Dollars in thousands except per share amounts)

	Common Shares	Paid-in Capital	Retained Earnings	Foreign Currency Translation Adjustment	Treasury Shares	Total Shareholders' Equity
TRANSACTIONS FOR 1995:						
Opening balance	$ 162,677	$ 69,795	$ 1,120,629	$ (16,583)	$ (50,692)	$ 1,285,826
Net earnings	--	--	59,772	--	--	59,772
Cash dividends, $.52 per share	--	--	(81,731)	--	--	(81,731)
Employee stock plans	--	726	--	--	4,244	4,970
Common Shares repurchased	--	--	--	--	(134,190)	(134,190)
Shares issued for an acquisition	--	304	--	--	2,259	2,563
Foreign currency translation adjustment	--	--	--	(1,837)	--	(1,837)
Balance at December 31, 1995	162,677	70,825	1,098,670	(18,420)	(178,379)	1,135,373
TRANSACTIONS FOR 1996:						
Net earnings	--	--	152,398	--	--	152,398
Cash dividends, $.57 per share	--	--	(86,016)	--	--	(86,016)
Employee stock plans	--	4	--	--	4,362	4,366
Common Shares repurchased	--	--	--	--	(185,482)	(185,482)
Foreign currency translation adjustment	--	--	--	(6,939)	--	(6,939)
Balance at December 31, 1996	162,677	70,829	1,165,052	(25,359)	(359,499)	1,013,700
TRANSACTIONS FOR 1997:						
Net earnings	--	--	142,536	--	--	142,536
Cash dividends, $.61 per share	--	--	(91,422)	--	--	(91,422)
Employee stock plans	--	(2,010)	--	--	1,356	(654)
Common Shares repurchased	--	--	--	--	(2,575)	(2,575)
Foreign currency translation adjustment	--	--	--	(11,323)	--	(11,323)
BALANCE AT DECEMBER 31, 1997	$ 162,677	$ 68,819	$ 1,216,166	$ (36,682)	$ (360,718)	$ 1,050,262

See accompanying notes to consolidated financial statements.

(Dollars in thousands except per share amounts)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Rubbermaid Incorporated and its subsidiaries manufacture, market, sell, and distribute primarily plastic products in three major categories: home products, juvenile products, and commercial products. The Company's products are distributed primarily through its own sales personnel and manufacturers' agents to a variety of retailers and wholesalers, including mass merchandisers, toy stores, home centers, hardware stores, catalog showrooms, and distributors serving institutional markets. The Company's raw materials are readily available, and the Company is not dependent on a single supplier or only a few suppliers.

Principles of Consolidation

The consolidated financial statements include the accounts of Rubbermaid Incorporated and its subsidiary companies, all of which are wholly owned except for 51.0% owned Rubbermaid Japan Inc. and 89.6% owned Dom-Plast S.A. All significant intercompany profits, transactions, and balances have been eliminated in consolidation.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined using the last-in, first-out (LIFO) method for 78.2% and 78.4% of inventories in 1997 and 1996, respectively. Cost of the remaining inventories is determined using the first-in, first-out (FIFO) method.

Long-Lived Assets

Property, plant, and equipment, net, is stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed on the straight-line method over the following estimated useful lives:

Land improvements	5 to 45 years
Buildings and fixtures	5 to 45 years
Machinery and equipment	2 to 15 years

The excess of cost over fair value of net assets of businesses acquired at December 31, 1997 and 1996 of $303,618 and $380,524, respectively, net of accumulated amortization of $13,589 and $28,385, respectively, is amortized on a straight-line basis over periods ranging from 20 to 40 years.

The Company utilizes the undiscounted cash flow method to determine impairment in the carrying value of its long-lived assets. Measurement of an impairment loss is determined by reducing the carrying value of assets to fair value. Assets to be disposed of by sale or abandonment, as part of a plan committed to and approved by management, are recorded at the lower of carrying value or fair value less cost to sell. During 1997, the Company recorded a pretax asset impairment charge of $81,000, or $59,797 after-tax, or $.40 per Common Share.

