SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
for the Quarterly Period Ended September 30, 1998

Commission File Number 1-9608

NEWELL CO.

(Exact name of registrant as specified in its charter)

DELAWARE	36-3514169
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Newell Center
29 East Stephenson Street
Freeport, Illinois 61032-0943
(Address of principal executive offices)
(Zip Code)

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

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, and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Number of shares of Common Stock outstanding as of October 27, 1998: 162,648,357

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements

NEWELL CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited, in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1998	1997*	1998	1997*
Net sales	$ 957,034	$ 925,698	$ 2,650,263	$ 2,395,037
Cost of products sold	631,736	627,076	1,786,640	1,631,253

GROSS INCOME	325,298	298,622	863,623	763,784
Selling, general and administrative expenses	133,879	126,769	404,882	365,123
Trade names and goodwill amortization and other	10,252	9,504	40,502	22,872
OPERATING INCOME	181,167	162,349	418,239	375,789
Non-operating expenses (income):				
Interest expense	19,982	25,083	43,966	54,363
Other, net	(32,918)	(7,186)	(213,273)	(12,862)
Net non-operating expenses (income)	(12,936)	17,897	(169,307)	41,501
INCOME BEFORE INCOME TAXES	194,103	144,452	587,546	334,288
Income taxes	94,937	57,195	250,740	132,373
NET INCOME	$ 99,166	$ 87,257	$ 336,806	$ 201,915
Earnings per share:				
Basic	$ 0.61	$ 0.54	$ 2.07	$ 1.25
Diluted	0.60	0.54	2.02	1.24
Dividends per share	$ 0.18	$ 0.16	$ 0.54	$ 0.48
Weighted average shares outstanding:				
Basic	162,623	162,206	162,501	162,141
Diluted	173,295	162,846	173,052	162,781

See notes to consolidated financial statements.
*Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

NEWELL CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited, in thousands)

	September 30, 1998	% of Total	December 31, 1997*	% of Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 42,443	0.9%	$ 36,107	0.9%
Accounts receivable, net	670,193	14.6%	544,375	13.6%
Inventories, net	776,093	16.9%	653,200	16.3%
Deferred income taxes	191,232	4.2%	134,732	3.4%
Prepaid expenses and other	87,409	1.8%	65,280	1.5%
TOTAL CURRENT ASSETS	1,767,370	38.4%	1,433,694	35.7%
MARKETABLE EQUITY SECURITIES	-	0.0%	307,121	7.7%
OTHER LONG-TERM INVESTMENTS	56,412	1.2%	51,020	1.3%
OTHER ASSETS	182,151	4.0%	144,475	3.6%
PROPERTY, PLANT AND EQUIPMENT, NET	834,486	18.1%	711,325	17.7%
TRADE NAMES & GOODWILL, NET	1,763,299	38.3%	1,364,099	34.0%
TOTAL ASSETS	$ 4,603,718	100.0%	$ 4,011,734	100.0%

See notes to consolidated financial statements.
*Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

NEWELL CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONT.)
(Unaudited, in thousands)

	September 30, 1998	% of Total	December 31, 1997*	% of Total
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Notes payable	$ 37,156	0.8%	$ 52,636	1.3%
Accounts payable	180,422	3.9%	138,531	3.4%
Accrued compensation	86,234	1.9%	82,676	2.1%
Other accrued liabilities	667,993	14.5%	397,561	9.9%
Income taxes	84,410	1.8%	11,797	0.3%
Current portion of long-term debt	5,460	0.1%	31,278	0.8%
TOTAL CURRENT LIABILITIES	1,061,675	23.0%	714,479	17.8%
LONG-TERM DEBT	912,650	19.8%	786,793	19.6%
OTHER NONCURRENT LIABILITIES	198,040	4.3%	186,673	4.7%
DEFERRED INCOME TAXES	45,039	1.0%	90,216	2.2%
MINORITY INTEREST	783	0.0%	8,352	0.2%
COMPANY-OBLIGATED MANDATORILY REDEEMABLE CONVERTIBLE PREFERRED SECURITIES OF A SUBSIDIARY TRUST	500,000	10.9%	500,000	12.5%
STOCKHOLDERS' EQUITY				
Common stock authorized shares, 400.0 million at $1 par value; Outstanding shares: 1998 162.6 million 1997 162.3 million	162,634	3.5%	162,330	4.0%
Additional paid-in capital	202,395	4.4%	201,045	5.0%
Retained earnings	1,554,118	33.8%	1,305,643	32.6%
Net unrealized gain on securities available for sale	-	0.0%	78,839	2.0%
Cumulative translation adjustment	(33,616)	(0.7)%	(22,636)	(0.6)%
TOTAL STOCKHOLDERS' EQUITY	1,885,531	41.0%	1,725,221	43.0%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 4,603,718	100.0%	$ 4,011,734	100.0%

See notes to consolidated financial statements.
*Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

NEWELL CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, in thousands)

	For the Nine Months Ended September 30,	
	1998	1997*
OPERATING ACTIVITIES:		
Net income	$ 336,806	$ 201,915
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	110,879	94,263
Deferred income taxes	33,571	30,216
Net (gains) losses on:		
Marketable equity securities	(115,674)	(2,853)
Sale of businesses	(388)	-
Write-off of intangible assets and other	4,288	-
Other	1,434	(4,318)
Changes in current accounts, excluding the effects of acquisitions:		
Accounts receivable	(41,675)	(36,938)
Inventories	(59,918)	(40,674)
Other current assets	(14,740)	12,206
Accounts payable	(16,447)	(29,764)
Accrued liabilities and other	(121,909)	(27,359)
NET CASH PROVIDED BY OPERATING ACTIVITIES	116,227	196,694
INVESTING ACTIVITIES:		
Acquisitions, net	(419,745)	(695,429)
Expenditures for property, plant and equipment	(106,333)	(52,259)
Sale of businesses	198,963	-
Sale of marketable equity securities	378,321	6,389
Disposals of non-current assets and other	(33,454)	(26,385)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	17,752	(767,684)

See notes to consolidated financial statements.
*Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

NEWELL CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT.)
(Unaudited, in thousands)

	For the Nine Months Ended September 30	
	1998	1997*
FINANCING ACTIVITIES:		
Proceeds from issuance of debt	439,394	725,802
Payments on notes payable and long-term debt	(480,172)	(56,898)
Proceeds from exercised stock options and other	519	4,098
Cash dividends	(87,196)	(76,334)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(127,455)	596,668
Exchange rate effect on cash	(188)	(9,248)
INCREASE IN CASH AND CASH EQUIVALENTS	6,336	16,430
Cash and cash equivalents at beginning of year	36,107	4,363
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 42,443	$ 20,793
Supplemental cash flow disclosures -		
Cash paid during the period for:		
Income taxes	$ 137,760	$ 97,610
Interest	$ 52,794	$ 57,020

See notes to consolidated financial statements.
*Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

NEWELL CO. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - GENERAL INFORMATION

The condensed financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission, and reflect all adjustments necessary to present a fair statement of the results for the periods reported, subject to normal recurring year-end adjustments, none of which is material. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these condensed financial statements be read in conjunction with the financial statements and the notes thereto included in the Company's latest Annual Report on Form 10-K.

