SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 1996	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)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $1 par value per share, and associated Preferred Stock Purchase Rights	New York Stock Exchange Chicago Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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 (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes __X__ No _____

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. (X)

There were 158.9 million shares of the Registrant's common stock outstanding as of December 31, 1996. The aggregate market value of the shares of common stock (based upon the closing price on the New York Stock Exchange on that date) beneficially owned by nonaffiliates of the Registrant was approximately $4,754.3 million. For purposes of the foregoing calculation only, which is required by Form 10-K, the Registrant has included in the shares owned by affiliates those shares owned by directors and officers of the Registrant, and such inclusion shall not be construed as an admission that any such person is an affiliate for any purpose.

Documents Incorporated by Reference

Part III

Portions of the Registrant's Definitive Proxy Statement for its Annual Meeting of Stockholders to be held May 7, 1997, which will be filed March 14, 1997.

PART I

Item 1. Business

"Newell" or the "Company" refers to Newell Co. alone or with its wholly-owned subsidiaries, as the context requires.

GENERAL

Newell is a manufacturer and full-service marketer of high-volume consumer products serving the needs of volume purchasers. The Company's basic strategy is to merchandise a multi-product offering of brand-name consumer products, with an emphasis on excellent customer service, in order to achieve maximum results for its stockholders. Each group of the Company's products is manufactured and sold by a subsidiary or division (each referred to herein as a "division," even if separately incorporated).

The Company manages the activities of its divisions through executives at the corporate level, to whom the divisional managers report, and controls financial activities through centralized accounting, capital expenditure reporting, cash management, order processing, billing, credit, accounts receivable and data processing operations. The production, sales and servicing functions of each division, however, are conducted with substantial independence. Each division is managed by employees who make day-to-day operating and sales decisions and participate in an incentive compensation plan that ties a significant part of their compensation to their division's results. The Company believes that this allocation of responsibility and system of incentives fosters an entrepreneurial approach to management that has been important to the Company's success.

INDUSTRY SEGMENTS

The Company operates in a single industry segment consisting of Consumer Products sold through a variety of retail and wholesale distribution channels.

PRODUCTS

HOME FURNISHINGS

Window Treatments

The Company's window treatments business is conducted by the Levolor Home Fashions and Newell Window Furnishings divisions. Levolor Home Fashions and Newell Window Furnishings primarily manufacture made-to-order and stock horizontal and vertical blinds; pleated, cellular and pull shades; and window hardware for the retail marketplace. Levolor Home Fashions also produces window treatment components for custom window treatment fabricators.

Levolor Home Fashions and Newell Window Furnishings products are sold primarily under the trade names of NEWELL{r}, LEVOLOR{r}, LOUVERDRAPE{r}, DEL MAR{r}, and JOANNA{r}, and the brands SPECTRIM{r}, MAGIC FIT{r} and RIVIERA{r}.

Levolor Home Fashions and Newell Window Furnishings market their products directly and through distributors to mass merchants, home centers, department/specialty stores, hardware distributors, custom shops and select contract customers, using a network of manufacturers' representatives, as well as regional zone and market-specific sales managers.

Levolor Home Fashions and Newell Window Furnishings design, manufacture or import, package and distribute their window treatments products. Principal facilities are located in Freeport, Illinois and High Point, North Carolina. Levolor Home Fashions and Newell Window Furnishings have many facilities in the U.S. and Canada.

Picture Frames
- --------------

The Company's picture frame business is conducted by the Intercraft division. Intercraft primarily manufactures wood, wood composite and metal ready-made picture frames, framed art and photo albums.

Intercraft ready-made picture frames are sold primarily under the trade names of INTERCRAFT{r}, DECOREL{r}, BURNES OF BOSTON{r}, CARR{r}, RAREWOODS{r} AND TERRAGRAFICS{r}, while framed art is sold primarily under the DECOREL{r} trade name and photo albums are sold primarily under the HOLSON{r} trade name.

Intercraft markets products directly to mass merchants, warehouse clubs, grocery/drug stores and department/specialty stores, using a network of manufacturers' representatives, as well as regional zone and market-specific sales managers. INTERCRAFT{r}, DECOREL{r} and HOLSON{r} products are sold to mass merchants, while the remaining brands are sold to department/specialty stores.

Intercraft designs, manufactures, packages and distributes picture frames, framed art and photo albums. Principal facilities are located in Taylor, Texas; Statesville, North Carolina; Mississauga, Ontario; Clairmont, New Hampshire; Mundelein, Illinois; North Smithfield, Rhode Island; and Durango, Mexico.

Home Storage Products
- ---------------------

Lee Rowan{r} and System Works{r} - coated wire storage, home storage, shelving systems and organization products.

HOUSEWARES

Glassware and Plasticware
- -------------------------

The Company's glassware and plasticware business is conducted by the Anchor Hocking and Newell Europe divisions. Anchor Hocking and Newell Europe design, manufacture, package and distribute glass and plastic products. These products include glass ovenware, servingware, cookware and dinnerware products and plastic microwave cookware and food storage products. Anchor

Hocking also produces foodservice products, glass lamp parts, lighting components, meter covers and appliance covers for the foodservice and specialty markets. Newell Europe also produces glass components for appliance manufacturers and its products are marketed in Europe, the Middle East and Africa only.

Anchor Hocking products are sold primarily under the trade names of ANCHOR HOCKING{r} and PLASTICS INC.{tm}, and the brand names of OVEN BASICS{r} and STOWAWAYS{r}. Newell Europe's products are sold primarily under the brand names of PYREX{r}, PYROFLAM{r}, VISION{r} and VITRI{r}.

Anchor Hocking markets its products directly to mass merchants, warehouse clubs, grocery/drug stores, department/specialty stores, hardware distributors and select contract customers, using a network of manufacturers' representatives, as well as regional zone and market-specific sales managers. Newell Europe markets its products to mass merchants, industrial manufacturers and buying groups using a direct sales force.

Principal facilities are located in Lancaster, Ohio; Monaca, Pennsylvania; St. Paul and Coon Rapids, Minnesota; Sunderland, Great Britain; Muhtal, Germany and Chateauroux, France.

Aluminum Cookware and Bakeware

The Company's aluminum cookware and bakeware business is conducted by the Mirro division. Mirro primarily manufactures aluminum cookware and bakeware for the retail marketplace. Mirro also manufactures various specialized aluminum cookware and bakeware items for the food service industry. It also produces aluminum contract stampings and components for other manufacturers and makes aluminum and plastic kitchen tools and utensils.

Mirro products are sold primarily under the trade names of MIRRO{r} and WEAREVER{r}, and the brand names of AIRBAKE{r}, CUSHIONAIRE{r}, CONCENTRIC AIR{r}, CHANNELON{r} and WEAREVER AIRE{tm}.

Mirro markets its products directly to mass merchants, warehouse clubs, grocery/drug stores, department/specialty stores, hardware distributors, cable TV networks and select contract customers, using a network of manufacturers' representatives, as well as regional zone and market-specific sales managers.

Mirro manufacturing operations are highly integrated, rolling its own sheet stock from aluminum ingot, and producing phenolic handles and knobs at its own plastics molding facility. Principal facilities are located in Manitowoc and Chilton, Wisconsin and Salina, Kansas.

Hair Accessories and Beauty Organizers

Goody{r} - personal consumer products including hair accessories and beauty organizers.

OFFICE PRODUCTS

Markers and Writing Instruments

The Company's Markers and Writing Instruments business is conducted by the Sanford division. Sanford primarily manufactures permanent/waterbase markers, dry erase markers, overhead projector pens, highlighters, wood-cased pencils and inks, and distributes other writing instruments including roller ball pens, ball-point pens and mechanical pencils for the retail marketplace.

Sanford products are sold primarily under the trade names of SANFORD{r}, EBERHARD FABER{r} and BEROL{r}, and the brands SHARPIE{r}, UNI-BALL{r}, EXPO{r}, ZEZE{r}, VIS-A-VIS{r}, EXPRESSO{r} and MONGOL{r}.

Sanford markets its products directly and through distributors to mass merchants, warehouse clubs, grocery/drug stores, office superstores, office supply stores, contract stationers, and hardware distributors, using a network of manufacturers' representatives, as well as regional zone and market-specific sales managers.

Principal facilities are located in Bellwood, Illinois; and Lewisburg and Shelbyville, Tennessee. Principal foreign facilities are located in Tlalnepantla, Mexico, Bogota, Colombia and Canada.

Other

Stuart Hall - school supplies, stationery and office supplies; and Newell, Rogers and Keene Office Products - desktop and computer accessories.

HARDWARE AND TOOLS

Hardware

The Company's hardware business is conducted by the Amerock and Bulldog Fastener divisions. Amerock primarily manufactures cabinet hardware for the retail marketplace. Amerock also manufactures window hardware for window manufacturers. Bulldog packages and distributes hardware which includes bolts, screws and mechanical fasteners.

Amerock and Bulldog products are sold primarily under the trade names of AMEROCK{r}, ALLISON{r}, BULLDOG{r} and VSI{r}.

Amerock and Bulldog market their products directly and through distributors to mass merchants, home centers, hardware distributors, cabinet shops and window manufacturers, using a network of manufacturers' representatives, as well as regional zone and market-specific sales managers.

Amerock designs, manufactures, packages and distributes its hardware products. Bulldog Fastener Company packages and distributes its products. Principal facilities are located in Rockford, Illinois and Memphis, Tennessee.

Tools

EZ Paintr - manual paint applicator products and BernzOmatic - - propane and propane/oxygen hand torches.

MARKETING AND DISTRIBUTION

Sales to Wal-Mart Stores, Inc. amounted to approximately 15% of consolidated sales in 1996, 14% in 1995 and 15% in 1994.

Sales to each of the Company's other customers, individually, amounted to less than 10% of consolidated net sales.

Most of the Company's customers are retailers that rely on a single or principal source for each of the consumer products that they sell. Accordingly, the divisions focus their marketing effort on the retailer, not on the ultimate consumer, and compete with other suppliers for business. The Company's strategy is to emphasize excellent customer service, innovative merchandising programs and a quality multi-product offering. As part of its customer service programs, the Company's computer systems allow it to receive and process orders for its customers entirely on an electronic basis. The Company also offers vendor managed inventory systems to its customers, with which the Company manages inventory at customer locations. These programs, and the ability to fill and ship orders promptly, are important competitive factors since they reduce a customer's order processing costs and allow the customer to minimize the inventory it must carry. The divisions also maintain sales and service organizations to be responsive to the needs of their customers.

BACKLOG

The dollar value of unshipped factory orders is not material.

SEASONAL VARIATIONS

The divisions are only moderately affected by seasonal trends. Home Furnishings and Hardware and Tool products have higher sales in the second and third quarters due to an increased level of do-it-yourself projects completed in the summer months; Housewares products typically have higher sales in the second half of the year due to retail stocking related to the holiday season; and Office Products have higher sales in the second and third quarters due to the back-to-school season. The Company's consolidated quarterly sales do not fluctuate significantly, unless a significant acquisition is made, since these seasonal trends are moderate.

NET SALES BY PRODUCT CLASS

The following table sets forth the amounts and percentages of the Company's net sales for the three years ended December 31, 1996 (including sales of acquired companies from the time of acquisition), for the classes of similar products described previously.

	Year Ended December 31, 1996	%	1995	%	1994	%
	(In millions, except percentages)					
Home Furnishings:						
Window Treatments	$ 385.6	13%	$ 392.0	16%	$ 317.8	15%
Picture Frames	339.8	12	154.0	6	135.9	7
Home Storage Products	190.8	7	186.3	7	189.1	9
Total Home Furnishings	916.2	32	732.3	29	642.8	31
Housewares:						
Glassware and Plasticware	394.2	14	397.6	16	256.3	12

Cookware and Bakeware	273.4	9	261.9	11	280.9	14
Hair Accessories and Beauty Organizers	164.1	6	160.1	6	154.6	8
Total Housewares	831.7	29	819.6	33	691.8	34
Office Products:						
Markers and Writing Instruments	570.2	20	402.4	16	212.6	10
Other *	171.6	6	179.8	7	170.6	8
Total Office Products	741.8	26	582.2	23	383.2	18
Hardware & Tools						
Hardware	214.1	7	202.7	8	208.8	10
Tools	169.0	6	161.6	7	148.3	7
Total Hardware & Tools	383.1	13	364.3	15	357.1	17
Newell Consolidated	$2,872.8	100%	$2,498.4	100%	$2,074.9	100%

* This category is comprised of different product classes, each representing less than 10% of net sales.