Stock-Based Compensation Plans

The Company applies Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25), and related Interpretations in accounting for its stock-based compensation. The Financial Accounting Standards Board issued Statement No. 123, "Accounting for Stock-Based Compensation" (FAS 123), which was effective in 1996. FAS 123 provides the option either to continue the Company's current method of accounting for stock-based compensation or to adopt the fair value method of accounting. The Company elected to continue accounting for stock-based compensation using APB 25.

Financial Instruments

Investments with maturities of three months or less at date of purchase are considered cash equivalents. The fair value of financial instruments, consisting of investments in cash, cash equivalents, receivables, obligations under accounts payable, and debt instruments, is based on interest rates available to the Company and comparisons to quoted prices. At December 31, 1997 and 1996, the fair value of these financial instruments approximates carrying value.

Derivative financial instruments are utilized by the Company to manage foreign exchange and interest rate risks. The Company does not use derivative financial instruments for trading.

A limited number of foreign exchange instruments are used by the Company to hedge firm and anticipated commitments and net investments in foreign subsidiaries. Instruments have included forward contracts, currency swaps, foreign currency loans, and foreign currency options, all in the same currency as the hedged commitment and net investment. In accordance with Financial Accounting Standards Board Statement No. 52, "Foreign Currency Translation" (FAS 52), before hedge accounting is applied, derivative financial instruments are designated and considered effective as hedges. When hedging commitments, gains and losses on financial instruments are deferred and recognized in income in the same period as the hedged transaction. When hedging net investments in foreign subsidiaries, gains and losses on financial instruments are included in the foreign currency translation adjustment. The fair value of these foreign currency instruments is estimated using current market prices provided by an outside quotation service. Should the Company terminate the foreign exchange instrument or the underlying hedged transaction, the Company would follow the applicable principles of FAS 52. The net unrealized gains or losses from hedging anticipated transactions were not material at December 31, 1997 and 1996.

The Company also uses floating-to-fixed interest rate swap agreements on a portion of its floating interest rate debt. Before hedge accounting is utilized, the swap agreement is designated to a specific debt instrument or commercial paper facility and the terms are closely related to the terms of the debt instrument or commercial paper facility. After designation, interest is recorded on the notional portion of debt covered by the agreements at the revised interest rate. Gains or losses on interest rate swap agreements terminated are deferred and recognized as a component of interest expense over the shorter of the term of the underlying debt obligation or the term of the terminated swap agreement. If the underlying debt obligation is retired, the Company would mark the swap agreement to market and recognize the related gain or loss. At December 31, 1997 and 1996, the carrying value of interest rate swaps approximates fair value.

Basic and Diluted Net Earnings Per Common Share
Basic and diluted net earnings per Common Share are based on the weighted average number of Common Shares outstanding during each year. Average shares used in the calculations were 149,849,551, 151,003,599, and 158,765,812 in 1997, 1996, and 1995, respectively. For the periods presented, the dilutive effect of stock options is not significant.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management 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 and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

2. REALIGNMENT COSTS
During the fourth quarter of 1995, the Company's management approved a two-year strategic realignment program designed to reduce costs, improve operating efficiencies, and accelerate growth. During the second quarter of 1997, the Company revised the estimate of the costs to complete the program and included an additional $16,000 non-cash charge, or $9,920 after-tax, or $.07 per Common Share, in the 1997 Consolidated Statement of Earnings.

Subsequent to year end, the Company announced that the Board of Directors authorized the finalization of a major restructuring plan, designed to expand the Company's global market leadership and accelerate quality growth. Major initiatives will include the centralization of global procurement, and the consolidation of manufacturing and distribution worldwide. The Company expects that the restructuring actions could reach a pretax charge of at least $200,000. The charge will include cash outlays for severance, removal of equipment, and other activities that will be incurred over the next two years. Other charges related to consolidation or relocation of facilities will be recorded primarily in 1998.