NOTE 2 - ACQUISITIONS AND DIVESTITURES

On March 5, 1997, the Company purchased Insilco Corporation's Rolodex business unit ("Rolodex"), a marketer of office products, including card files, personal organizers and paper punches. Rolodex was integrated into the Company's Newell Office Product division. On May 30, 1997, the Company acquired Cooper Industries Incorporated's Kirsch business ("Kirsch"), a manufacturer and distributor of drapery hardware and custom window coverings in the United States and international markets. The Kirsch North American operations were combined with the Newell Window Furnishings division. The Kirsch European businesses operate as a separate division, Kirsch Window Fashions Europe. On June 13, 1997, the Company acquired Rubbermaid Incorporated's office products business, including the ELDON Registered brand name (now referred to as "Eldon"). Eldon is a designer, manufacturer and supplier of computer and plastic desk accessories, resin-based office furniture and storage and organization products. Eldon was integrated into the Company's Newell Office Products division. On March 27, 1998, the Company acquired Swish Track and Pole ("Swish") from Newmond PLC. Swish is a manufacturer and marketer of decorative and functional window furnishings in Europe and operates as part of Kirsch Window Fashions Europe. On June 30, 1998, the Company purchased Panex S.A. Industria e Comercio ("Panex"), a manufacturer and marketer of aluminum cookware products in Brazil. Panex operates as part of the Mirro division. On August 31, 1998, the Company purchased the Gardinia Group ("Gardinia"), a manufacturer and supplier of window treatments based in Germany. Gardinia operates as part of the Company's Kirsch Window Fashions Europe division. On September 30, 1998 the Company purchased the rotring Group ("Rotring"), a manufacturer and supplier of writing instruments, drawing instruments, art materials and color cosmetic products based in Germany. The writing and drawing instruments piece of Rotring operates as part of the Company's Sanford International division. The art materials piece of Rotring operates as part of the Company's Sanford North America division. The color cosmetic products piece of Rotring operates as a separate U.S. division, Cosmolab.

For these and other minor acquisitions, the Company paid $1,180.6 million in cash and assumed $128.3 million of debt. The transactions were accounted for as purchases; therefore, results of operations are included in the accompanying consolidated financial statements since their respective dates of acquisition. The acquisition costs were allocated on a preliminary basis to the fair market value of the assets acquired and liabilities assumed and resulted in trade names and goodwill of approximately $951.0 million. The final adjustments to the purchase price allocations are not expected to be material to the consolidated financial statements. The unaudited consolidated results of operations for the nine months ended September 30, 1998 and 1997 on a pro forma basis, as though the Rolodex, Kirsch, Eldon, Swish, Panex, Gardinia and Rotring businesses had been acquired on January 1, 1997, are as follows (in millions, except per share amounts):

	Nine Months Ended September 30,	
	1998	1997
Net sales	$ 3,047.5	$ 3,069.9
Net income	322.5	179.3
Earnings per share (basic)	$ 1.98	$ 1.11

On May 7, 1998, a subsidiary of the Company merged with Calphalon Corporation ("Calphalon"), a manufacturer and marketer of gourmet cookware. The Company issued approximately 3.1 million shares of common stock for all of the common stock of Calphalon. This transaction was accounted for as a pooling of interests; therefore, prior financial statements were restated to reflect this merger.

On August 21, 1998, the Company sold its school supplies and stationery business. On September 9, 1998, the Company sold its plastic storage and serveware business. The pre-tax net gain on the sale of these businesses was $36.8 million, which was primarily offset by non-deductible goodwill, resulting in a net after-tax gain which was immaterial. Sales for these businesses were approximately $160 million in 1997.

Note 3 Inventories

The components of inventories at the end of each period, net of the LIFO reserve, were as follows (in millions):

	September 30, 1998	December 31, 1997
Materials and supplies	$ 150.1	$ 142.8
Work in process	128.7	109.9
Finished products	497.3	400.5
	$ 776.1	$ 653.2

NOTE 4 MARKETABLE EQUITY SECURITIES

Marketable Equity Securities classified as available for sale are carried at fair value with adjustments to fair value reported separately, net of tax, as a component of stockholders' equity (and excluded from earnings). On March 3, 1998, the Company sold all of its marketable equity securities, which included 7,862,300 shares it held in The Black & Decker Corporation. The Black & Decker transaction resulted in net proceeds of approximately $378.3 million and a net pre-tax gain, after fees and expenses, of approximately $191.5 million. Marketable Equity Securities at December 31, 1997 are summarized as follows (in millions):

	December 31, 1997
Aggregate market value	$ 307.1
Aggregate cost	176.8
Unrealized gain	$ 130.3

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment at the end of each period consisted of the following (in millions):

	September 30, 1998	December 31, 1997
Land	$ 34.5	$ 34.1
Buildings and improvements	350.2	278.6
Machinery and equipment	955.3	854.9
	1,340.0	1,167.6
Allowance for depreciation	(505.5)	(456.3)
	$ 834.5	$ 711.3

NOTE 6 - LONG-TERM DEBT

Long-term debt at the end of each period consisted of the following (in millions):

	September 30, 1998	December 31, 1997
Medium-term notes	$ 688.0	$ 263.0
Commercial paper	197.0	517.0
Other long-term debt	33.2	38.1
	918.2	818.1
Current portion	(5.5)	(31.3)
	$ 912.7	$ 786.8

Commercial paper in the amount of $197.0 million at September 30, 1998 was classified as long-term since it is supported by the 5-year $1.3 billion revolving credit agreement.