Certain 1995 and 1994 amounts have been reclassified to conform with the 1996 presentation.

ACQUISITIONS OF BUSINESSES

At the foundation of the Company's growth strategy is acquisitions. Since the late 1960s, acquisitions have been the Company's primary vehicle for growth. Over the last 30 years, the Company has acquired more than 70 companies. In the last five years alone, the Company has completed 13 major acquisitions, representing nearly $2.0 billion in additional sales.

From a small manufacturer of drapery hardware with about $20.0 million in sales and $2.0 million in net income in the late 1960s, Newell has grown an average of nearly 20% per year and is now an international consumer goods supplier with annual sales approaching $3.0 billion and net income exceeding $250.0 million. This dramatic growth is largely the result of acquisitions, supplemented by internal growth.

In its acquisition planning, the Company looks for branded, staple product lines sold to volume purchasers. These product lines must have the potential to reach the Company's high standard of profitability, a low technology level and a long product life cycle. In addition to adding entirely new product lines, acquisitions can be beneficial in rounding out existing businesses by filling gaps in the product offering, adding new customers and distribution channels, improve operational efficiency through shared resources and create critical mass.

The Company has typically acquired companies that it believes have unrealized profit potential. "Newellization" is the profit improvement and productivity enhancement process that is applied to newly acquired product lines to bring them up to the Company's standards of profitability.

Elements of the Newellization process at newly acquired companies include establishing a focused business strategy, improving customer service, building partnerships with customers, reducing corporate overhead through centralization of administrative functions, trimming excess costs, tightening financial controls, improving manufacturing efficiency, pruning nonproductive product lines and reducing inventories, increasing trade receivable turnover and improving sales mix profitability through the application of program merchandising techniques.

As part of the Newellization process to improve profitability, sales can often decline as unprofitable product lines are reduced or eliminated. In the Newell strategy, once a company has been Newellized (the process usually takes about two years), it is expected to begin building profitable sales and contribute to the Company's internal growth. Internal growth has averaged 5% annually over the past five years.

On January 30, 1997, the Company signed a letter of intent with Cooper Industries, Inc. to acquire Cooper's Kirsch Division. Kirsch manufactures and distributes drapery hardware and custom window coverings in the U.S. and abroad. Consummation of the acquisition is subject to execution of a definitive agreement and receipt of the necessary government approvals. On March 5, 1997, the Company purchased the Rolodex business unit of Insilco Corporation. Rolodex is a marketer of office products including card files, personal organizers and paper punches.

Additional information regarding acquisitions of businesses is included in note 2 to the consolidated financial statements.

FOREIGN OPERATIONS

Geographic segment information regarding the Company's 1996 and 1995 foreign operations is included in note 13 to the consolidated financial statements.

RAW MATERIAL

The Company expects to have multiple foreign and domestic sources of supply for substantially all of its material requirements. The raw materials and various purchased components required for its products have generally been available in sufficient quantities.

PATENTS AND TRADEMARKS

The Company has many patents, trademarks and trade names, none of which is considered material to the consolidated operations.

COMPETITION

The markets in which the Company competes are highly competitive, with a number of well-established domestic and foreign manufacturers. In addition, many of the Company's products compete with a number of substitute products. The Company believes, however, that it has a significant share in many of its markets and is either number one or number two in virtually all of its respective fields.

The Company's principal methods of competition are customer service, price, brand name identification, merchandising programs, domestic manufacturing resources and breadth of product line offerings. The Company's strategy is to emphasize excellent customer service, innovative merchandising programs and a quality multi-product offering. The Company also believes that its customer service programs and systems, which include delivery of quality products on time and innovative good-better-best merchandising programs, give it a competitive advantage. The Company's principal customers are sophisticated volume purchasers, which consider a combination of all of these factors in determining where to purchase products.

ENVIRONMENT

Information regarding the Company's environmental matters is included in the Management's Discussion and Analysis section of this report.

EMPLOYEES

The Company has approximately 22,100 employees, of whom approximately 5,600 are covered by collective bargaining agreements.

Item 2. Properties

The following table shows the location and general character of the principal operating facilities owned or leased by the Company. The executive offices are located in Beloit, Wisconsin, which is an owned facility occupying approximately 9,000 square feet. Other Corporate offices are located in owned facilities in Freeport, Illinois (occupying 59,000 square feet) and in Rockford, Illinois (occupying 7,000 square feet). Most of the idle facilities, which are excluded from the following list, are subleased while being held pending sale or lease expiration. The Company considers its properties to be in generally good condition and well-maintained, and are generally suitable and adequate to carry on the Company's business. The properties are used for manufacturing ("M"), distribution ("D") and administrative offices ("A").

Location	City	Owned or Exp. Date If Leased	General Character
Australia	Chadstone, Melbourne	01/97	D & A
Arizona	Phoenix	03/04	M, D & A
Belgium	Zellick	10/98	D & A
California	Beaumont	11/97	D
	Garden Grove	09/97	M
	Ontario	12/97	D
	Vista	06/03	M & D
	Westminster	03/97	A
	Westminster	05/99	D
	Westminster	09/97	M
Canada	Brampton, ON	09/97	M & D
	Calgary, AB	07/01	M
	Mississauga, ON	Owned	M & D
	Oakville, ON	10/97	D & A
	Pickering, ON	03/07	D
	Prescott, ON	Owned	M
	Prescott, ON	12/97	D
	Richmond Hills, ON	10/00	A
	Toronto, ON	08/00	M & A
	Toronto, ON	02/98	D
	Watford, ON	01/04	M, D & A
	Weston, ON	M-T-M	A

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Location	City	Owner or Exp. Date If Leased	General Character
Colombia	Bogota	Owned	M, D & A
England	Bath Road	06/07	A
	Dunstable	02/05	D & A
	King's Lynn	Owned	M, D & A
	Sunderland	11/99	D
	Sunderland	12/00	D
	Sunderland	Owned	M
France	Avon	11/99	A
	Chateauroux	Owned	M, D & A
Georgia	Athens	Owned	M
	Columbus	Owned	D
	Manchester	Owned	M
	Morrow	M-T-M	D
	Peachtree City	Owned	A
Germany	Muhltal	Owned	M
Hawaii	Kapolei	07/98	M
Illinois	Bellwood	11/99	M, D & A
	Bellwood	Owned	M & A
	Freeport	Owned	M, D & A
	Freeport	12/98	D
	Freeport	Owned	A
	Mundelein	09/97	M & A
	Rockford	Owned	M, D & A
	South Holland	12/97	M
	Waukegan	07/98	D
Indiana	Lowell	Owned	M, D & A
Italy	Milan	12/01	A
	Milan	04/99	D
Kansas	Salina	Owned	M & D
	Salina	06/97	D
Mexico	Durango	Owned	M
	Tlalnepantla	Owned	M, D & A
Minnesota	Coon Rapids	Owned	M
	Eagan	01/99	D
	St. Paul	Owned	M & A

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Location	City	Owned or Exp. Date If Leased	General Character
Missouri	Fenton	12/99	A
	Jackson	Owned	M, D & A
	Kansas City	12/05	M, D & A
Nebraska	Omaha	09/98	D
New Hampshire	Claremont	Owned	M & D
	Claremont	10/97	D
New Jersey	Rockaway	03/98	M

New York	Medina	Owned	M, D & A
	Ogdensburg	Owned	M
North Carolina	High Point	Owned	M & A
	Statesville	Owned	M & D
Ohio	Bremen	Owned	M
	Columbus	12/97	D
	Lancaster	Owned	M, D & A
	Lancaster	M-T-M	M
Pennsylvania	Ambridge	M-T-M	D
	Monaca	Owned	M & A
	Monaca	M-T-M	D
	Wampum	M-T-M	D
Puerto Rico	Carolina	06/98	D & A
Rhode Island	Lincoln	M-T-M	D
	North Smithfield	05/05	A
Spain	Madrid	12/97	A
Tennessee	Johnson City	12/97	D
	Johnson City	Owned	M
	Lewisburg	Owned	M, D & A
	Memphis	02/06	M, D & A
	Memphis	01/98	D
	Shelbyville	Owned	M, D & A
	Shelbyville	02/97	D
Texas	Taylor	Owned	M, D & A
Utah	Ogden	Owned	M
	Salt Lake City	04/98	M

Location	City	Owned or Exp. Date If Leased	General Character
West Virginia	Weirton	Owned	M
Wisconsin	Beloit	Owned	A
	Chilton	Owned	M
	Madison	Owned	M, D & A
	Madison	03/97*	D
	Manitowoc	04/98	D
	Manitowoc	Owned	M, D & A
	South Milwaukee	06/97*	D
	St. Francis	Owned	M, D & A

* Lease not extended past this date.

Item 3. Legal Proceedings

Information regarding legal proceedings is included in note 14 to the consolidated financial statements and is hereby incorporated by reference herein.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of the Company's shareholders during the fourth quarter of fiscal year 1996.

Supplementary Item - Executive Officers of the Registrant as of 12/31/96

NAME	AGE	PRESENT POSITION WITH THE COMPANY
William P. Sovey	63	Vice Chairman and Chief Executive Officer
Thomas A. Ferguson, Jr.	49	President and Chief Operating Officer
Donald L. Krause	57	Senior Vice President-Corporate Controller
William T. Alldredge	56	Vice President-Finance
Richard C. Dell	50	Group President
William J. Denton	52	Group President
William K. Doppstadt	64	Vice President-Personnel Relations

William P. Sovey has been Vice Chairman and Chief Executive Officer since July 1992. From January 1986 through July 1992, he had been President and Chief Operating Officer.

Thomas A. Ferguson, Jr. has been President and Chief Operating Officer since May 1992. From January 1989 to May 1992, he was President-Operating Companies.

Donald L. Krause was appointed Senior Vice President-Corporate Controller in March 1990. He was President-Industrial Companies from February 1988 to March 1990.

William T. Alldredge has been Vice President-Finance of the Company since August 1983.

Richard C. Dell has been Group President since June 1992. He was President of Amerock from November 1989 to June 1992. He was President of EZ Paintr from September 1987 to November 1989.

William J. Denton has been Group President since March 1990. From April 1989 to March 1990, he was Vice President-Corporate Controller. He was President of Anchor Hocking Glass from August 1987 to April 1989.

William K. Doppstadt has been Vice President-Personnel Relations of the Company since 1974.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The Company's common stock is listed on the New York and Chicago Stock Exchanges (symbol: NWL). As of December 1996, there were 14,577 stockholders of record. The following table sets forth the high and low sales prices of the common stock on the New York Stock Exchange Composite Tape (as published in the Wall Street Journal) for the calendar periods indicated.

	Year Ended December 31,			
	1996		1995	
	High	Low	High	Low
Quarters:				
First	$28 7/8	$25 5/8	$25 1/2	$20 5/8

Second	32	25 1/2	25	22 1/4
Third	32	28 1/2	26 1/4	23 5/8
Fourth	33 1/4	28 1/4	27 1/4	23 43/64

The Company has paid regular cash dividends on its common stock since 1947. On February 11, 1997, the quarterly cash dividend was increased to $0.16 per share from the $0.14 per share that had been paid since February 6, 1996. Prior to this date, the quarterly cash dividend had been paid at $0.12 per share since May 11, 1995, which was an increase from the $0.10 per share paid since May 12, 1994.

Item 6. Selected Financial Data

The following is a summary of certain consolidated financial information relating to the Company. The summary has been derived in part from, and should be read in conjunction with, the consolidated financial statements of the Company included elsewhere in this report and the schedules thereto.