(Dollars in thousands except per share amounts)

3. BUSINESS DEVELOPMENT

Acquisitions

During November 1997, the Company agreed to acquire Curver Consumer Products, the European market leader in plastic consumer goods, from DSM N.V. The acquisition includes all Curver facilities, brands, and other assets and liabilities, in a total transaction valued at approximately $140,000. Subsequent to year end, the Company completed the transaction, which was funded by debt and cash.

During 1996, the Company acquired Graco Children's Products Inc. (Graco), a leading manufacturer of strollers and other children's products, for $318,047, net of cash. The excess of the purchase price over the fair value of the net identifiable assets acquired of $242,589 is being amortized over 40 years. The Graco acquisition was accounted for as a purchase and was funded with a combination of debt and cash.

Divestiture

During June 1997, the Company sold its Office Products business to Newell Co. in a cash transaction. The transaction included the sale of the worldwide manufacturing and distribution facilities, related equipment, and inventory for $246,500, resulting in a one-time, pretax gain of $134,447, or $79,447 after-tax, or $.53 per share.

4. INVENTORIES

A summary of inventories follows:

	1997	1996
FIFO cost:		
Raw materials	$ 65,411	$ 83,250
Work-in-process	8,571	11,494
Finished goods	201,900	213,000
	275,882	307,744
Excess of FIFO over LIFO cost	(25,285)	(30,933)
	$ 250,597	$ 276,811

(Dollars in thousands except per share amounts)

5. PROPERTY, PLANT, AND EQUIPMENT, NET

The components of property, plant, and equipment, net, are summarized below:

	1997	1996
Land and land improvements	$ 29,750	$ 33,724
Buildings and fixtures	300,489	320,527
Machinery and equipment	920,586	877,148
	1,250,825	1,231,399
Accumulated depreciation	(648,377)	(614,220)
	602,448	617,179
Additions in progress	105,526	104,735
	$ 707,974	$ 721,914

6. NOTES PAYABLE AND LONG-TERM DEBT

Notes payable consist primarily of commercial paper and uncommitted credit facilities. The commercial paper, of which $49,738 was outstanding at December 31, 1997, was placed through brokers and is supported by a $500,000 committed credit facility entered into in January 1996. This facility is subject to normal banking terms and conditions, and expires in January 2001. In addition, as of December 31, 1997, the Company had approximately $259,400 in uncommitted credit facilities made available by commercial banks, of which $174,006 had been utilized. The Company's weighted average interest rate for notes payable was 5.9% and 5.7% as of December 31, 1997 and 1996, respectively.

During January 1996, the Company filed a Shelf Registration with the Securities and Exchange Commission for up to $400,000 of senior unsecured debt securities and in November 1996, issued $150,000 senior notes with a maturity of 2006 and a coupon rate of 6.6%.

(Dollars in thousands except per share amounts)

Long-term debt at December 31, 1997 and 1996, is summarized as follows:

	1997	1996
6.6% Notes due 2006	$ 150,000	$ 150,000
Other	3,444	7,754
	153,444	157,754
Less current portion	281	3,287
	$ 153,163	$ 154,467

The aggregate principal payments due on the long-term debt for the five years subsequent to December 31, 1997 are as follows:

1998	1999	2000	2001	2002
$281	$290	$318	$301	$306

7. ACCRUED LIABILITIES

Accrued liabilities at December 31, 1997 and 1996, consist of the following:

	1997	1996
Compensation and commissions	$ 25,091	$ 31,351
Retirement plans	18,133	24,574
Income taxes	40,681	--
Other	98,334	129,226
	$ 182,239	$ 185,151

8. EMPLOYEE BENEFIT AND RETIREMENT PLANS

The Company provides retirement benefits primarily through noncontributory defined contribution plans. The cost of these plans aggregated $10,265, $13,742, and $11,834 in 1997, 1996, and 1995, respectively.