NOTE 7 COMPANY-OBLIGATED MANDATORILY REDEEMABLE CONVERTIBLE PREFERRED SECURITIES OF A SUBSIDIARY TRUST OF THE COMPANY

In December 1997, a wholly owned subsidiary trust of the Company issued 10,000,000 of its 5.25% convertible quarterly income preferred securities (the "Convertible Preferred Securities"), with a liquidation preference of $50 per security, to certain institutional buyers. The Convertible Preferred Securities represent an undivided beneficial interest in the assets of the trust. Each of the Convertible Preferred Securities is convertible at the option of the holder into shares of the Company's Common Stock at the rate of 0.9865 shares of Common Stock for each preferred security (equivalent to $50.685 per share of Common Stock), subject to adjustment in certain circumstances. Holders of the Convertible Preferred Securities are entitled to a quarterly cash distribution at the annual rate of 5.25% of the $50 liquidation preference commencing March 1, 1998. The Convertible Preferred Securities are subject to a Company guarantee and are callable by the Company initially at 103.15% of the liquidation preference beginning in December 2001 and decreasing over time to 100% of the liquidation preference beginning in December 2007.

The trust invested the proceeds of this issuance of the Convertible Preferred Securities in $500 million of the Company's 5.25% Junior Convertible Subordinated Debentures due 2027 (the "Debentures"). The Debentures are the sole assets of the trust, mature December 1, 2027, bear interest at the rate of 5.25%, payable quarterly, commencing March 1, 1998, and are redeemable by the Company beginning in December 2001. The Company may defer interest payments on the Debentures for a period not to exceed 20 consecutive quarters during which time distribution payments on the Convertible Preferred Securities are also deferred. Under this circumstance, the Company may not declare or pay any cash distributions with respect to its capital stock or debt securities that rank PARI PASSU with or junior to the Debentures. The Company has no current intention to exercise its right to defer payments of interest on the Debentures.

The Convertible Preferred Securities are reflected as outstanding in the Company's consolidated financial statements as Company-Obligated Mandatorily Redeemable Convertible Preferred Securities of a Subsidiary Trust.

NOTE 8 EARNINGS PER SHARE

Effective December 31, 1997, the Company adopted SFAS No. 128, "Earnings Per Share." As a result, the Company's reported earnings per share for 1997 were restated. The impact on previously reported earnings per share was immaterial. The earnings per share amounts are computed based on the weighted average monthly number of shares outstanding during the year. "Basic" earnings per share is calculated by dividing net income by weighted average shares outstanding. "Diluted" earnings per share is calculated by dividing net income by

weighted average shares outstanding, including the assumption of the exercise and/or conversion of all potentially dilutive securities ("in the money" stock options and convertible preferred securities). A reconciliation of the difference between basic and diluted earnings per share for the first nine months of 1998 is shown below (in millions, except per share amounts):

	Basic Earnings Per Share	"In the money" stock options	Convertible Preferred Securities	Diluted Earnings per Share
Net Income	$ 336.8	$ 0.0	$ 12.1	$ 348.9
Weighted average shares outstanding	162.5	0.7	9.9	173.1
Earnings per share	$ 2.07			$ 2.02

Basic earnings per share for the first nine months of 1997 was $1.25.
Diluted earnings per share for the first nine months of 1997 was $1.24.

NOTE 9 COMPREHENSIVE INCOME

In the first quarter of 1998, the Company adopted SFAS No. 130, "Reporting Comprehensive Income." The Company's Comprehensive Income consists of net income, foreign currency translation adjustments and unrealized gains on marketable equity securities (if any).

The Company sold its stake in The Black & Decker Corporation during the first quarter of 1998 and has no other material marketable equity security position as of September 30, 1998. Therefore, the Company's Comprehensive Income in the first nine months of 1998 includes, in addition to net income, only foreign currency translation adjustments, which were immaterial. The Company's Comprehensive Income in the first nine months of 1997 included unrealized gains on marketable equity securities of $33.6 million, offset partially by currency translation losses of $9.2 million.

The accumulated Other Comprehensive Income balances are summarized as follows (in millions):

	Foreign Currency Translation	Net Unrealized Gain on Securities Available For Sale (1)	Accumulated Other Comprehensive Income
Balance at December 31, 1997	$ (22.6)	$ 78.8	$ 56.2
Change during nine months ended September 30, 1998	(11.0)	(78.8)	(89.8)
Balance at September 30, 1998	$ (33.6)	$ 0.0	$ (33.6)

(1) On March 3, 1998, the Company sold its stake in The Black & Decker Corporation and realized a net pre-tax gain of approximately $191.5 million ($116.8 million after taxes). The difference between the $78.8 million after-tax balance at December 31, 1997 and the $116.8 million after-tax gain recorded in the first quarter of 1998 represents the appreciation on the shares sold on March 3, 1998 from December 31, 1997 through March 3, 1998.

NOTE 10 INTERIM SEGMENT REPORTING

Effective December 31, 1998, the Company will adopt SFAS No. 131, "Disclosure about Segments of an Enterprise and Related Information." After reviewing the criteria for determining segments of an enterprise, the Company believes it has three reportable segments under the reporting requirements: Hardware and Home Furnishings, Office Products, and Housewares. The Company believes that this segmentation is appropriate because it organizes its product categories into these groups when making operating decisions and assessing performance. The Company Divisions included in each group also sell primarily to the same retail channel: Hardware and Home Furnishings (home centers and hardware stores), Office Products (office superstores and contract stationers), and Housewares (discount stores and warehouse clubs). Financial statement disclosures regarding segments will commence with the 1998 10-K Report filing.

NOTE 11 DISCLOSURES ABOUT PENSIONS AND OTHER POSTRETIREMENT BENEFITS

Effective December 31, 1998, the Company will adopt SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits." Management believes that the adoption of this statement will not be material to the consolidated financial statements.

NOTE 12 ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Effective January 1, 2000, the Company will adopt SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." Management believes that the adoption of this statement will not be material to the consolidated financial statements.

NOTE 13 RECLASSIFICATION OF TRADE NAMES AND GOODWILL AMORTIZATION

The Company began reclassifying the amortization of trade names and goodwill from non-operating expenses to operating expenses in the first quarter of 1998. This change required a restatement for all periods presented.

NOTE 14 SUBSEQUENT EVENTS

On October 20, 1998, the Company entered into a definitive agreement to acquire Rubbermaid Incorporated, a leading manufacturer of home, infant/juvenile, and commercial products through a tax-free exchange of shares valued at approximately $5.8 billion based on the market price of the Company's shares on October 20, 1998.