	Year Ended December 31, 1996	1995	1994	1993	1992
	(In millions, except per share data)				
INCOME STATEMENT DATA					
Net sales	$2,872.8	$2,498.4	$2,074.9	$1,645.0	$1,451.7
Cost of products sold	1,965.5	1,715.6	1,403.8	1,101.7	997.3
Gross income	907.3	782.8	671.1	543.3	454.4
Selling, general and administrative expenses	421.6	363.3	313.2	257.2	201.1
Restructuring costs	-	-	-	-	20.9
Operating income	485.7	419.5	357.9	286.1	232.4
Nonoperating expenses (income):					
Interest expense	57.0	49.8	30.0	19.1	20.4
Other	4.1	(1.1)	(1.4)	(8.5)	(65.6)
Net	61.1	48.7	28.6	10.6	(45.2)
Income before income taxes and cumulative effect of accounting change	424.6	370.8	329.3	275.5	277.6
Income taxes	168.1	148.3	133.7	110.2	114.3
Net income before cumulative effect of accounting change	256.5	222.5	195.6	165.3	163.3
Cumulative effect of accounting change	-	-	-	-	(44.2)
Net income	$ 256.5	$ 222.5	$ 195.6	$ 165.3	$ 119.1
EARNINGS PER SHARE DATA					
Before cumulative effect of accounting change	$1.62	$1.41	$1.24	$1.05	$ 1.05
Cumulative effect of accounting change	-	-	-	-	(0.29)

Earnings per share	$1.62	$1.41	$1.24	$1.05	$0.76
Cash dividends per share	$0.56	$0.46	$0.39	$0.35	$0.30

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Item 6. Selected Financial Data (Cont.)

	1996	1995	1994	1993	1992
			(In millions)		
WEIGHTED AVERAGE SHARES	158.8	158.2	157.8	157.3	155.8
BALANCE SHEET DATA					
Inventories	$ 509.5	$ 509.2	$ 420.7	$ 301.0	$ 226.2
Working Capital	471.1	452.6	133.6	76.7	219.5
Total assets	3,005.1	2,927.1	2,488.3	1,952.9	1,569.6
Short-term debt	104.1	163.0	309.1	247.2	97.1
Long-term debt, net of current maturities	672.0	761.6	409.0	218.1	176.8
Stockholders' equity	1,491.8	1,296.0	1,125.3	979.1	859.4

1992

On February 14, 1992, a subsidiary of the Company merged with Sanford Corporation ("Sanford"), a designer, manufacturer and marketer of marking and writing instruments, plastic desk accessories, file storage boxes and other office and school supplies. The Company issued approximately 27.8 million shares of common stock for all the common stock of Sanford (valued at approximately $686.7 million). This transaction was accounted for as a pooling of interests; therefore, prior financial statements were restated to reflect this merger.

On July 8, 1992, the Company acquired Stuart Hall Company, Inc. ("Stuart Hall"), a manufacturer of school supplies, stationery and office supplies. On October 1, 1992, the Company acquired substantially all of the assets of Intercraft Industries, L.P., and all of the capital stock of Intercraft Industries of Canada, Inc. (collectively, "Intercraft"), manufacturers of ready-made picture frames. For these and other minor acquisitions, the Company paid $175.0 million in cash, issued 3.2 million shares of common stock for all the common stock of Stuart Hall (valued at approximately $54.6 million), and assumed $82.4 million of debt. These 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 to the fair market value of the assets acquired and liabilities assumed and resulted in trade names and goodwill of approximately $161.9 million.

In 1992, the Company adopted SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other than Pensions." Adoption of this standard did not have a material effect on the

annual expense for postretirement benefits. As part of adopting this standard, the Company recorded, in the first quarter of 1992, a one-time, non-cash charge against earnings of $71.7 million before taxes and $44.1 million after taxes, or $0.29 per share. The effect of the charge on 1992 net income before cumulative effect of accounting change was not material to the consolidated financial statements.

On December 31, 1992, the Company sold its closures business for a $210.0 million note receivable due and paid January 4, 1993. The Company recognized a net pre-tax gain of $82.9 million on the sale. Sales for this business totaled $160.6 million in 1992.

1993

On April 30, 1993, the Company acquired substantially all of the assets of Levolor Corporation ("Levolor"), a manufacturer and distributor of decorative window coverings. On September 22, 1993, the Company acquired Lee Rowan Company ("Lee Rowan"), a manufacturer and marketer of coated wire storage and organization products. On November 9, 1993, the Company acquired Goody Products, Inc. ("Goody"), a manufacturer and marketer of personal consumer products including hair accessories and beauty organizers. For these and other minor 1993 acquisitions, the Company paid $293.1 million in cash (excluding the $13.1 million of Goody common stock that the Company owned prior to the acquisition) and assumed $30.7 million of debt.

These 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 to the fair market value of the assets acquired and liabilities assumed and resulted in trade names and goodwill of approximately $208.2 million.

Subsequent Years

Information regarding 1994, 1995 and 1996 acquisitions of businesses is included in note 2 to the consolidated financial statements.

QUARTERLY SUMMARIES

Summarized quarterly data for the last three years are as follows (unaudited):

(In millions, except per share data)

Calendar Year	1st	2nd	3rd	4th	Year
1996					
Net sales	$ 618.2	$ 735.1	$ 761.9	$ 757.6	$2,872.8
Gross income	181.3	235.8	243.7	246.5	907.3
Net income	33.2	67.7	74.6	81.0	256.5
Earnings per share	.21	.43	.47	.51	1.62
1995					
Net sales	$ 556.6	$ 621.3	$ 651.3	$ 669.2	$2,498.4
Gross income	166.8	189.5	207.2	219.3	782.8
Net income	36.1	54.9	65.1	66.4	222.5
Earnings per share	.23	.35	.41	.42	1.41
1994					
Net sales	$ 443.5	$ 493.5	$ 553.2	$ 584.7	$2,074.9
Gross income	134.8	159.9	179.2	197.2	671.1

Net income	31.5	44.0	58.0	62.1	195.6
Earnings per share	.20	.28	.37	.39	1.24

Item 7. Management's Discussion and Analysis of Results of Operations and Financial Condition

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of the Company's consolidated results of operations and financial condition. The discussion should be read in conjunction with the consolidated financial statements and notes thereto.

RESULTS OF OPERATIONS

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

	Year Ended December 31,		
	1996	1995	1994
Net sales	100.0%	100.0%	100.0%
Cost of products sold	68.4	68.7	67.7
Gross income	31.6	31.3	32.3
Selling, general and administrative expenses	14.7	14.5	15.1
Operating income	16.9	16.8	17.2
Nonoperating expenses (income):			
Interest expense	2.0	2.0	1.4
Other	0.1	-	(0.1)
Net	2.1	2.0	1.3
Income before income taxes	14.8	14.8	15.9
Income taxes	5.9	5.9	6.5
Net income	8.9%	8.9%	9.4%

1996 vs. 1995

Net sales for 1996 were $2,872.8 million, representing an increase of $374.4 million or 15.0% from $2,498.4 million in 1995. The overall increase in net sales was primarily attributable to contributions from the 1995 acquisitions of Decorel and Berol, the 1996 acquisition of Holson Burnes, and internal growth of 4% (internal growth is defined as growth from the Company's "core businesses," which include continuing businesses owned more than two years and minor acquisitions completed during the last two years). All of the acquisitions are described in note 2 to the consolidated financial statements. Net sales for each of the Company's product groups (and the primary reasons for the increases) were as follows, in millions:

	Year Ended December 31, 1996	1995	%Change	Primary Reasons for Increases
Home Furnishings	$ 916.2	$ 732.3	25.1%	Decorel October 1995 and Holson Burnes January 1996 acquisitions and 6% internal growth
Housewares	831.7	819.6	1.5	4% internal growth offset by weaker than expected sales at Newell Europe as a result of soft European retail conditions
Office Products	741.8	582.2	27.4	Berol November 1995 acquisition and 3% internal growth
Hardware & Tools	383.1	364.3	5.2	Internal growth
	$2,872.8	$2,498.4	15.0%	

Gross income as a percent of net sales for 1996 was 31.6% versus 31.3% in 1995. Gross margins improved slightly, primarily as a result of increases in gross margins from the businesses acquired in 1995 and 1994.

Selling, general and administrative expenses ("SG&A") as a percent of net sales in 1996 were 14.7% versus 14.5% in 1995. There was no material change in spending at the core businesses; the increase as a percentage of sales was primarily due to SG&A at Holson Burnes.

Net nonoperating expenses for 1996 were $61.1 million versus $48.7 million in 1995. The $12.4 million change included a $7.2 million increase in interest expense and a $4.3 million increase in amortization of trade names and goodwill as a result of additional borrowings and capitalized goodwill related to the 1996 and 1995 acquisitions. For supplementary information regarding other nonoperating expenses, see note 12 to the consolidated financial statements.

The effective tax rate was 39.6% in 1996 versus 40.0% in 1995. See note 11 to the consolidated financial statements for an explanation of the effective tax rate.

Net income for 1996 was $256.5 million, representing an increase of $34.0 million or 15.3% from 1995. Earnings per share for 1996 were up 14.9% to $1.62 versus $1.41 in 1995. The increases in net income and earnings per share were primarily attributable to contributions from Berol (net of associated interest expense and goodwill amortization) and an improvement in operating margins at several of the core businesses.

INTERNATIONAL OPERATIONS

Until a few years ago, the Company's overseas business was conducted by Newell International, an exporter of the Company's products. Newell International, with 1996 sales approaching $60.0 million, had consistently increased sales since it was established more than two decades ago.

Then, in November 1994, the Company began a major emphasis on overseas expansion with the acquisition of Corning's $130.0 million European consumer products business. Now known as Newell

Europe, the acquisition included Corning's manufacturing facilities in England, France and Germany. The purchase also included the trademark rights and product lines of Pyrex{r}, one of the most recognized brands in Europe (see note 2 to the consolidated financial statements).

More recently, the 1995 acquisition of Berol, an international manufacturer and marketer of writing instruments, provided the Company with international sales of more than $80.0 million and extensive foreign manufacturing facilities.

Recent acquisitions, combined with existing sales by Newell International and by Canadian businesses (approximately $145.0 million), have pushed Newell's international business to almost 15% of sales and 10% of operating income (see note 13 to the consolidated financial statements for a more detailed geographic segment breakdown). The non-U.S. business is growing at a faster pace than the U.S. business, as shown below:

	Year Ended December 31,		
	1996	1995	% Change
	(in millions)		
Net sales:			
U.S.	$2,458.2	$2,157.0	14.0%
Non-U.S.	414.6	341.4	21.4
Total	$2,872.8	$2,498.4	15.0%
Operating income:			
U.S.	$ 437.7	$ 389.1	12.5%
Non-U.S.	48.0	30.4	57.9
Total	$ 485.7	$ 419.5	15.8%

The Company expects this trend to continue as it pursues its substantial international growth opportunities.

1995 vs. 1994

Net sales for 1995 were $2,498.4 million, representing an increase of $423.5 million or 20.4% from $2,074.9 million in 1994. The overall increase in net sales was primarily attributable to contributions from the 1995 acquisitions of Decorel and Berol, and the 1994 acquisitions of HFI, Faber and Newell Europe (all of which are described in note 2 to the consolidated financial statements). Internal growth was lower than expected in 1995 due to a sluggish retail environment. Net sales for each of the Company's product groups (and the primary reasons for the increases) were as follows, in millions:

	Year Ended December 31,			
	1995	1994	%Change	Primary Reasons for Increases
Housewares	$ 819.6	$ 691.8	18.5%	Newell Europe November 1994 acquisition
Home Furnishings	732.3	642.8	13.9	Decorel October 1995 acquisition and HFI August 1994 acquisition

Office Products	582.2	383.2	51.9	Berol November 1995 acquisition, Faber October 1994 acquisition and 9% internal growth
Hardware & Tools	364.3	357.1	2.0	Internal growth
	$2,498.4	$2,074.9	20.4%	

Gross income as a percent of net sales for 1995 was 31.3% versus 32.3% in 1994. The decrease was due to lower than average gross margins from the businesses acquired in 1995 and 1994.

SG&A as a percent of net sales in 1995 was 14.5% versus 15.1% in 1994. The decrease was due to lower spending at the Company's core businesses and low levels of SG&A at Faber.

Net nonoperating expenses for 1995 were $48.7 million versus $28.6 million in 1994. The $20.1 million change included a $19.8 million increase in interest expense and a $3.9 million increase in amortization of trade names and goodwill as a result of additional borrowings and capitalized goodwill related to the 1995 and 1994 acquisitions. For supplementary information regarding other nonoperating expenses, see note 12 to the consolidated financial statements.