The Company maintains an incentive plan and an unfunded deferred compensation plan for participating officers and key management associates. The liability related to the deferred compensation plan ($37,088 and $33,881 at December 31, 1997 and 1996, respectively) is included in other deferred liabilities. The Company also maintains a Voluntary Employee Beneficiary Association (VEBA).

9. STOCK-BASED COMPENSATION PLANS

The Company's Stock Incentive and Option Plan (Plan) provides for Common Share awards to be made to key management associates with restrictions as to disposition and subject to forfeiture upon termination of employment or if certain performance goals are not achieved. In addition, the Plan provides for supplemental cash awards in the event performance goals are exceeded. The Plan also provides for the granting of non-qualified stock options as well as incentive stock options. No incentive stock options have been granted to date. The number of Common Shares as to which stock-based compensation awards may be granted under the Plan in any calendar year is limited to 1.0% of the total outstanding Common Shares as of the first day of the year.

The Company has elected to follow Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25), and related Interpretations in accounting for its employee stock options because the alternative fair value accounting provided for under Financial Accounting Standards Board Statement No. 123, "Accounting for Stock-Based Compensation" (FAS 123), requires use of option pricing models that were not developed for use in valuing employee stock options. Under APB 25, because the exercise price of the Company's employee stock options equals the market price of the underlying stock on the date of grant, no compensation expense is recognized. Generally, stock options become exercisable over a three-year vesting period and expire 10 years from the date of grant.

Pro forma information for net earnings and basic and diluted net earnings per Common Share is required by FAS 123 and has been determined as if the Company had accounted for its employee stock options under the fair value method of that statement. The fair value for these options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted average assumptions for 1997, 1996, and 1995, respectively: risk-free interest rates of 6.1%, 6.3%, and 6.2%; dividend yield of 2.0%; volatility factor of the expected market price of the Company's common stock of 23.0% in 1997 and 21.0% in 1996 and 1995; and an expected life of the option of 5 years.

Had compensation cost for the stock options been determined based on the fair value at the grant dates, the Company's net earnings and basic and diluted net earnings per Common Share would have been reduced. For purposes of pro forma disclosures, the estimated fair

(Dollars in thousands except per share amounts)

value of the options is amortized to expense over the option's vesting period. The pro forma amounts for the years ending December 31, 1997, 1996, and 1995 are indicated below:

	1997	1996	1995
Net earnings:			
As reported	$ 142,536	$ 152,398	$ 59,772
Pro forma	137,937	151,937	59,564
Basic and diluted net earnings per Common Share:			
As reported	.95	1.01	.38
Pro forma	.92	1.01	.38

A summary of the Company's stock option activity, and related information for the years ended December 31, 1997, 1996, and 1995, are as follows:

	Options		
	1997	1996	1995
Outstanding at beginning of year	1,078,101	528,756	372,350
Granted	1,365,013	595,871	170,646
Exercised	(2,141)	(225)	--
Forfeited	(179,981)	(46,301)	(14,240)
Outstanding at end of year	2,260,992	1,078,101	528,756
Exercisable at end of year	1,263,142	278,546	121,250

(Dollars in thousands except per share amounts)

	Weighted Average Exercise Price		
	1997	1996	1995
Outstanding at beginning of year	$ 26.61	$ 29.47	$ 29.99
Granted	24.21	24.08	28.13
Exercised	27.02	26.06	--
Forfeited	24.13	26.74	26.88
Outstanding at end of year	$ 25.36	$ 26.61	$ 29.47
Exercisable at end of year	$ 26.58	$ 29.93	$ 30.09

The weighted average fair values of stock options granted during 1997, 1996, and 1995 were $6.31, $6.05, and $7.00, respectively. Exercise prices for options outstanding as of December 31, 1997 ranged from $22.81 to $34.63. The weighted average remaining contractual life of the outstanding stock options is 8.7 years.