Completion of the acquisition is subject to normal regulatory approvals and the approval of the Newell and Rubbermaid shareholders. This transaction is expected to close in the first quarter of 1999. Sales for Rubbermaid were approximately $2.4 billion in 1997.

PART I.

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

The following table sets forth for the periods indicated items from the Consolidated Statements of Income as a percentage of net sales.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1998	1997*	1998	1997*
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of products sold	66.0%	67.7%	67.4%	68.1%
GROSS INCOME	34.0%	32.3%	32.6%	31.9%
Selling, general and administrative expenses	14.0%	13.7%	15.3%	15.2%
Trade names and goodwill amortization and other	1.1%	1.1%	1.5%	1.0%
OPERATING INCOME	18.9%	17.5%	15.8%	15.7%
Non-operating expenses (income):				
Interest expense	2.0%	2.7%	1.7%	2.3%
Other, net	(3.4)%	(0.8)%	(8.1)%	(0.6)%
Net non-operating expenses (income)	(1.4)%	1.9%	(6.4)%	1.7%
INCOME BEFORE INCOME TAXES	20.3%	15.6%	22.2%	14.0%
Income taxes	9.9%	6.2%	9.5%	5.6%
NET INCOME	10.4%	9.4%	12.7%	8.4%

*Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

THREE MONTHS ENDED SEPTEMBER 30, 1998 VS. THREE MONTHS ENDED SEPTEMBER 30, 1997

Net sales for the third quarter of 1998 were $957.1 million, representing an increase of $31.4 million or 3.4% from $925.7 million in the comparable quarter of 1997. The increase in the quarter was primarily attributable to internal growth of 5% at the Company, which was primarily due to strong shipments at the Hardware and Home Furnishings businesses (primarily Intercraft/Burnes picture frames and Levolor and Newell window treatments). These results were offset partially by the impact of the divestitures of the Stuart Hall and Newell Plastics businesses. Net sales for each of the Company's product groups (and the primary reasons for the increase or decrease) were as follows, in millions:

	1998	1997*	% change
Hardware & Home Furnishings	$ 439.8	$ 408.2	7.7% (a)
Office Products	266.3	267.8	(0.6)% (b)
Housewares	251.0	249.7	0.5% (c)
	$ 957.1	$ 925.7	3.4%

(a) Internal growth** of 9%.
(b) Internal growth of 6% less the impact of the Stuart Hall divestiture.
(c) Acquisition of Panex, offset by sale of Newell Plastics.

* Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.
** The Company defines internal growth as growth from its core businesses. A core business is a continuing business owned more than two years, including minor acquisitions.

Gross income as a percentage of net sales in the third quarter of 1998 was 34.0% or $325.3 million versus 32.3% or $298.6 million in the comparable quarter of 1997. Gross margins improved in the third quarter of 1998 as a result of improvements at several of the Company's core businesses and cost savings related to the integration of the 1997 acquisitions into existing divisions.

Selling, general and administrative expenses ("SG&A") in the third quarter of 1998 were 14.0% of net sales or $133.9 million versus 13.7% or $126.8 million in the comparable quarter of 1997. SG&A as a percentage of net sales increased in the third quarter of 1998 as a result of higher than average spending levels at the newly acquired Panex operation. As this business is integrated, we expect its spending to fall in line with Newell norms.

The Company has reclassified trade names and goodwill amortization from non-operating expense to operating expenses for all periods

presented. Trade names and goodwill amortization as a percentage of net sales in the third quarter of 1998 was comparable to the third quarter of 1997.

Operating income in the third quarter of 1998 was 18.9% of net sales or $181.2 million versus 17.5% or $162.3 million in the comparable quarter of 1997. The increase in operating margins was primarily due to an increase in margins at several of the Company's core businesses. These increases were offset partially by the 1997 and 1998 acquisitions, whose operating margins are improving as they are being integrated, but are still operating at less than the Company's average operating margins.

Net non-operating income in the third quarter of 1998 was 1.4% of net sales or $12.9 million versus net non-operating expenses of 1.9% of net sales or $17.9 million in the comparable quarter of 1997. The $30.8 million difference was due primarily to a $36.8 pre-tax gain on the divestitures of the Stuart Hall and Newell Plastics businesses, offset partially by distributions of $6.6 million related to the convertible preferred securities that were issued by a subsidiary trust in December 1997.

For the three months ending September 30, 1998 and 1997, the effective tax rate was 48.9% and 39.6%, respectively. The rate increase was the result of goodwill related to the sale of the two businesses which was non-deductible; excluding this item, the overall tax rate was 38.1% for the third quarter of 1998.

Net income for the third quarter of 1998 was $99.2 million, representing an increase of $11.9 million or 13.6% from the comparable quarter of 1997. Basic earnings per share increased 13.0% to $0.61 in the third quarter of 1998 versus $0.54 in the third quarter of 1997. Diluted earnings per share increased 11.1% to $0.60 vs. $0.54 in the third quarter of 1997. The increases in net income and earnings per share were primarily due to strong shipments at the Company's core Hardware and Home Furnishings businesses.

NINE MONTHS ENDED SEPTEMBER 30, 1998 VS. NINE MONTHS ENDED SEPTEMBER 30, 1997

Net sales for the first nine months of 1998 were $2,650.3 million, representing an increase of $255.3 million or 10.7% from $2,395.0 million in the comparable period of 1997. The overall increase in net sales was primarily attributable to contributions from the 1997 acquisitions of Rolodex, Kirsch and Eldon, the 1998 acquisitions of Swish and Panex and internal growth of 4% due to strong shipments at the Company's Office Products (primarily Sanford writing instruments) and Hardware and Home Furnishings businesses (primarily Intercraft/Burnes picture frames and Levolor and Newell window treatments). These results were offset partially by the impact of the divestitures of the Stuart Hall and Newell Plastics businesses. Net sales for each of the Company's product groups (and the primary reasons for the increase or decrease) were as follows, in millions:

	1998	1997*	% change
Hardware & Home Furnishings	$ 1,243.1	$ 1,045.8	18.9% (a)
Office Products	767.6	684.4	12.2% (b)
Housewares	639.6	664.8	(3.8)% (c)
	$ 2,650.3	$ 2,395.0	10.7%

(a) Internal growth of 6% plus the Kirsch and Swish acquisitions.
(b) Internal growth of 7% plus the Rolodex and Eldon acquisition, less the impact from the Stuart Hall divestiture.
(c) Internal sales declines of 6% plus the Panex acquisition, less the impact of the Newell Plastics divestiture.

*Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

Gross income as a percentage of net sales in the first nine months of 1998 was 32.6% or $863.6 million versus 31.9% or $763.8 million in the comparable period of 1997. Gross margins at several of the Company's core businesses improved while the 1997 and 1998 acquisitions had gross margins which were slightly lower than the Company's average gross margins. As these acquisitions are integrated, the Company expects their gross margins to continue to improve.

SG&A in the first nine months of 1998 were 15.3% of net sales or $404.9 million versus 15.2% or $365.1 million in the comparable period of 1997.

The Company has reclassified trade names and goodwill amortization from non-operating expenses to operating expenses for all periods

presented. Trade names and goodwill amortization as a percentage of net sales in the first nine months of 1998 was 1.1% versus 1.0% in the first nine months of 1997, excluding one-time charges (which included write-offs of intangible assets) of $11.4 million recorded in the first quarter of 1998.

Operating income in the first nine months of 1998 was 15.8% of net sales or $418.2 million versus 15.7% or $375.8 million in the comparable period of 1997. Excluding the one-time charges of $11.4 million, operating income in the first nine months of 1998 was $429.6 million or 16.2% of net sales. The increase in operating margins in the first nine months of 1998, excluding the one-time charges, was primarily due to an increase in margins at several of the Company's core businesses. These increases were offset partially by the 1997 and 1998 acquisitions, whose operating margins are improving as they are being integrated, but are still operating at less than the Company's average operating margins.

Net non-operating income in the first nine months of 1998 was 6.4% of net sales or $169.3 million versus net non-operating expenses of 1.7% of net sales or $41.5 million in the comparable period of 1997. The $210.8 million increase in income was primarily due to a one-time net pre-tax gain of $191.5 million on the sale of the Company's stake in The Black & Decker Corporation and a one-time pre-tax gain of $36.8 million on the sale of Stuart Hall and Newell Plastics. This gain was offset partially by distributions of $20.0 million related to the convertible preferred securities issued by a subsidiary trust in December 1997.

For the first nine months of 1998 and 1997, the effective tax rate was 42.7% and 39.6%, respectively. The rate increase was the result of goodwill related to the sale of the two businesses which was non-deductible; excluding this item, the overall tax rate was 39.0% for the first nine months of 1998.

Net income for the first nine months of 1998 was $336.8 million, representing an increase of $134.9 million or 66.8% from the comparable period of 1997. Basic earnings per share increased 65.6% to $2.07 in the first nine months of 1998 versus $1.25 in the first nine months of 1997. Diluted earnings per share increased 62.9% to $2.02 versus $1.24 in the first nine months of 1997. Excluding the one-time net gain on the sale of Black & Decker stock of $191.5 million ($116.8 million after taxes) and one-time charges of $11.4 million ($6.9 million after taxes), net income increased $25.0 million or 12.4% to $226.9 million in the first nine months of 1998 versus $201.9 million in the first nine months of 1997. Diluted earnings per share, excluding the one-time items, increased 11.3% to $1.38 versus $1.24 in the first nine months of 1997. The increases in net income and earnings per share were primarily due to strong shipments at the Company's core Office Products and Hardware and Home Furnishings businesses.

LIQUIDITY AND CAPITAL RESOURCES

SOURCES:

The Company's primary sources of liquidity and capital resources include cash provided from operations and use of available borrowing facilities.

Cash provided by operating activities in the first nine months of 1998 was $116.2 million, representing a decrease of $80.5 million from cash provided by operating activities of $196.7 million for the comparable period of 1997. The decrease was primarily due to $74.7 million of taxes paid on the $191.5 million net gain on the sale of Black & Decker common stock sold in the first quarter of 1998.

On March 3, 1998, the Company received $378.3 million from the sale of 7,862,300 shares of Black & Decker common stock. The proceeds from the sale were used to pay down commercial paper.

In the third quarter of 1998, the Company received $199.0 million from the sale of Stuart Hall and Newell Plastics.

The Company has short-term foreign and domestic uncommitted lines of credit with various banks which are available for short-term financing. Borrowings under the Company's uncommitted lines of credit are subject to the discretion of the lender. The Company's uncommitted lines of credit do not have a material impact on the Company's liquidity. Borrowings under the Company's uncommitted lines of credit at September 30, 1998 totaled $37.2 million.

During 1997, the Company amended its revolving credit agreement to increase the aggregate borrowing limit to $1.3 billion, at a floating interest rate. The revolving credit agreement will terminate in August 2002. At September 30, 1998, there were no borrowings under the revolving credit agreement.

In lieu of borrowings under the Company's revolving credit agreement, the Company may issue up to $1.3 billion of commercial paper. The Company's revolving credit agreement provides the committed backup liquidity required to issue commercial paper. Accordingly, commercial paper may only be issued up to the amount available for borrowing under the Company's revolving credit agreement. At September 30, 1998, $197.0 million (principal amount) of commercial paper was outstanding. The entire amount is classified as long-term debt.

The Company filed a universal shelf registration statement in 1996 under which the Company could issue up to $500 million of debt and equity securities from time to time. At September 30, 1998, the Company had issued an aggregate of $425 million (principal amount) of medium-term notes under this registration statement (all of which was issued in the third quarter of 1998). Combined with issuances under an earlier shelf registration statement, an aggregate of $688 (principal amount) of

medium-term notes of the Company were outstanding at September 30, 1998 with maturities ranging from five to ten years at an average annual rate of interest equal to 6.1%.

Uses:

The Company's primary uses of liquidity and capital resources include acquisitions, dividend payments and capital expenditures.

Cash used in acquiring businesses was $419.7 million and $695.4 million in the first nine months of 1998 and 1997, respectively. In the first nine months of 1998, the Company acquired Swish, Panex, Gardinia and Rotring and made other minor acquisitions for cash purchase prices totaling $418.5 million. In the first nine months of 1997, the Company acquired Rolodex, Kirsch, Eldon and other minor acquisitions for cash purchase prices totaling $762.1 million. All of these acquisitions were accounted for as purchases and were paid for with proceeds obtained from the issuance of commercial paper.