The effective tax rate was 40.0% in 1995 versus 40.6% in 1994. See note 11 to the consolidated financial statements for an explanation of the effective tax rate.

Net income for 1995 was $222.5 million, representing an increase of $26.9 million or 13.8% from 1994. Earnings per share for 1995 were up 13.7% to $1.41 versus $1.24 in 1994. The increases in net income and earnings per share were primarily attributable to contributions from the 1995 and 1994 acquisitions (net of associated interest expense and goodwill amortization) and an increase in operating margins at several of the core 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.

Operating activities provided net cash of $367.3 million during 1996, an increase of $90.6 million from $276.7 million in 1995. This increase was primarily due to an increase in net income and effective working capital management in 1996.

During 1996, the Company amended its revolving credit agreement with 23 banks to provide for a five-year $900.0 million agreement which will terminate in June 2001. Under this agreement, the Company may borrow, repay and reborrow funds in an aggregate amount up to $900.0 million, at a floating interest rate. At December 31, 1996, 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 $900.0 million 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 December 31, 1996, $404.0 million (face or principal amount) of commercial paper was outstanding. The entire amount is classified as long-term debt.

At December 31, 1996, the Company had outstanding $295.0 million (principal amount) of medium-term notes with maturities ranging from five to ten years at an average rate of interest equal to 6.4%.

The Company has a universal shelf registration statement under which the Company may issue up to $500.0 million of debt and equity securities, subject to market conditions. At December

31, 1996, the Company had not yet issued any securities under this registration statement.

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 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 December 31, 1996 totalled $70.9 million.

USES:
- ----

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

Capital expenditures were $94.2 million, $82.6 million and $66.0 million in 1996, 1995 and 1994, respectively.

The Company has paid regular cash dividends on its common stock since 1947. On February 11, 1997, the quarterly cash dividend was increased to $0.16 per share from the $0.14 per share that had been paid since February 6, 1996. Prior to this date, the quarterly cash dividend had been paid at $0.12 per share since May 11, 1995, which was an increase from the $0.10 per share paid since May 12, 1994. Dividends paid during 1996, 1995 and 1994 were $88.9 million, $72.8 million and $61.5 million, respectively. In August 1994, the Company's Board of Directors declared a two-for-one common stock split in the form of a 100% stock distribution of the Company's common stock, which was paid on September 1, 1994 to stockholders of record on August 15, 1994. All per share data has been adjusted to reflect the two-for-one stock split.

Retained earnings increased in 1996, 1995 and 1994 by $167.6 million, $149.7 million and $134.0 million, respectively. The average dividend payout ratio to common stockholders in 1996, 1995 and 1994 was 35%, 33% and 31%, respectively (represents the percentage of earnings per share paid in cash to stockholders).

In 1996, the Company acquired Holson Burnes and completed other minor acquisitions for a total cash purchase price of $42.6 million. In 1995 and 1994, the Company completed acquisitions with total cash purchase prices of $210.6 million and $360.8 million, respectively. All of these acquisitions were accounted for as purchases and were paid for with proceeds obtained from the issuance of commercial paper, medium-term notes, notes payable under the Company's lines of credit or shares of the Company's common stock.

The increases in current assets, current liabilities, property, plant and equipment and trade names and goodwill during 1996, 1995 and 1994 were primarily due to the acquisitions occurring in those years.

Working capital at December 31, 1996 was $471.1 million compared to $452.6 million at December 31, 1995 and $133.6 million at December 31, 1994. The current ratio at December 31, 1996 was 1.74:1 compared to 1.67:1 at December 31, 1995 and 1.17:1 at December 31, 1994. The working capital and current ratio increased in 1996 and 1995 versus 1994 as a result of increased current assets related to acquired businesses coupled with lower levels of short-term debt. Total debt to total capitalization (net of cash and cash equivalents) was .34:1 at December 31, 1996, .40:1 at December 31, 1995 and .38:1 at December 31, 1994. The ratio decreased in 1996 primarily as a result of paying down debt with cash provided from operations.

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.

In 1995, the Financial Accounting Standards Board ("FASB") issued SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of." The adoption of this statement in 1996 was not material to the consolidated financial statements.

In 1995, the FASB also issued SFAS No. 123, "Accounting for Stock Based Compensation." The Company adopted the disclosure requirements of this statement (see note 10 to the consolidated financial statements) and will continue to apply APB Opinion No. 25 to its stock option plans.

Environmental Matters

The Company is involved in various environmental remediation and other compliance activities, including activities arising under the federal Comprehensive Environmental Response, Compensation and Liability Act ("Superfund") and similar state statutes. Certain information regarding these activities is included in note 14 to the consolidated financial statements. Based on information currently available to it, the Company has estimated that remediation costs associated with these activities will be between $9.6 million and $17.3 million. As of December 31, 1996, the Company had a reserve equal to $15.9 million for such remediation costs in the aggregate. Because of the uncertainties associated with environmental assessment and remediation activities, the possibility that sites could be identified in the future that require environmental remediation

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 sums 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.

Outlook

The Company's primary financial goals are to maintain return on beginning equity ("ROE") at 20% or above and increase earnings per share ("EPS") an average of 15% per year, while maintaining a prudent ratio of total debt to total capital ("leverage"). The Company has achieved these goals over the last ten years, averaging 21% ROE, increasing EPS 20% and averaging 28% leverage. The factors affecting the Company's ability to achieve these goals in the future will be the rates of internal and acquisition growth.

In terms of internal growth, the Company has achieved an average of 5% internal growth over the last five years. This has been accomplished by adding new customers, cross-selling existing product lines to current customers, cultivating the Company's relationships with volume purchasers, entering new markets, and, most important, introducing new products. The rate at which the Company grows internally in 1997 and beyond will likely depend on its success in these areas. For 1997, the rate of internal growth is expected to be in the 3-5% range. In addition, the Company's internal growth rate may be impacted by external factors, such as the strength of retail economies (primarily in the U.S. and to a lesser extent in Canada, Central and South America, and Europe), the nature of the mareketplace (which can be influenced by large and well-established manufacturers as well as large volume purchasers, many of which are much larger than the Company and have significant bargaining power) and the risks associated with doing business internationally (including currency fluctuations, tariffs, nationalization and other political and regulatory risks).

In terms of acquisition growth, since 1990 the Company has more than doubled its size, acquiring businesses with annual sales of almost $2.0 billion. The rate at which the Company can integrate these recent acquisitions, in order to meet the Company's high standards of profitability, may affect near-term EPS growth. Over the longer term, the Company's ability to make and integrate strategic acquisitions will impact the EPS growth rate.

On October 15, 1996, Black & Decker exercised its option to convert the 150,000 shares of privately placed Black & Decker preferred stock owned by the Company (purchased at a cost of

$150.0 million) into 6.4 million shares of Black & Decker common stock. Prior to conversion, the preferred stock paid a 7.75% cumulative dividend, aggregating $10.2 million annually or $0.07 per Newell common share, net of tax. Based on historical information, the dividends paid to the Company on the shares of Black & Decker Common Stock owned by the Company are expected to total $2.7 million annually, or $0.02 per Newell common share, net of tax.

Forward-looking statements made in this section and other sections of this report are made in reliance upon the safe harbor provisions of the private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which are generally discussed here. Additional information regarding such risks and uncertainties is included in Exhibit 99 to the 1996 10-K Report, which identifies in greater detail the risk factors which could cause the Company's actual financial results to differ materially from results forecast or estimated by the Company in forward-looking statements.

Item 8. Financial Statements and Supplementary Data

Report of Independent Public Accountants

To the Stockholders and Board of Directors of Newell Co.:

We have audited the accompanying consolidated balance sheets of Newell Co. (a Delaware corporation) and subsidiaries as of December 31, 1996, 1995 and 1994, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 1996. These consolidated financial statements are the responsibility of Newell Co.'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 financial statements referred to above present fairly, in all material respects, the financial position of Newell Co. and subsidiaries as of December 31, 1996, 1995 and 1994, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1996, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule listed in Part IV Item 14(a)(2) of this Form 10-K is presented for purposes of complying with the Securities and Exchange Commission's rules and is not a part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin,
January 27, 1997.

NEWELL CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31, 1996	1995	1994
(In thousands, except per share data)			
Net sales	$2,872,817	$2,498,414	$2,074,934
Cost of products sold	1,965,500	1,715,585	1,403,786
GROSS INCOME	907,317	782,829	671,148
Selling, general and administrative expenses	421,630	363,356	313,283
OPERATING INCOME	485,687	419,473	357,865
Nonoperating expenses (income):			
Interest expense	56,989	49,812	29,970
Other	4,064	(1,124)	(1,397)

Net	61,053	48,688	28,573
Income before income taxes	424,634	370,785	329,292
Income taxes	168,155	148,314	133,717
NET INCOME	$ 256,479	$ 222,471	$ 195,575
Earnings per share	$1.62	$1.41	$1.24
Weighted average shares outstanding	158,764	158,212	157,774

See notes to consolidated financial statements.

NEWELL CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 1996	1995	1994
		(In thousands)	
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 4,360	$ 58,771	$ 14,892
Accounts receivable, net	404,170	390,296	335,806
Inventories, net	509,504	509,245	420,654
Deferred income taxes	121,152	107,499	90,063
Prepaid expenses and other	68,928	67,063	56,256
TOTAL CURRENT ASSETS	1,108,114	1,132,874	917,671
MARKETABLE EQUITY SECURITIES	240,789	53,309	64,740
OTHER LONG-TERM INVESTMENTS	58,703	203,857	214,044
OTHER ASSETS	119,168	122,702	133,652
PROPERTY, PLANT AND EQUIPMENT, NET	555,434	530,285	454,597
TRADE NAMES AND GOODWILL	922,846	884,084	703,572
TOTAL ASSETS	$3,005,054	$2,927,111	$2,488,276

See notes to consolidated financial statements.

NEWELL CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONT.)

December 31,
1996 1995 1994

	(In thousands)		
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
Notes payable	$ 70,877	$ 104,017	$ 209,720
Accounts payable	105,333	113,927	112,269
Accrued compensation	65,632	73,057	57,785
Other accrued liabilities	324,719	317,184	296,554
Income taxes	37,209	13,043	8,271
Current portion of long-term debt	33,243	59,031	99,425
TOTAL CURRENT LIABILITIES	637,013	680,259	784,024
LONG-TERM DEBT	672,033	761,578	408,986
OTHER NONCURRENT LIABILITIES	156,691	158,321	152,697
DEFERRED INCOME TAXES	47,477	30,987	17,243
STOCKHOLDERS' EQUITY			
Common stock - authorized shares, 400.0 million at $1 par value; Outstanding shares: 1996 - 158.9 million 1995 - 158.6 million 1994 - 157.8 million	158,871	158,626	157,844
Additional paid-in capital	197,889	190,860	175,218
Retained earnings	1,106,146	938,567	788,862
Net unrealized gain on securities available for sale	36,595	15,912	9,868
Cumulative translation adjustment	(7,661)	(7,999)	(6,466)
TOTAL STOCKHOLDERS' EQUITY	1,491,840	1,295,966	1,125,326
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$3,005,054	$2,927,111	$2,488,276

See notes to consolidated financial statements.