During 1996 and 1995 the Company awarded 172,988 and 147,946 Common Shares, respectively, related to the Company's restricted stock awards. During 1997, 1996, and 1995, stock awards for 33,828, 39,230, and 31,824 Common Shares, respectively, were forfeited. The cost of the restricted stock awards, determined as the market value of the shares at the date of grant, is being amortized over the award's cycle period which ranges from three to five years. In 1997, 1996, and 1995, $2,171, $1,755, and $2,894, respectively, were charged to expense for restricted stock awards.

In addition, the Plan provides that shares of common stock may be awarded as performance shares to certain key executives having a critical impact on the long-term performance of the Company. Substantially all of the participants elected to receive stock options in lieu of performance shares in 1997.

10. OTHER POSTRETIREMENT BENEFIT PLANS

The Company sponsors defined benefit health care plans that provide medical benefits to retired associates who meet certain eligibility requirements. The plans generally contain cost-sharing features such as deductibles and coinsurance, and some plans are contributory. The Company's annual per capita contributions under certain plans are limited. The plans are unfunded.

(Dollars in thousands except per share amounts)

At December 31, 1997 and 1996, the actuarially determined status of these plans is as follows:

	1997	1996
Accumulated postretirement benefit obligation:		
Retirees	$ 37,208	$ 32,110
Other fully eligible participants	2,188	1,935
Other active participants	20,954	16,959
	60,350	51,004
Unrecognized net reduction in prior service costs	(321)	4,266
Unrecognized net gain	10,433	14,681
Amount included in other deferred liabilities	$ 70,462	$ 69,951

The expense related to the plans is as follows:

	1997	1996	1995
Service cost	$ 1,394	$ 1,520	$ 1,284
Interest cost	3,846	3,681	3,721
Amortization	(1,449)	(1,110)	(1,799)
	$ 3,791	$ 4,091	$ 3,206

In estimating the Company's December 31, 1997 obligation under these plans, the annual increase in the per capita cost of covered benefits is assumed to decrease approximately one percentage point per year from 9.0% in 1997 to an ultimate rate of 6.0% in 2000. Adjusting the assumed annual increase in the per capita cost of covered benefits upward by one percentage point each year would increase the accumulated postretirement benefit obligation and the expense related to these plans by approximately 10.4% and 11.8%, respectively. The discount rate used in determining the accumulated postretirement benefit obligation was 7.25% and 7.75% at December 31, 1997 and 1996, respectively.

(Dollars in thousands except per share amounts)

11. RESEARCH AND DEVELOPMENT COSTS

Research and development costs relating to both future and present products are charged to selling, general, and administrative expenses as incurred. These costs aggregated $27,772, $29,505, and $28,963 in 1997, 1996, and 1995, respectively.

12. ADVERTISING COSTS

Costs incurred for producing and communicating advertising and other brand support, including costs incurred under cooperative advertising programs with customers, are charged to selling, general, and administrative expenses as incurred or expensed ratably during the year in relation to revenues or certain other performance measures. Advertising costs were $137,963, $153,313, and $142,025 in 1997, 1996, and 1995, respectively.

13. INCOME TAXES

Income taxes are summarized as follows:

	1997	1996	1995
Current:			
Federal	$ 66,257	$ 36,778	$ 44,500
State and local	9,125	4,496	6,151
OUS	6,195	2,294	7,600
	81,577	43,568	58,251
Deferred:			
Federal	10,562	43,796	(13,663)
State and local	1,455	3,753	(2,725)
OUS	(2,224)	1,497	(6,000)
	9,793	49,046	(22,388)
	$ 91,370	$ 92,614	$ 35,863

Earnings (loss) before income taxes aggregated $222,604, $234,010, and $98,835 for domestic operations and $11,302, $11,002, and $(3,200) for outside United States (OUS) operations in 1997, 1996, and 1995, respectively.