Capital expenditures were $106.3 million and $52.3 million in the first nine months of 1998 and 1997, respectively. The increase in 1998 was primarily due to the replacement of glass manufacturing tanks at Newell Europe and the Anchor Hocking Glass divisions.

The Company has paid regular cash dividends on its common stock since 1947. On February 10, 1998, the quarterly cash dividend was increased to $0.18 per share from the $0.16 per share that had been paid since February 11, 1997. Prior to this date, the quarterly cash dividend paid was $0.14 per share since February 6, 1996, which was an increase from the $0.12 per share paid since May 11, 1995. Aggregate dividends paid during the first nine months of 1998 and 1997 were $87.2 million and $76.3 million, respectively.

Retained earnings increased in the first nine months of 1998 and 1997 by $248.5 million and $127.7 million respectively. The higher increase in 1998 versus the increase in 1997 was primarily due to a net pre-tax gain of $191.5 million ($116.8 million after taxes) on the sale of the Black & Decker common stock.

Working capital at September 30, 1998 was $705.7 million compared to $719.2 million at December 31, 1997. The current ratio at September 30, 1998 was 1.66:1 compared to 2.01:1 at December 31, 1997.

Total debt to total capitalization (total debt is net of cash and cash equivalents, and total capitalization includes total debt, convertible preferred securities and stockholders' equity) was .28:1 at September 30, 1998 and .27:1 at December 31, 1997.

The Company believes that cash provided from operations and available borrowing facilities will continue to provide adequate support for the cash needs of existing businesses; however, certain events, such as significant acquisitions, could require additional external financing.

MARKET RISK

The Company's market risk is impacted by changes in interest rates, foreign currency exchange rates, and certain commodity prices. Pursuant to the Company's policies, natural hedging techniques and derivative financial instruments may be utilized to reduce the impact of adverse changes in market prices. The Company does not hold or issue derivative instruments for trading purposes, and has no material sensitivity to changes in market rates and prices on its derivative financial instrument positions.

The Company's primary market risk is interest rate exposure, primarily in the United States. The Company manages interest rate exposure through its conservative debt ratio target and its mix of fixed and floating rate debt. Interest rate exposure was reduced significantly in 1997 by the issuance of $500 million 5.25% Company-Obligated Mandatorily Redeemable Convertible Preferred Securities of a Subsidiary Trust, the proceeds of which reduced commercial paper. Interest rate swaps may be used to adjust interest rate exposures when appropriate based on market conditions, and, for qualifying hedges, the interest differential of swaps is included in interest expense.

The Company's foreign exchange risk management policy emphasizes hedging anticipated intercompany and third-party commercial transaction exposures of one year duration or less. The Company focuses on natural hedging techniques of the following form: 1) offsetting or netting of like foreign currency flows, 2) structuring foreign subsidiary balance sheets with appropriate levels of debt to reduce subsidiary net investments and subsidiary cash flows subject to conversion risk, 3) converting excess foreign currency deposits into U.S. dollars or the relevant functional currency and 4) avoidance of risk by denominating contracts in the appropriate functional currency. In addition, the Company utilizes forward contracts and purchased options to hedge commercial and intercompany transactions. Gains and losses related to qualifying hedges of commercial transactions are deferred and included in the basis of the underlying transactions. Derivatives used to hedge intercompany transactions are marked to market with the corresponding gains or losses included in the consolidated statements of income.

Due to the diversity of its product lines, the Company does not have material sensitivity to any one commodity. The Company manages commodity price exposures primarily through the duration and terms of its vendor contracts. Based on the Company's overall interest rate, currency rate and commodity price exposures at September 30, 1998, management of the Company believes that a short-term change in any of these exposures will not have a material effect on the consolidated financial statements of the Company.

YEAR 2000 COMPUTER COMPLIANCE

State of Readiness

In order to address Year 2000 compliance, the Company has initiated a comprehensive project designed to minimize or eliminate any business disruption associated with potential date processing problems in its information technology ("IT") systems, as well as its non-IT systems (e.g., HVAC systems, building security systems, etc.). The project consists of six phases: company recognition, inventory of systems, impact analysis, planning, fixing and testing. The Company has completed the first four phases for both IT and non-IT systems and is actively engaged in completing the fifth and sixth phases.

With respect to U.S. IT, approximately 85 percent of the Company's critical business systems are currently compliant and approximately 15 percent are in the process of being renovated. With respect to U.S. non-IT systems, the assessment phase indicated a need for only minor renovation work. For both U.S. IT and non-IT systems, the fixing and testing phases currently underway are expected to be completed by year-end 1998.

With respect to International IT systems, approximately 60 percent of the Company's critical business systems are currently compliant and approximately 40 percent are in the process of being renovated. With respect to International non-IT systems, the assessment phase indicated a need for only minor renovation work. For both International IT and non-IT systems, the fixing and testing phases currently underway are expected to be completed by June 1999.

As part of its Year 2000 project, the Company has initiated communications with all of its vendors, services suppliers and major customers to assess their state of Year 2000 readiness. A large percentage of its vendors have responded in writing to the Company's Year 2000 readiness inquiries that they will be Year 2000 compliant by year end 1999. The Company plans to continue assessment of its third party business partners, including face-to-face meetings with management and/or onsite visits as deemed appropriate. Despite the Company's efforts, there can be no guarantee that the systems of other companies which the Company relies upon to conduct its day-to-day business will be compliant.

COSTS

The Company estimates that it will incur expenses of $14 to $16 million in conjunction with the Year 2000 compliance project. As of September 30, 1998, the Company has spent $12 million in conjunction with this project. The majority of these expenditures were capitalized since they were associated with software that would have been replaced in the normal course of business.

RISKS

With respect to the risks associated with its IT and non-IT systems, the Company believes that the most likely worst case scenario is that the Company may experience minor system malfunctions and errors in the early days and weeks of the Year 2000 that were not detected during its renovation and testing efforts. The Company also believes that these problems will not have a material effect on the Company's financial condition or results of operations.

With respect to the risks associated with third parties, the Company believes that the most likely worst case scenario is that some of the Company's vendors will not be compliant and will have difficulty filling orders and flowing goods. Management also believes that the number of such vendors will have been minimized by the Company's program of identifying non-compliant vendors and replacing or jointly developing alternative supply or delivery solutions prior to the Year 2000.