NEWELL CO. AND SUBSIDIARIES -- CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 1996	1995	1994
	(In thousands)		
OPERATING ACTIVITIES:			
Net income	$ 256,479	$ 222,471	$ 195,575
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation and amortization	116,362	101,722	72,485
Deferred income taxes	44,700	40,747	30,673
Net gains(losses) on:			
Marketable equity securities	-	(15,819)	(373)
Write-off of investment	1,339	16,000	-
Equity earnings of investment	(6,364)	(5,993)	(5,661)
Changes in current accounts, excluding the effects of acquisitions:			
Accounts receivable	1,812	16,380	(254)
Inventories	27,256	(4,444)	(13,798)
Other current assets	37	(4,629)	4,187
Accounts payable	(25,564)	(14,941)	(5,626)
Accrued liabilities and other	(48,731)	(74,752)	(38,782)

NET CASH PROVIDED BY OPERATING ACTIVITIES	367,326	276,742	238,426
INVESTING ACTIVITIES:			
Acquisitions, net	(58,213)	(187,788)	(345,392)
Expenditures for property, plant and equipment	(94,237)	(82,562)	(66,026)
Purchase of marketable equity securities	(3,513)	-	-
Sale of marketable equity securities	-	37,324	1,053
Disposals of noncurrent assets and other	8,767	1,227	2,628
NET CASH USED IN INVESTING ACTIVITIES	(147,196)	(231,799)	(407,737)
FINANCING ACTIVITIES:			
Proceeds from issuance of debt	1,193	315,191	402,708
Proceeds from exercised stock options and other	7,274	7,100	2,799
Payments on notes payable and long-term debt	(194,108)	(250,589)	(162,638)
Cash dividends	(88,900)	(72,766)	(61,532)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(274,541)	(1,064)	181,337
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	(54,411)	43,879	12,026
Cash and cash equivalents at beginning of year	58,771	14,892	2,866
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 4,360	$ 58,771	$ 14,892
Supplemental cash flow disclosures:			
Cash paid during the year for:			
Income taxes	$ 123,700	$ 129,300	$ 115,900
Interest	55,400	44,800	31,100

See notes to consolidated financial statements.

NEWELL CO. AND SUBSIDIARIES -- CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock	Add'l Paid-In Capital(1)	Retained Earnings	Net Unrealized Gain On Securities Available for Sale	Cumulative Translation Adjustment
	(In thousands, except per share data)				
Balance at December 31, 1993	$78,793	$ 249,588	$ 654,819	N/A	$ (4,055)
Net income			195,575		
Fair value adjustment for securities available for sale at January 1, 1994				$ 3,353	
Cash dividends:					
Common stock $0.39 per share			(61,532)		
Stock split, form of 100% stock dividend	78,910	(78,910)			
Exercise of stock options	155	4,604			
Change in net unrealized gain on securities available for sale				6,515	
Foreign currency translation and other	(14)	(64)			(2,411)
Balance at December 31, 1994	157,844	175,218	788,862	9,868	(6,466)
Net income			222,471		
Cash dividends:					
Common stock $0.46 per share			(72,766)		
Stock issued for acquisitions	381	8,943			
Exercise of stock options	412	6,759			
Change in net unrealized gain on securities available for sale				6,044	
Foreign currency translation and other	(11)	(60)			(1,533)

Balance at December 31, 1995	158,626	190,860	938,567	15,912	(7,999)
Net income			256,479		
Cash dividends:					
Common stock $0.56 per share			(88,900)		
Exercise of stock options	245	7,088			
Change in net unrealized gain on securities available for sale				20,683	
Foreign currency translation and other		(59)			338
Balance at December 31, 1996	$158,871	$ 197,889	$1,106,146	$ 36,595	$ (7,661)

(1) Net of treasury stock (at cost) of $199, $161 and $134 as of December 31, 1996, 1995 and 1994, respectively.

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1996, 1995 AND 1994

1) SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation: The consolidated financial statements include the accounts of Newell and its majority owned subsidiaries ("the Company") after elimination of intercompany accounts and transactions.

Use of estimates: The preparation of these financial statements required the use of certain estimates by management in determining the Company's assets, liabilities, revenue and expenses and related disclosures.

Revenue Recognition: Sales of merchandise are recognized upon shipment to customers.

Disclosures about Fair Value of Financial Instruments: The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Long-term Investments: The fair value of the investment in convertible preferred stock of The Black & Decker Corporation ("Black & Decker") in 1995 and 1994 was based on an independent appraisal. This preferred stock was converted into Black & Decker common stock on October 15, 1996 and reclassified to Long-term Marketable Equity Securities at December 31, 1996.

Long-term Debt: The fair value of the Company's long-term debt issued under the medium-term note program is estimated based on quoted market prices which approximate cost. All other significant long-term debt is pursuant to floating rate instruments whose carrying amounts approximate fair value.

Allowances for Doubtful Accounts: Allowances for doubtful accounts at December 31 totalled $13.2 million in 1996, $11.0 million in 1995 and $10.9 million in 1994.

Inventories: Inventories are stated at the lower of cost or market value. Cost of certain domestic inventories (approximately 86%, 89% and 87% of total inventories at December 31, 1996, 1995 and 1994, respectively) was determined by the "last-in, first-out" ("LIFO") method; for the balance, cost was determined using the "first-in, first-out"("FIFO") method. If the FIFO inventory valuation method had been used exclusively, inventories would have increased by $26.0 million, $29.0 million and $12.3 million at December 31, 1996, 1995 and 1994, respectively.

The components of inventories at the end of each year, net of the LIFO reserve, were as follows:

	December 31, 1996	1995	1994
	(In millions)		
Materials and supplies	$124.5	$147.7	$ 81.7
Work in process	87.9	87.5	98.9
Finished products	297.1	274.0	240.1
	$509.5	$509.2	$420.7

Inventory reserves at December 31 totalled $81.2 million in 1996, $67.3 million in 1995 and $51.6 million in 1994.

Other Long-term Investments: At December 31, 1995 and 1994, the Company owned 150,000 shares of privately placed Black & Decker convertible preferred stock, Series B, purchased at a cost of $150.0 million. On October 15, 1996, in accordance with the terms of the preferred stock, Black & Decker exercised its option to convert the preferred stock into 6.4 million shares of Black & Decker common stock. As a result of the conversion, the common stock is classified as a Long-term Marketable Equity Security in the December 31, 1996 consolidated balance sheet.

The Company has a 49% ownership interest in American Tool Companies, Inc., a manufacturer of hand tools and power tool accessory products marketed primarily under the VISE-GRIP and IRWIN trademarks. This investment is accounted for on the equity method with a net investment of $45.4 million.

Long-term Marketable Equity Securities: Long-term 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). Long-term marketable equity securities at the end of each year are summarized as follows:

	December 31, 1996	1995	1994
	(In millions)		
Aggregate market value	$240.8	$ 53.3	$ 64.7
Aggregate cost	180.3	26.8	48.3
Unrealized gain	$ 60.5	$ 26.5	$ 16.4

During 1995, the Company received proceeds of $37.3 million from the sale of Long-term Marketable Equity Securities and recorded a gain of $15.8 million on the sale. Gains and losses on the sales of Long-term Marketable Equity Securities are based upon the average cost of securities sold.

Property, Plant and Equipment: Property, plant and equipment at the end of each year consisted of the following:

	December 31, 1996	1995	1994
	(In millions)		
Land	$ 21.1	$ 16.2	$ 9.6
Buildings and improvements	206.9	194.8	164.8

Machinery and equipment	699.6	620.2	515.8
	927.6	831.2	690.2
Allowance for depreciation	(372.2)	(300.9)	(235.6)
	$ 555.4	$ 530.3	$ 454.6

The components of depreciation are provided by annual charges to income calculated to amortize, principally on the straight-line basis, the cost of the depreciable assets over their depreciable lives. Estimated useful lives determined by the Company are as follows:

Buildings and improvements	20-40 years
Machinery and equipment	5-12 years

Replacements and improvements are capitalized. Expenditures for maintenance and repairs are charged to expense.

Trade Names and Goodwill: The cost of trade names and the excess of cost over identifiable net assets of businesses acquired are being amortized over 40 years on a straight-line basis. Total accumulated amortization of trade names and

goodwill was $99.7 million, $76.3 million and $57.0 million at December 31, 1996, 1995 and 1994, respectively.

Subsequent to an acquisition, the Company periodically evaluates whether later events and circumstances have occurred that indicate the remaining estimated useful life of goodwill may warrant revision or that the remaining balance of goodwill may not be recoverable. When factors indicate that goodwill should be evaluated for possible impairment, the Company uses an estimate of the relevant business's undiscounted net income over the remaining life of the goodwill in measuring whether the goodwill is recoverable.

Accrued Liabilities: Accrued Liabilities at the end of each year included the following:

	December 31, 1996	1995	1994
	(In millions)		
Customer accruals	$ 91.4	$ 83.7	$ 74.9
Accrued self-insurance liability	46.3	39.7	38.7

Customer accruals are promotional allowances and rebates given to customers in exchange for their selling efforts. The self-insurance accrual is primarily for workers' compensation and is estimated based upon historical claim experience.

Foreign Currency Translation: Foreign currency balance sheet accounts are translated into U.S. dollars at the rates of exchange in effect at fiscal year end. Income and expenses are translated at the average rates of exchange in effect during the year. The related translation adjustments are made directly to a separate component of stockholders' equity. Foreign currency transaction gains and losses were insignificant in 1996, 1995 and 1994.

Earnings per share: The earnings per share amounts are computed based on the weighted average monthly number of shares outstanding during the year. Common stock equivalents assumed with the stock option plans are not materially dilutive to earnings per share.

Accounting Principles Adopted: In 1995, the Financial

Accounting Standards Board ("FASB") issued SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of." The adoption of this statement in 1996 was not material to the consolidated financial statements.

In 1995, the FASB also issued SFAS No. 123, "Accounting for Stock Based Compensation." The Company adopted the disclosure requirements of this statement (see note 10 to the consolidated financial statements) and will continue to apply APB Opinion No. 25 to its stock option plans.

Reclassification: Certain 1995 and 1994 amounts have been reclassified to conform with the 1996 presentation.

2) ACQUISITIONS OF BUSINESSES

1994
- ----

On August 29, 1994, the Company acquired Home Fashions, Inc.("HFI"), a manufacturer and marketer of decorative window coverings, including vertical blinds and pleated shades sold under the Del Mar and LouverDrape brand names. HFI was combined with Levolor and together they are operated as a single entity called Levolor Home Fashions. On October 18, 1994, the Company acquired Faber-Castell Corporation ("Faber"), a maker and marketer of markers and writing instruments, including wood-cased pencils and rolling ball pens, sold under the Eberhard Faber brand name. Faber was combined with Sanford and together they are operated as a single entity called Sanford. On November 30, 1994, the Company acquired the European consumer products business of Corning Incorporated (now known as "Newell Europe"). This acquisition included Corning's consumer products manufacturing facilities in England, France and Germany, the European trademark rights and product lines for Pyrex, Pyroflam and Visions brands in Europe, the Middle East and Africa, and Corning's consumer distribution network throughout these areas (Pyrex and Visions are registered trademarks of Corning Incorporated). Additionally, the Company became the distributor in Europe, the Middle East and Africa for Corning's U.S. manufactured cookware and dinnerware brands. For these and other minor 1994 acquisitions, the Company paid $360.8 million in cash and assumed $12.8 million of debt.

These 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 to the fair market value of the assets acquired and liabilities assumed and resulted in trade names and goodwill of approximately $202.2 million.

1995
- ----

On October 2, 1995, the Company acquired Decorel Incorporated ("Decorel"), a manufacturer and marketer of ready-made picture frames. Decorel was combined with Intercraft. On November 2, 1995, the Company acquired Berol Corporation ("Berol"), a designer, manufacturer and marketer of markers and writing instruments. Berol was combined with Sanford. For these and other minor 1995 acquisitions, the Company paid $210.6 million in cash, issued 379,507 shares of the Company's common stock (valued at approximately $9.5 million) and assumed $144.2 million of debt.

These 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 to the fair market value of the assets acquired and liabilities assumed and resulted in trade names and goodwill of approximately $181.1 million.

1996
- ----

On January 19, 1996, the Company acquired The Holson Burnes Group, Inc. ("Holson Burnes"), a manufacturer and marketer of photo albums and picture frames. For this and other minor 1996 acquisitions, the Company paid $42.6 million in cash and assumed $44.4 million of debt.

These 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 $37.0 million. The final adjustments to the purchase price allocation are not expected to be material to the financial statements.

The unaudited consolidated results of operations for the years ended December 31, 1996 and 1995 on a pro forma basis, as though Decorel, Berol and Holson Burnes had been acquired on January 1, 1995, are as follows:

	1996	1995
	(In millions, except per share data)	
Net sales	$2,877.3	$2,867.8
Net income	255.5	200.1
Earnings per share	1.61	1.26

3) CREDIT ARRANGEMENTS

The Company has short-term foreign and domestic uncommitted lines of credit with various banks and a commercial paper program which are available for short-term financing. Borrowings under the Company's uncommitted lines of credit are subject to 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 December 31, 1996 totalled $70.9 million.