US income tax expense at the statutory tax rate is reconciled to the combined US and OUS income tax expense below:

(Dollars in thousands except per share amounts)

	1997	1996	1995
Tax at US federal statutory rate	$ 81,867	$ 85,754	$ 33,472
State and local income taxes, net of US federal benefit	5,848	6,125	2,391
Non-deductible amortization of intangible assets	4,867	--	--
Tax basis differential on sale of business	5,814	--	--
Other	(7,026)	735	--
	$ 91,370	$ 92,614	$ 35,863

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities as of December 31, 1997 and 1996 are as follows:

December 31	1997	1996
Deferred tax assets:		
Postretirement benefits	$ 26,807	$ 26,211
Other employee benefits	23,669	25,105
Realignment costs	6,342	10,064
Accruals, reserves, and other items	36,016	50,067
Total deferred tax assets	92,834	111,447
Deferred tax liabilities:		
Property, plant, and equipment	76,428	59,892
Intangible assets and other items	1,786	28,355
Total deferred tax liabilities	78,214	88,247
Net deferred tax assets	$ 14,620	$ 23,200

As of December 31, 1997 and 1996, current deferred tax assets of $22,400 and $43,715, respectively, are reflected in other current assets.

(Dollars in thousands except per share amounts)

14. COMMON SHARES

Share Repurchase Program

As part of a program previously authorized by the Board of Directors, the Company purchased approximately 100,000, 6,587,000, and 4,843,700 Common Shares in 1997, 1996, and 1995, respectively, for the treasury at an aggregate cost of $2,575, $185,482, and $134,190, respectively. Approximately 12,800,000 Common Shares remain available for repurchase through 1999 based on the current Board authorization.

Shareholder Rights Plan

Under the Company's Rights Agreement, each shareholder has the right to purchase from the Company one Common Share at a price that is currently $125.00 per share. The rights are only exercisable in the event a person acquires or commences a tender offer or exchange offer for 10.0% or more of the Company's outstanding Common Shares. In the event that a person who owns 10.0% or more of the Company's outstanding Common Shares merges into the Company, engages in one of a number of self-dealing transactions, or increases ownership to 15.0% or more, each right would entitle its holder to purchase a number of the Company's Common Shares having a market value equal to twice the right's exercise price. In the event that the Company engages in a merger or other business transaction in which the Company is not the surviving corporation, engages in a merger or other business combination transaction in which its Common Shares are changed or exchanged, or 50.0% or more of the Company's assets or earning power are sold, each right would entitle its holder to purchase a number of common shares of the acquiring, surviving, or resulting person having a market value equal to twice the right's exercise price.

The rights expire June 24, 2006, and may be redeemed by the Company at a price that is currently $.01 per right, prior to the occurrence of the events described above.

15. BUSINESS AND CREDIT CONCENTRATIONS

The Company operates exclusively in one industry, which is the manufacture and distribution of primarily plastic products, and sells to a broad range of customers, one of which accounted for 15.5%, 13.9%, and 14.5% of net sales in 1997, 1996, and 1995, respectively. Sales to a second customer amounted to 10.1% of net sales in 1997. The Company estimates an allowance for doubtful accounts based on the credit worthiness of its customers as well as general economic conditions. Consequently, an adverse change in those factors could affect the Company's estimate.

16. GEOGRAPHIC SEGMENTS

At December 31, 1997, 1996, and 1995, the Company's equity in OUS subsidiaries was $173,957, $164,195, and $148,143, respectively.

(Dollars in thousands except per share amounts)

Revenues from OUS customers, including OUS net sales and exports from US operations, represented 19.5%, 18.9%, and 18.0% of total net sales in 1997, 1996, and 1995, respectively.