The Company has limited the scope of its risk assessment to those factors which it can reasonably be expected to have an influence upon. For example, the Company has made the assumption that government agencies, utility companies, and national telecommunications providers will continue to operate. Obviously, the lack of such services could have a material effect on the Company's ability to operate, but the Company has little if any ability to influence such an outcome, or to reasonably make alternative arrangements in advance for such services in the event they are unavailable.

CONTINGENCY PLANS

The Company has not yet completed its planning and preparations to handle the most likely worst case scenarios described above. The Company intends to develop contingency plans for these scenarios by December 31, 1998.

FORWARD LOOKING STATEMENTS

Forward-looking statements in this Report are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may relate to, but are not limited to, such matters as sales, income, expenses, margins, earnings per share, return on equity, capital expenditures, dividends, capital structure, free cash flow, debt to capitalization ratios, internal growth rates, the Year 2000 plan and related risks, future economic performance, management's plans, goals and objectives for future operations and growth or the assumptions relating to any of the forward-looking information. The Company cautions that forward-looking statements are not guarantees since there are inherent difficulties in predicting future results, and that actual results could differ materially from those expressed or implied in the forward-looking

statements. Factors that could cause actual results to differ include, but are not limited to, those matters set forth in the Company's 1997 Annual Report on Form 10-K, as amended, the documents incorporated by reference therein and in Exhibit 99 to this Form 10-Q.

PART I.

Item 3.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required by this item is incorporated herein by reference to the section entitled "Market Risk" in the Company's Management's Discussion and Analysis of Results of Operations and Financial Condition (Part I, Item 2).

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

As of September 30, 1998, the Company was involved in 33 matters concerning federal and state environmental laws and regulations, including matters in which it had been identified by the U.S. Environmental Protection Agency and certain state environmental agencies as a potentially responsible party ("PRP") for contaminated sites under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and equivalent state laws. In assessing its environmental response costs, the Company has considered several factors, including, the extent of the Company's volumetric contribution at each CERCLA site relative to that of other PRPs: the kind of waste; where applicable, the terms of existing cost sharing and other agreements; the financial ability of other PRPs to share in the payment of requisite costs; the Company's prior experience with similar sites; environmental studies and cost estimates available to the Company; the effects of inflation on cost estimates; and the extent to which the Company's and other parties' status as PRPs is disputed. Based on information available to it, the Company's estimate of environmental response costs associated with these matters as of September 30, 1998 ranged between $18.3 million and $23.4 million. As of September 30, 1998, the Company had a reserve equal to $20.3 million for such environmental costs in aggregate. No insurance recovery was taken into account in determining the Company's cost estimates or reserve, nor do the Company's cost estimates or reserve reflect any discounting for present value purposes. Because of the uncertainties associated with environmental investigations and response activities, the possibility that the Company could be identified as a PRP at sites identified in the future that require the incurrence of environmental response costs, and the possibility of additional sites as a result of businesses acquired, actual costs to be incurred by the Company may vary from the Company's estimates. Subject to difficulties in estimating future environmental costs, the Company does not expect that any sum it may have to pay in connection with environmental matters in excess of amounts reserved will have a material adverse effect on its consolidated financial statements.

Reference is made to the disclosure of several legal proceedings relating to the importation and distribution of vinyl mini-blinds made with plastic containing lead stabilizers in Note 15 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1997. With respect to the civil suit filed by the California Attorney General and the Alameda County District Attorney against numerous defendants, including a subsidiary of the Company (which was coordinated with the case filed in Sacramento County Superior Court as a national and California private class action in 1996), on June 22, 1998, the Court entered a Stipulated Consent Judgment resolving the Attorney General's case as to the Company's subsidiary and most of the defendants. On July 27, 1998, the coordination trial judge ruled that this Consent Judgment barred the California claims of the private class action plaintiffs, and on October 6, 1998, judgment was entered for the Company's subsidiary and 22 of the other defendants in the private class action. The private class action plaintiffs are appealing both the Consent Judgment and the Judgment entered in their action and applying for attorneys' fees for their efforts at the trial court level. The Company's contribution to the judgment amount was not material to the Company's consolidated financial statements. Other related litigation described in Note 15 remains pending. Although management of the Company cannot predict the ultimate outcome of these matters with certainty, it believes that their ultimate resolution will not have a material effect on the Company's consolidated financial statements.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

11. Computation of Earnings per Share of Common Stock

12. Statement of Computation of Ratio of Earnings to Fixed Charges

21. Subsidiaries of the Registrant: Significant Subsidiaries of the Registrant

27. Financial Data Schedule

99. Additional Exhibits: Safe Harbor Statement

(b) Reports on Form 8-K:

Registrant filed a Report on Form 8-K dated July 9, 1998, reporting the Registrant entered into a Terms Agreement in connection with a public offering of a series of Medium-Term Notes under Registrant's Shelf Registration Statement on Form S-3 (Registration No. 33-64225).

Registrant filed a Report on Form 8-K dated August 6, 1998, reporting that the Company will update its share purchase rights plan effective October 31, 1998 and filing the new Rights Agreement between the Company and First Chicago Trust Company of New York.

Registrant filed a Report on Form 8-K dated October 21, 1998, reporting the merger agreement between Registrant and Rubbermaid Incorporated.

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 thereunto duly authorized.

NEWELL CO.
Registrant

Date: November 10, 1998

/s/ William T. Alldredge

William T. Alldredge
Vice President - Finance

Date: November 10, 1998

/s/ Brett E. Gries

Brett E. Gries
Vice President - Accounting & Tax

EXHIBIT 11

NEWELL CO. AND SUBSIDIARIES
COMPUTATION OF EARNINGS
PER SHARE OF COMMON STOCK
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1998	1997*	1998	1997*
Basic Earnings per Share:				
Net Income	$ 99,166	$ 87,257	$ 336,806	$ 201,915
Weighted avg. shares outstanding	162,623	162,206	162,501	162,141
Basic Earnings per Share	$ 0.61	$ 0.54	$ 2.07	$ 1.25
Diluted Earnings per Share:				
Net Income	$ 99,166	$ 87,257	$ 336,806	$ 201,915
Minority interest in income of Subsidiary trust, net of tax	4,035		12,070	
Net Income, assuming conversion of all applicable securities	$ 103,201	$ 87,257	$ 348,876	$ 201,915
Weighted avg. shares outstanding	162,623	162,206	162,501	162,141
Incremental common shares applicable to common stock options based on the market price during the period	807	640	686	640
Average common shares issuable assuming conversion of the Company-Obligated Mandatorily Redeemable Convertible Preferred Securities of a Subsidiary Trust	9,865		9,865	
Weighted avg. shares outstanding assuming full dilution	173,295	162,846	173,052	162,781
Diluted Earnings per Share, assuming conversion of all applicable securities	$ 0.60	$ 0.54	$ 2.02	$ 1.24

* Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

EXHIBIT 12

NEWELL CO. AND SUBSIDIARIES
STATEMENT OF COMPUTATION OF
RATIO OF EARNINGS TO FIXED CHARGES
(In thousands, except ratio data)

	Year-to-date September 30, 1998	For the Year Ended December 31, 1997*	1996*
Earnings available to fixed charges:			
Income before income taxes	$ 407,431 (1)	$ 485,334	$ 434,378
Fixed charges -			
Interest expense	43,966	76,413	58,541
Portion of rent determined to be interest (2)	13,740	16,963	15,185
Minority interest in income of subsidiary trust	19,984	1,528	-
Eliminate equity in earnings	(5,527)	(5,831)	(6,364)
	$ 479,594	$ 574,407	$ 501,740
Fixed charges:			
Interest expense	$ 43,966	$ 76,413	$ 58,541
Portion of rent determined to be interest (2)	13,740	16,963	15,185
Minority interest in income of subsidiary trust	19,984	1,528	-
	$ 77,690	$ 94,904	$ 73,726
Ratio of earnings to fixed charges	6.17	6.05	6.81

* Restated for the merger with Calphalon Corporation on May 7, 1998, which was accounted for as a pooling of interests.

(1) Excludes one-time net pre-tax gain of $191,513 from the sale of Black & Decker stock, offset partially by $11,398 of one-time pre-tax charges.

(2) A standard ratio of 33% was applied to gross rent expense to approximate the interest portion of short-term and long-term leases.

EXHIBIT 21

SIGNIFICANT SUBSIDIARIES OF THE REGISTRANT

Intercraft Company

Newell Operating Company

Sanford L.P.

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This schedule contains summary financial
information extracted from the Newell Co.
and Subsidiaries Consolidated Balance
Sheets and Statements of Income and is
qualified in its entirety by reference to
such financial statements.

1,000

9-MOS
DEC-31-1998
SEP-30-1998
34,280
8,163
670,193
(21,074)
776,093
1,767,370
1,340,035
(505,549)
4,603,718
1,061,675
912,650
500,000
0
162,634
1,722,897
4,603,718
2,650,263
863,623
1,722,897
2,232,024
(169,307)
3,528
43,966
587,546
250,740
336,806
0
0
0
336,806
2.07

2.02

Allowances for doubtful accounts are
reported as contra accounts to accounts
receivable. The corporate reserve for bad
debts is a percentage of trade receivables
based on the bad debts experienced in one
or more past years, general economic
conditions, the age of the receivables and
other factors that indicate the element of
uncollectibility in the receivables
outstanding at the end of the period.

See note 5 to consolidated financial
statements.

EXHIBIT 99

NEWELL SAFE HARBOR STATEMENT

Information provided by the Company, including certain of the matters described in this Quarterly Report on Form 10-Q (the "Third Quarter 10-Q")and the documents incorporated by reference therein, may constitute forward-looking statements, as defined by the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may relate to, but are not limited to, information or assumptions about the Company's sales, income, earnings per share, return on equity, capital expenditures, dividends, capital structure, free cash flow, debt to capitalization ratios, interest rates, internal growth rates, the Year 2000 plan and related risks, pending legal proceedings and claims (including environmental matters), future economic performance, management's plans, goals and objectives for future operations and growth, and the assumptions relating to any of the forward-looking information. Such forward-looking statements generally are accompanied by words such as "intend," "anticipate," "believe," "estimate," "project," "expect," "should" or similar expressions. The Company cautions that forward-looking statements are not guarantees since there are inherent difficulties in predicting future results. Actual results could differ materially from those expressed or implied in the forward-looking statements. Factors that could cause actual results to differ include, but are not necessarily limited to, those discussed below and in the matters set forth generally in the Third Quarter 10-Q and the documents incorporated by reference therein. In addition, there can be no assurance that (i) the Company has correctly identified and assessed all of the factors affecting the Company's businesses; (ii) the publicly available and other information with respect to these factors on which the Company has based its analysis is complete or correct; (iii) the Company's analysis is correct; or (iv) the Company's strategies which are based in part on this analysis, will be successful.

Retail Economy

The Company's businesses depend on the strength of the retail economies in various parts of the world, primarily in the U.S. and to a lesser extent in Asia (including Australia and New Zealand), Canada, Europe (including the Middle East and Africa) and Latin America (including Mexico and Central America). These retail economies are affected by such factors as consumer demand, the conditions of the consumer products retail industry, weather conditions and the cost of raw materials (which may not be recovered through selling prices). In recent years, the consumer products retail industry has been characterized by intense competition and consolidation among both product suppliers and retailers.

Nature of the Marketplace

The Company competes with numerous other manufacturers and distributors of consumer products, many of which are large and well-established. In addition, the Company's principal customers are volume purchasers, many of which are much larger than the Company and have strong bargaining power with suppliers. The rapid growth of large mass merchandisers, such as discount stores, warehouse clubs, home centers and office superstores, together with changes in consumer shopping patterns, have contributed to a significant consolidation of the consumer products retail industry and the formulation of dominant multi-category retailers. Other trends among retailers are to require manufacturers to maintain or reduce product prices or deliver products with shorter lead times, or for the retailer to import generic products directly from foreign sources. The combination of these market influences has created an intensely competitive environment in which the Company's principal customers continuously evaluate which product suppliers to use, resulting in pricing pressures and the need for ongoing improvements in customer service.

Growth by Acquisition

The acquisition of companies that sell branded, staple consumer product lines to volume purchasers is one of the foundations of the Company's growth strategy. The Company's ability to continue to make sufficient strategic acquisitions at reasonable prices and to integrate the acquired businesses with a reasonable period of time are important factors in the Company's future earnings growth.

Foreign Operations

Foreign operations, which include manufacturing in Canada, Mexico, Brazil, Columbia, Venezuela and many countries in Europe, and importing products from the Far East, increasingly are becoming important to the Company's businesses. Foreign operations can be affected by factors such as currency devaluation and other currency fluctuations, tariffs, nationalization, exchange controls, limitations on foreign investment in local businesses and other political, economic, regulatory risks.