The following is a summary of borrowings under foreign and domestic lines of credit:

	1996	1995	1994
		(In millions)	
Notes payable to banks:			
Outstanding at year-end			
- borrowing	$ 70.9	$104.0	$ 92.6
- weighted average interest rate	4.7%	6.6%	6.0%

Average for the year			
- borrowing	99.4	102.4	21.5
- weighted average interest rate	5.3%	6.7%	4.9%
Maximum borrowing outstanding during the year	120.0	137.8	119.3

The Company also can issue up to $900.0 million of commercial paper. The revolving credit facilities, as described in note 4 to the consolidated financial statements, provide the committed backup liquidity required to issue commercial paper. The following is a summary of commercial paper:

	1996	1995	1994
		(In millions)	
Commercial paper:			
Outstanding at year-end			
- borrowing	$404.0	$448.6	$417.1
- average interest rate	5.9%	5.8%	6.0%
Average for the year			
- borrowing	512.3	410.4	324.8
- average interest rate	5.3%	6.0%	4.4%
Maximum borrowing outstanding during the year	594.0	500.0	479.0

4) LONG-TERM DEBT

The following is a summary of long-term debt:

	December 31, 1996	1995	1994
		(In millions)	
Medium-term notes	$295.0	$345.0	$186.0
Commercial paper	404.0	448.6	300.0
Other long-term debt	6.2	27.0	22.4
	705.2	820.6	508.4
Current portion	(33.2)	(59.0)	(99.4)
	$672.0	$761.6	$409.0

During 1996, the Company amended its revolving credit agreement to provide for a five-year $900.0 million agreement which will terminate in June 2001. Under this agreement, the Company may borrow, repay and reborrow funds in an aggregate amount up to $900.0 million, at a floating interest rate. At December 31, 1996, 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 $900.0 million 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 December 31, 1996, $404.0 million (face or principal amount) of commercial paper was outstanding. The entire amount is classified as long-term debt.

At December 31, 1996, the Company had outstanding $295.0 million (principal amount) of medium-term notes with maturities ranging from five to ten years at an average rate of interest equal to 6.4%.

The Company has a universal shelf registration statement under which the Company may issue up to $500.0 million of debt and equity securities, subject to market conditions. At December 31, 1996, the Company had not yet issued any securities under this registration statement.

The revolving credit agreement permits the Company to borrow funds using Syndicated loans (Base Rate loans or Eurodollar loans), Money Market loans (LIBOR Market loans or Set Rate loans) or Acceptance liabilities, as selected by the Company. The terms

of these agreements require, among other things, that the Company maintain a certain Total Debt to Total Capital Ratio and a minimum Operating Income to Interest Expense Ratio, as defined in these agreements. As of December 31, 1996, the Company was in compliance with these agreements.

The aggregate maturities of Long-term Debt outstanding at December 31, 1996, are as follows:

Year	Aggregate Maturities (In millions)
1997	$ 33.2
1998	1.1
1999	8.0
2000	148.0
2001	404.9
Thereafter	110.0
	$705.2

5) DERIVATIVE FINANCIAL INSTRUMENTS

The Company has only limited involvement with derivative financial instruments and does not use them for trading purposes. They are used to manage certain interest rate and foreign currency risks.

Interest rate swap agreements are utilized to convert certain floating rate debt instruments into fixed rate debt. Premiums paid related to interest rate swap agreements are amortized into interest expense over the terms of the agreements. As of December 31, 1996, the Company did not have any interest rate swaps outstanding.

The Company uses forward exchange contracts to hedge certain purchase commitments denominated in currencies other than the domestic currency. Unamortized premiums are included in other assets in the consolidated balance sheets. Gains and losses relating to qualifying hedges of firm commitments are deferred and are recognized in income as adjustments of carrying amounts when the hedged transaction occurs.

As of December 31, 1996, certain forward purchase contracts to purchase approximately 2.5 billion Japanese yen for $22.3 million through June 1997 were outstanding. As of December 31, 1996, certain forward purchase contracts to purchase approximately $14.2 million for 19.2 million Canadian dollars through February 1997 were outstanding.

The Company does not obtain collateral or other security to support financial instruments subject to credit risk but monitors the credit standing of the counterparties.

6) LEASES

The Company has minimum rental payments through the year

2007 under noncancellable operating leases as follows:

Year	Minimum Payments
	(In millions)
1997	$24.8
1998	16.2
1999	9.6
2000	6.3
2001	5.1
Thereafter	17.9
	$79.9

Total rental expense for all operating leases was approximately $45.0 million, $38.3 million and $31.8 million in 1996, 1995 and 1994, respectively.

7) EMPLOYEE BENEFIT RETIREMENT PLANS

The Company and its subsidiaries have noncontributory pension and profit sharing plans covering substantially all of its foreign and domestic employees. Pension plan benefits are generally based on years of service and/or compensation. The Company's funding policy is to contribute not less than the minimum amounts required by the Employee Retirement Income Security Act of 1974 or local statutes to assure that plan assets will be adequate to provide retirement benefits. Due to the overfunded status of most of the pension plans, contributions to these plans were insignificant during the past three years.

The net periodic pension cost components for all significant pension plans are as follows:

	Year Ended December 31,		
	1996	1995	1994
	(In millions)		
Service cost-benefits earned during the year	$ 16.0	$ 14.3	$ 13.4
Interest cost on projected benefit obligation	36.1	35.0	31.3
Actual return on assets	(74.0)	(64.0)	(31.3)
Net amortization and other components	24.3	17.5	(9.4)
Total pension plan expense	$ 2.4	$ 2.8	$ 4.0

The principal actuarial assumptions used are as follows:

	1996	1995	1994
	(In percent)		
Measurement of projected benefit obligation:			
Discount rate	7.75%	7.75%	8%
Long-term rate of compensation increase	5%	5%	5%
Long-term rate of return on plan assets	9%	9%	9%

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The following table sets forth the funded status of the pension plans and the amount recognized in the Company's consolidated balance sheets:

	Plans Whose Assets Exceed Accumulated Benefits			Plans Whose Accumulated Benefits Exceed Assets		
	1996	1995	1994	1996	1995(1)	1994
	(In millions)					
Actuarial present value of benefit obligations:						
Vested	$413.9	$329.0	$347.1	$ 17.8	$ 89.2	$ 21.1
Nonvested	10.6	10.1	12.0	9.1	10.5	4.8
Accumulated benefit obligation	424.5	339.1	359.1	26.9	99.7	25.9
Effect of projected future salary increases	20.5	15.2	20.9	10.3	17.9	5.7
Projected benefit obligation	445.0	354.3	380.0	37.2	117.6	31.6
Plan assets at market value (primarily common stock and fixed income investments)	585.8	463.1	469.2	-	75.9	6.1
Plan assets in excess of (less than) projected benefit obligation	140.8	108.8	89.2	(37.2)	(41.7)	(25.5)
Unrecognized transition (net asset) obligation	(7.3)	(4.5)	(13.5)	2.3	(3.1)	1.7
Unrecognized prior service cost	(7.7)	(3.0)	-	.9	1.1	-
Unrecognized net (gain)loss	(54.5)	(21.9)	(7.5)	7.5	11.3	5.1
Net pension asset (liability) in Other Noncurrent Assets and Other Noncurrent Liabilities	$ 71.3	$ 79.4	$68.2	$(26.5)	$(32.4)	$(18.7)

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Total expense under all profit sharing plans was $6.6 million, $5.5 million and $4.5 million for the years ended December 31, 1996, 1995 and 1994, respectively.

(1) During 1995, the defined benefit plan covering certain hourly employees contained a temporary unfunded obligation. This plan was fully funded in 1996.

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8) RETIREE HEALTH CARE

Several of the Company's subsidiaries currently provide retiree health care benefits for certain employee groups.

The components of the net postretirement health care cost are as follows:

	Year Ended December 31, 1996	1995	1994
	(In millions)		
Service cost-benefits attributed to service during the period	$ 2.1	$ 1.7	$ 2.0
Interest cost on accumulated postretirement benefit obligation	7.7	7.5	7.3
Net amortization and deferral	(0.3)	(0.5)	-
Net postretirement health care cost	$ 9.5	$ 8.7	$ 9.3

The following table reconciles the accumulated postretirement benefit obligation as recognized in the Company's consolidated balance sheets:

	December 31, 1996	1995	1994
	(In millions)		
Accumulated postretirement benefit obligation:			
Retirees	$ (63.5)	$ (67.4)	$ (65.2)
Fully eligible active plan participants	(5.5)	(5.6)	(6.0)
Other active plan participants	(28.1)	(23.4)	(21.1)
Accumulated postretirement benefit obligation	(97.1)	(96.4)	(92.3)
Market value of assets	-	-	-
Funded status	(97.1)	(96.4)	(92.3)
Unrecognized net gain	(13.0)	(13.0)	(16.7)
Other Noncurrent Liability	$(110.1)	$(109.4)	$(109.0)

The actuarial calculation assumed a 10% increase in the health care cost trend rate for fiscal year 1996. The assumed rate decreases one percent every year through the year 2000 to 6% and remains constant beyond that point. The health care cost trend rate has a significant effect on the amounts reported. For example, a one percentage point increase in the health care cost

trend rate would increase the accumulated postretirement benefit obligation by $6.3 million and increase net periodic cost by $0.9 million. The discount rate used in determining the accumulated postretirement benefit obligation was 7.75% in both 1996 and 1995 and 8% in 1994.

9) STOCKHOLDERS' EQUITY

The Company's common stock consists of 400.0 million authorized shares, with a par value of $1 per share. Of the total unissued common shares at December 31, 1996, total shares in reserve included 8.8 million shares for issuance under the Company's stock option plans.

Each share of common stock includes a preferred stock purchase right (a "Right"). Each Right will entitle the holder, until the earlier of October 31, 1998 or the redemption of the Rights, to buy one four-hundredth of a share of a new series of preferred stock, denominated "Junior Participating Preferred Stock, Series B," at a price of $25 per one four-hundredth of a share (as adjusted to reflect stock splits since the issuance of the Rights). This preferred stock is nonredeemable and will have 100 votes per share. The Company has reserved 500,000 Series B preferred shares for issuance upon exercise of such Rights. The Rights will be exercisable only if a person or group acquires 20% or more of voting power of the Company or announces a tender offer following which it would hold 30% or more of the Company's voting power.

In the event that any person becomes the beneficial owner of 30% or more of the Company's voting power, the Rights (other than Rights held by the 30% stockholder) would become exercisable for that number of shares of the Company's common stock having a market value of two times the exercise price of the Right. Furthermore, if, following the acquisition by a person or group of 20% or more of the Company's voting power, the Company were acquired in a merger or other business combination or 50% or more of its assets were sold, or in the event of certain types of self-dealing transactions by a 20% stockholder, each Right (other than Rights held by the 20% stockholder) would become exercisable for that number of shares of common stock of the Company (or the surviving company in a business combination) having a market value of two times the exercise price of the Right.

The Company may redeem the Rights at one cent per Right prior to the occurrence of an event that causes the Rights to become exercisable for common stock. The Board of Directors may terminate the Company's right to redeem the Rights prior to the time the Rights become exercisable for common stock at any time after a group or person acquires 20% or more of the Company's voting power under certain circumstances.

10) STOCK OPTIONS

The Company's stock option plans are accounted for under APB Opinion No. 25. As a result, the Company grants fixed stock options under which no compensation cost is recognized. Had compensation cost for the plans been determined consistent with FASB Statement No. 123, the Company's net income and earnings per share would have been reduced to the following pro forma amounts:

		Year Ended December 31,	
		1996	1995
Net income:	As reported	$256,479	$222,471
	Pro forma	254,787	221,345
Primary EPS:	As reported	$1.62	$1.41
	Pro forma	1.60	1.40

Because the FASB Statement No. 123 method of accounting has not been applied to options granted prior to January 1, 1995, the resulting pro forma compensation cost may not be representative of that to be expected in future years.

The Company may grant up to 9.7 million shares under the plans, of which, the Company has granted 3.1 million shares and cancelled 2.2 million shares through December 31, 1996. Under the plans, the option exercise price equals the common stock's closing price on date of grant, vests over a five-year period and expires after ten years.