The following is information about the Company's operations in different geographic areas:

	Net Sales			Operating Earnings			Total Assets		
(Dollars in millions)	1997	1996	1995	1997(a)	1996	1995(a)	1997	1996	1995
United States	$ 2,078.0	$2,045.0	$ 2,007.4	$ 209.6	$ 257.9	$ 108.5	$ 1,572.7	$ 1,774.9	$1,410.0
OUS	321.7	310.0	336.8	9.0	15.5	1.9	351.2	279.1	281.5
	$ 2,399.7	$2,355.0	$ 2,344.2	$ 218.6	$ 273.4	$ 110.4	$ 1,923.9	$ 2,054.0	$1,691.5

(a) Operating earnings in 1997 and 1995 include a pretax realignment charge of $16.0 million and $158.0 million, respectively. The charge in 1997 reduced United States and OUS operating earnings by $14.8 million and $1.2 million, respectively, while the 1995 charge reduced respective operating earnings by $140.8 million and $17.2 million.

17. QUARTERLY FINANCIAL INFORMATION - UNAUDITED

	4th Quarter		3rd Quarter		2nd Quarter		1st Quarter	
	1997	1996	1997	1996	1997(a)	1996	1997	1996
Net sales	$ 574,285	$ 616,021	$ 583,349	$ 632,694	$ 640,379	$ 572,989	$ 601,688	$ 533,285
Cost of sales	420,368	456,078	429,113	438,361	466,364	389,127	432,579	365,954
Net earnings	31,790	19,863	30,126	46,108	46,595	44,750	34,025	41,677
Per Common Share:								
Net earnings -- basic and diluted	.21	.13	.20	.31	.31	.30	.23	.27
Cash dividends paid	.16	.15	.15	.14	.15	.14	.15	.14
Market price range:								
High	26.50	24.75	30.31	29.25	30.00	29.13	24.88	30.25
Low	23.31	22.63	24.75	22.38	24.00	26.75	21.63	25.25

(a) Included in the second quarter of 1997 is a pretax gain of $134.4 million ($79.4 million after-tax, or $.53 per Common Share) on the divestiture of the Office Products business, partially offset by pretax asset impairment charges and revised realignment costs totaling $97.0 million ($69.7 million after-tax, or $.47 per Common Share).

18. CONTINGENCIES

In September 1997, an administrative law judge of the Federal Trade Commission ("F.T.C.") ruled that a major customer of the Company illegally pressured manufacturers not to sell toys to warehouse clubs. That decision is being appealed. Subsequent to the F.T.C. decision, numerous class action suits seeking damages on behalf of consumers have been filed against the customer and certain manufacturers, including the Company, which was not named as a defendant in the F.T.C. suit, nor were any other manufacturers. The Company is of the opinion, supported by legal counsel, that it has not violated any law and intends to contest any such class action suits. Management believes the outcome of this matter will not have a material adverse effect on the financial position or overall trends in the results of operations of the Company.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NEWELL CO.
(Registrant)

Date: December 1, 1998

By: /s/ Dale L. Matschullat

Dale L. Matschullat
Vice President -- General Counsel

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
23.1	Consent of KPMG Peat Marwick LLP.

EXHIBIT 23.1

CONSENT OF INDEPENDENT AUDITORS

The Board of Directors
Rubbermaid Incorporated:

We consent to the incorporation by reference in Newell Co.'s Form S-3 Registration Statement File Nos. 333-53039, 333-47261 and 33-64225, of our report dated January 30, 1998, with respect to the consolidated balance sheets of Rubbermaid Incorporated and subsidiaries as of December 31, 1997 and 1996, and the related consolidated statements of earnings, cash flows and shareholders' equity for each of the years in the three-year period ended December 31, 1997, which report is included in the Form 8-K/A of Newell Co. dated November 20, 1998.

/s/ KPMG PEAT MARWICK LLP

Cleveland, Ohio
December 1, 1998