The following summarizes the changes in number of shares of common stock under option:

	1996	1995	1994

	Shares	Weighted Avg. Exercise Price	Shares	Weighted Avg. Exercise Price	Shares	Weighted Avg. Exercise Price
Outstanding at beginning of year	1,945,730	$20	2,155,758	$19	2,082,200	$17
Granted	301,850	28	284,250	24	454,400	21
Exercised	(243,596)	17	(411,528)	16	(273,196)	11
Cancelled	(143,920)	21	(82,750)	21	(107,646)	9
Outstanding at end of year	1,860,064	22	1,945,730	20	2,155,758	19
Exercisable at end of year	999,118	18	1,113,118	17	1,079,278	16
Weighted average fair value of options granted during the year	$10		$9			

100% of 1,860,064 options outstanding at December 31, 1996 have exercise prices between $3.875 and $31.625.

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions used for grants in 1996 and 1995, respectively: risk-free interest rate of 6.4% and 6.6%; expected dividend yields of 1.8% and 1.8%; expected lives of 9.9 years and 9.5 years; and expected volatility of 20% and 20%.

11) INCOME TAXES

The provision for income taxes consists of the following:

	Year Ended December 31, 1996	1995	1994
	(In millions)		
Current:			
Federal	$ 96.2	$ 88.5	$ 82.3
State	16.6	16.7	19.1
Foreign	10.6	2.4	1.6
	123.4	107.6	103.0
Deferred	44.7	40.7	30.7
Total	$ 168.1	$ 148.3	$ 133.7

The components of the net deferred tax asset are as follows:

	December 31, 1996	1995	1994
	(In millions)		
Deferred tax assets:			
Accruals, not currently deductible for tax purposes	$ 108.0	$ 105.1	$ 79.5
Postretirement liabilities	43.5	43.6	44.9
Inventory reserves	28.3	16.5	6.2
Self-insurance liability	16.5	13.2	14.1
Other	1.4	0.8	3.0
	197.7	179.2	147.7
Deferred tax liabilities:			
Accelerated depreciation	(46.4)	(45.5)	(37.1)

Prepaid pension asset	(30.5)	(31.6)	(24.2)
Unrealized gain on securities available for sale	(23.9)	(10.6)	(6.5)
Amortization of intangibles	(4.1)	-	-
Other	(19.1)	(15.0)	(7.0)
	(124.0)	(102.7)	(74.8)
Net deferred tax asset	$ 73.7	$ 76.5	$ 72.9

The net deferred tax asset is classified in the consolidated balance sheets as follows:

	December 31,		
	1996	1995	1994
	(In millions)		
Current net deferred income tax asset	$ 121.2	$ 107.5	$ 90.1
Noncurrent deferred income tax liability	(47.5)	(31.0)	(17.2)
	$ 73.7	$ 76.5	$ 72.9

A reconciliation of the U.S. statutory rate to the effective income tax rate is as follows:

	Year Ended December 31,		
	1996	1995	1994
	(In percent)		
Statutory rate	35.0%	35.0%	35.0%
Add (deduct) effect of:			
State income taxes, net of federal income tax effect	3.6	4.3	4.5
Nondeductible trade names and goodwill amortization	1.5	1.4	1.3
Other	(0.5)	(0.7)	(0.2)
Effective rate	39.6%	40.0%	40.6%

No U.S. deferred taxes have been provided on the undistributed non-U.S. subsidiary earnings which are considered to be permanently invested. At December 31, 1996, the estimated amount of total unremitted non-U.S. subsidiary earnings is $37.7 million.

The non-U.S. component of income before income taxes was $40.4 million in 1996, $19.3 million in 1995 and $3.5 million in 1994.

12) OTHER NONOPERATING EXPENSES(INCOME)

Total other nonoperating expenses(income) consist of the following:

	Year Ended December 31,		
	1996	1995	1994

		(In millions)	
Interest income	$ (3.7)	$ (1.9)	$ (1.0)
Trade names and goodwill amortization	23.6	19.3	15.4
Dividend income	(11.0)	(12.8)	(12.6)
Equity earnings in American Tool Companies, Inc., in which the Company has a 49% interest	(6.4)	(6.0)	(5.7)
Write-downs in carrying value of a long-term foreign investment accounted for under the equity method	1.3	16.0	-
Net gain on marketable equity securities	-	(15.8)	(0.4)
Other	0.3	0.1	2.9
	$ 4.1	$ (1.1)	$ (1.4)

13) OTHER OPERATING INFORMATION

INDUSTRY SEGMENT INFORMATION

The Company operates in a single industry segment: the Company is a manufacturer and full-service marketer of high-volume, brand-name, staple consumer products sold to volume purchasers. The Company's consumer products are sold through a variety of retail and wholesale distribution channels.

The Company's consumer products and the primary brand names under which they are sold include:

Product Group	Primary Product Class	Brand Names
Home Furnishings	Window Treatments	Newell{r} Levolor{r} LouverDrape{r} Del Mar{r} Joanna{r}
	Picture Frames	Intercraft{r} Decorel{r} Holson Burnes{r}
	Home Storage Products	Lee Rowan{r} System Works{r}
Housewares	Glassware & Plasticware	Anchor Hocking{r} Pyrex{r} (1)
	Aluminum Cookware & Bakeware	Mirro{r} WearEver{r}
	Hair Accessories	Goody{r} Ace{r}
Office Products	Markers & Writing Instruments	Sanford{r} Eberhard Faber{r} Berol{r}
	School Supplies & Stationery	Stuart Hall{r}
	Desktop & Computer Accessories	Rogers{r} Keene{r}
Hardware & Tools	Hardware	Amerock{r} Bulldog{r}
	Paint Applicators	EZ Paintr{r}
	Hand Torches	BernzOmatic{r}

(1) Pyrex is marketed in Europe, the Middle East and Africa and is a registered trademark of Corning Incorporated.

Sales to Wal-Mart Stores, Inc. and subsidiaries amounted to approximately 15% of consolidated net sales in 1996, 14% in 1995 and 15% in 1994. Sales to each of the Company's other customers, individually, amounted to less than 10% of consolidated net sales.

GEOGRAPHIC SEGMENT INFORMATION

Prior to the 1994 acquisition of Newell Europe and the 1995 acquisition of Berol, the Company operated principally in the United States. Since these acquisitions, the Company operates in several non-U.S. locations including Australia, Canada, England, France, Germany, Mexico and Colombia. Summary financial information by geographic area included in the consolidated financial statements is as follows:

	1996		1995	
	$	% of Total	$	% of Total
	(In millions)		(In millions)	
Net sales:				
U.S.	$2,458.2	85.6%	$2,157.0	86.3%
Non-U.S.	414.6	14.4	341.4	13.7
Total	$2,872.8	100.0%	$2,498.4	100.0%
Operating income:				
U.S.	$ 437.7	90.1%	$ 389.1	92.8%
Non-U.S.	48.0	9.9	30.4	7.2
Total	$ 485.7	100.0%	$ 419.5	100.0%
Total assets at December 31:				
U.S.	$2,610.2	86.9%	$2,501.0	85.4%
Non-U.S.	394.9	13.1	426.1	14.6
Total	$3,005.1	100.0%	$2,927.1	100.0%

Sales between geographic areas are not material. The Company's export sales, defined as sales of existing divisions' products made in the U.S. and sold by the Company's export division to foreign customers, were approximately 2.0% of net sales in 1996 and 2.2% in 1995 (financial information is included in the non-U.S. category in the above table).

14) LITIGATION

The Company and its subsidiaries are subject to certain legal proceedings and claims, including the environmental matters described below, that have arisen in the ordinary conduct of its business.

The Company and its subsidiaries are involved in various matters concerning federal and state environmental laws and regulations, including 17 matters in which they have been identified by the U.S. Environmental Protection Agency and certain state environmental agencies as potentially responsible parties ("PRPs") at hazardous waste disposal sites under the Comprehensive Environmental Response, Compensation and Liability Act ("Superfund") and equivalent state laws. In assessing its remediation costs, the Company has considered several factors, including: the extent of the Company's volumetric contribution at each 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 environmental remediation; 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 are disputed. Based on information currently available to it, the Company's estimate of remediation costs associated with these matters ranges between $9.6 million and $17.3 million. As of December 31, 1996, the Company had a reserve equal to $15.9 million for such remediation costs in the 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.

The Company is involved in several legal proceedings relating to the importation and distribution of vinyl mini-blinds made with plastic containing lead stabilizers. In 1996, the Consumer Product Safety Commission found that such stabilizers deteriorate over time from exposure to sunlight and heat, causing lead dust to form on mini-blind surfaces and presenting a health risk to children under six years of age. In July 1996, the California Attorney General and the Alameda County District Attorney filed a civil suit against 12 named companies, including a subsidiary of the Company, alleging failure to warn consumers adequately about the presence of lead in accordance with California law and seeking injunctions, civil penalties and restitutionary relief. In August 1996, 15 companies, including a subsidiary of the Company, were named as defendants in a national and California private class action in Sacramento County Superior Court. In this case, the plaintiffs allege that these companies

breached an implied warranty, committed fraud by concealment, used false and misleading advertising, and employed unfair or fraudulent business practices in connection with the presence of lead in their blinds. The plaintiffs seek injunctive relief, unspecified damages, restitution of purchase price, suit costs, prejudgment interest and, with respect to the claim of fraud by concealment, punitive damages. The Company has agreed to indemnify several of its retailer customers that are named as defendants in one or both of these cases for liability directly related to actions or omissions of the Company. These two cases were recently coordinated, a coordination trial judge was appointed, and discovery is expected to begin shortly.

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 9. Changes In and Disagreements with Accountants on Accounting and Financial Disclosure

None.

PART III

Item 10. Directors and Executive Officers of the Registrant

Information regarding executive officers of the Company is included as a Supplementary Item at the end of Part I of this

Form 10-K.

Information regarding directors of the Company is included in the Company's Definitive Proxy Statement for the Annual Meeting of Stockholders to be held May 7, 1997 ("Proxy Statement") under the caption "Proposal 1 -Election of Directors," which information is hereby incorporated by reference herein.

Information regarding compliance with Section 16(a) of the Exchange Act is included in the Proxy Statement under the caption "Section 16(a) Beneficial Ownership Compliance Reporting," which information is hereby incorporated by reference herein.

Item 11. Executive Compensation

Information regarding executive compensation is included in the Proxy Statement under the caption "Proposal 1 - Election of Directors - Information Regarding Board of Directors and Committees," the captions "Executive Compensation - Summary; - - Option Grants in 1996; - Option Exercises in 1996; - Pension and Retirement Plans; - Employment Security Agreements," and the caption "Executive Compensation Committee Interlocks and Insider Participation," which information is hereby incorporated by reference herein.

Item 12. Security Ownerships of Certain Beneficial Owners and Management

Information regarding security ownership is included in the Proxy Statement under the caption "Certain Beneficial Owners," which information is hereby incorporated by reference herein.

Item 13. Certain Relationships and Related Transactions

Not Applicable.

PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a) (1) The following is a list of the financial statements of Newell Co. included in this report on Form 10-K which are filed herewith pursuant to Item 8:

Report of Independent Public Accountants Consolidated Statements of Income - Years Ended December 31, 1996, 1995 and 1994

Consolidated Balance Sheets - December 31, 1996, 1995 and 1994

Consolidated Statements of Cash Flows - Years Ended December 31, 1996, 1995 and 1994

Consolidated Statements of Stockholders' Equity - Years Ended December 31, 1996, 1995 and 1994

Notes to Consolidated Financial Statements - December 31, 1996, 1995 and 1994

(2) The following is a list of the consolidated financial statement schedules of the Company included

in this report on Form 10-K which are filed herewith pursuant to Item 14(d) and appear immediately preceding the Exhibit Index:

Schedule VIII - Valuation and Qualifying Accounts

(3) The exhibits filed herewith are listed on the Exhibit Index filed as part of this report on Form 10-K. Each management contract or compensatory plan or arrangement of the Company listed on the Exhibit Index is separately identified by an asterisk.

(b) Reports on Form 8-K: None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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
By /s/ William T. Alldredge
William T. Alldredge
Vice President-Finance

Date March 24, 1997

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on March 24, 1997, by the following persons on behalf of the Registrant and in the capacities indicated.

Signature	Title
/s/ Daniel C. Ferguson Daniel C. Ferguson	Chairman of the Board and Director
/s/ William P. Sovey William P. Sovey	Vice Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)
/s/ Thomas A. Ferguson, Jr. Thomas A. Ferguson, Jr.	President and Chief Operating Officer and Director
/s/ Donald L. Krause Donald L. Krause	Senior Vice President-Corporate Controller (Principal Accounting Officer)
/s/ William T. Alldredge William T. Alldredge	Vice President-Finance (Principal Financial Officer)
/s/ Alton F. Doody Alton F. Doody	Director
/s/ Gary H. Driggs Gary H. Driggs	Director

/s/ Robert L. Katz Director

Robert L. Katz

/s/ John J. McDonough Director

John J. McDonough

/s/ Elizabeth Cuthbert Millett Director

Elizabeth Cuthbert Millett

/s/ Cynthia A. Montgomery Director

Cynthia A. Montgomery

/s/ Allan P. Newell Director

Allan P. Newell

/s/ Henry B. Pearsall Director

Henry B. Pearsall

SCHEDULE VIII - VALUATION AND QUALIFYING ACCOUNTS
NEWELL CO. AND SUBSIDIARIES

Description	Balance at Beginning of Period	Additions: Charged to Costs and Expenses	Additions: Charged to Other Accounts (A)	Deductions (B)	Balance at End of Period
Allowance for doubtful accounts for the years ended:					
December 31, 1996	$ 11,014	$ 6,034	$2,200	$(6,058)	$ 13,190
December 31, 1995	10,886	2,838	1,990	(4,700)	11,014
December 31, 1994	6,226	2,780	3,996	(2,116)	10,886

Note A - Represents recovery of accounts previously written off, along with reserves of acquired businesses.

Note B - Represents accounts charged off.

	Balance at Beginning of Period	Provision	Write-offs	Other (C)	Balance at End of Period
Inventory reserves for the years ended:					
December 31, 1996	$ 67,275	$ 22,251	$(30,721)	$ 22,349	$ 81,154
December 31, 1995	51,599	8,621	(17,200)	24,255	67,275

December 31, 1994	28,995	9,901	(16,178)	28,881	51,599

Note C - Represents reserves of acquired businesses, including provisions for product line rationalization.

(C) EXHIBIT INDEX

		Exhibit Number	Description of Exhibit
Item 3.	Articles of Incorporation and By-Laws	3.1	Restated Certificate of Incorporation of Newell Co., as amended as of September 7, 1995.
		3.2	By-Laws of Newell Co., as amended through November 9, 1995 (incorporated by reference to Exhibit 4.2 to Pre-effective Amendment No. 1 to the Company's Registration Statement on Form S-3, Reg. No. 33-64225, filed January 23, 1996).
Item 4.	Instruments defining the rights of security holders, including indentures	4.1	Restated Certificate of Incorporation of Newell Co., as amended as of September 7, 1995, is included in Item 3.1.
		4.2	By-Laws of Newell Co., as amended through November 9, 1995, are included in Item 3.2.
		4.3	Rights Agreement dated as of October 20, 1988 between the Company and First Chicago Trust Company of New York (formerly known as Morgan Shareholders Services Trust Company) (incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K dated October 25, 1988).

Exhibit Number	Description of Exhibit
4.4	Indenture dated as of April 15, 1992, between the Company and The Chase Manhattan Bank (National Association). Trustee (incorporated by reference to Exhibit 4.4 to the Company's Report on Form 8 amending the Company's Quarterly Report on Form 10-Q

			for the quarterly period ended March 31, 1992).
			Pursuant to item 601(b) (4)(iii)(A) of Regulation S-K, the Company is not filing certain documents. The Company agrees to furnish a copy of each such document upon the request of the Commission.
Item 10.	Material	*10.1	The Newell Long-term Savings and Contracts Investment Plan, as amended and restated effective May 1, 1993 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1993 (the "June 1993 Form 10-Q")).
		*10.2	The Company's Amended and Restated 1984 Stock Option Plan, as amended through February 14, 1990 (incorporated by reference to Exhibit 10.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 1990 (the "1990 Form 10-K")).

Exhibit Number	Description of Exhibit
*10.3	Newell Co. Deferred Compensation Plan, as amended, effective October 23, 1986 (incorporated by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 1995).
*10.4	Newell Operating Company's ROA Cash Bonus Plan, effective January 1, 1977, as amended (incorporated by reference to Exhibit 10.8 to the 1981 Form S-14).
*10.5	Newell Operating Company's ROI Cash Bonus Plan, effective July 1, 1966, as amended (incorporated by reference to Exhibit 10.9 to the 1981 Form S-14).
*10.6	Newell Operating Company's Pension Plan for Salaried and Clerical Employees, as amended and restated, effective January 1, 1989 (incorporated by reference to Exhibit 10.2 to the June 1993 Form 10-Q).
*10.7	Newell Operating Company's Pension Plan for Factory and

Distribution Hourly-Paid Employees, as amended and restated, effective January 1, 1984 (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K for the year ended December 31, 1985 (File No. 0-7843) (the "1985 Form 10-K")).

Exhibit Number	Description of Exhibit
*10.8	Newell Operating Company's Supplemental Retirement Plan for Key Executives, effective January 1, 1982, as amended (incorporated by reference to Amendment No. 2 to the Company's Registration Statement on Form S-14, File No. 2-71121, filed February 2, 1982).
10.9	Securities Purchase Agreement dated June 21, 1985 between American Tool Companies, Inc. and the Company (incorporated by reference to Exhibit 10.13 to the 1985 Form 10-K).
*10.10	Form of Employment Security Agreement with six executive officers (incorporated by reference to Exhibit 10.10 to the 1990 Form 10-K).
10.11	Letter Agreement dated as of August 13, 1991 between The Black & Decker Corporation and the Company (incorporated by reference to Exhibit 1 to the Company's Statement on Schedule 13D dated August 22, 1991).
10.12	Standstill Agreement dated as of September 24, 1991 between The Black & Decker Corporation and the Company (incorporated by reference to Exhibit 3 to Amendment No. 1 to the Company's Statement on Schedule 13D dated September 26, 1991).

Exhibit Number	Description of Exhibit
*10.13	Newell Co. 1993 Stock Option Plan, effective February 9, 1993 (incorporated by

			reference to the Company's Registration Statement on Form S-8, File No. 33-67632, filed August 19, 1994).
		10.14	Form of Placement Agency Agreement relating to private placement to accredited investors of unsecured notes of the Company (incorporated by reference to Exhibit 10.20 to the 1993 Form 10-K).
		10.15	Five Year Credit Agreement dated as of June 12, 1995 among the Company, certain of its affiliates, The Chase Manhattan Bank (National Association), as Agent, and the banks whose names appear on the signature pages thereto (incorporated by reference to Exhibit 10.2 to the June 1995 Form 10-Q).
		10.16	Amendment No. 1 dated as of June 7, 1996 to Five Year Credit Agreement dated as of June 12, 1995 among the Company, certain of its affiliates, The Chase Manhattan Bank (National Association), as Agent, and the banks whose names appear on the signature pages thereto (incorporated by reference to Exhibit 10.17 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1996).

		Exhibit Number	Description of Exhibit
Item 21.	Subsidiaries of the Registrant	21.1	Subsidiaries of the Company.
Item 23.	Consent of experts and counsel	23.1	Consent of Arthur Andersen LLP.
Item 27.	Financial Data Schedule	27	Financial Data Schedule.
Item 99.	Additional Exhibits	99	Safe Harbor Statement.

* Management contract or compensatory plan or arrangement of the Company.

EXHIBIT 21.1

SUBSIDIARIES

Name	Jurisdiction of Organization	Ownership
Anchor Hocking Consumer Glass Corporation	Delaware	100% of stock owned by Anchor Hocking Corporation
Anchor Hocking Corporation	Delaware	100% of stock owned by Newell Operating Company
Ashland Products, Inc.	Delaware	100% of stock owned by Newell Co.
Berol Blue Ribbon Corp.	Kentucky	100% of stock owned by Berol Corporation
Berol Canada Inc.	Ontario, Canada	100% of stock owned by Berol Corporation
Berol Corporation	Delaware	100% of stock owned by Newell Co.
Berol Corporation	Massachusetts	100% of stock owned by Berol Corporation (Delaware)
Berol Corporation	Nevada	100% of stock owned by Berol Corporation (Delaware)
Berol Corporation	Puerto Rico	100% of stock owned by Berol Corporation (Delaware)
Berol Limited	United Kingdom	100% of stock owned by Berol Corporation
Berol Pen Company	North Carolina	100% of stock owned by Berol Corporation
Berol Trademarks, Inc.	Delaware	100% of stock owned by Berol Corporation
Newell Sanford S.A.	Colombia	43.41% of stock owned by Berol Pen Corporation; 14.00% of stock owned by Ember Investment Company; 16.91% of stock owned by Furth Corporation; 13.00% of stock owned by Loral Corporation; 12.68%
of		stock owned by Terbal Corporation
Berol, S.A. de C.V.	Mexico	81.35% of stock owned by Berol Corporation; 18.55% of stock owned by Newell Co. leaving .1% by other individuals

Name	Jurisdiction of Organization	Ownership
Berol Trademarks, Inc.	Delaware	100% of stock owned by Berol Corporation
DAX Manufacturers, Inc.	New York	100% of stock owned by Intercraft Company
DeComex USA, Inc.	Delaware	100% of stock owned by Intercraft Company
Decorel Canada, Inc.	Ontario, Canada	100% of stock owned by Intercraft Company
Decorel, S.A. de C.V.	Mexico	.002% (1 share) of Series B of the fixed portion of capital stock and 1.03% of the variable portion of capital stock owned by Decorel Incorporated; 99.998% of Series B of the fixed portion of capital stock and 98.97% of Series B of the variable portion of capital stock owned by Decomex USA, Inc.
Ember Investment Corp.	Delaware	100% of stock owned by Berol Corporation
Empire Enterprises, Inc.	Tennessee	100% of stock owned by Berol Corporation
Empire Leasing Company	Delaware	75% of stock owned by Berol Corporation; 25% of stock owned by Berol Canada Inc.
Faber-Castell Corporation	New Jersey	100% of stock owned by Newell Co.
Furth Corporation	Delaware	100% of stock owned by Berol Corporation
Goody Products, Inc.	Delaware	100% of stock owned by Newell Co.
Intercraft Company	Delaware	100% of stock owned by Newell Co.
Lee Rowan Company	Missouri	100% of stock owned by Newell Co.

Loral Corporation	Delaware	100% of stock owned by Berol Corporation
Newell Australia Pty, Ltd.	Victoria, Australia	100% owned by Newell Investments Inc.
Newell Consumer Products Products GmbH	Germany	100% of stock owned by Newell Investments Inc.
Newell Finance Company	Delaware	100% of stock owned by Newell Operating Company
Newell Holdings France S.A.S.	France	1% of stock owned by Newell Operating Company; 99% of stock owned by Newell Investments Inc.

Name	Jurisdiction of Organization	Ownership
Newell Holdings U.K. Limited	United Kingdom	100% of stock owned by Newell Investments Inc.
Newell Consumer Iberica S.A.	Spain	100% of stock owned by Newell S.A.
Newell Industries Canada, Inc.	Ontario, Canada	87.2% of stock owned by Newell Operating Company; 12.8% of stock owned by Goody Products, Inc.
Newell International Corporation, Limited	Jamaica	100% of stock owned by Newell Co.
Newell Investment Co. Ltd.	Ontario, Canada	100% of stock owned by Newell Co.
Newell Investments Inc.	Delaware	100% of stock owned by Newell Operating Company
Newell Limited	United Kingdom	100% of stock owned by Newell Holdings U.K. Limited
Newell Operating Company	Delaware	77.5% of stock owned by Newell Co.; 22.5% of stock owned by Anchor Hocking Corporation
Newell Puerto Rico, Ltd.	Delaware	100% of stock owned by Anchor Hocking Corporation
Newell S.A.	France	99% of stock owned by Newell Holdings France S.A.S.; remaining 1% owned by nominees as required by statute
Newell S.p.A.	Italy	100% of stock owned by Newell S.A.
Newell Window Furnishings, Inc.	Delaware	100% of stock owned by Newell Operating Company
NSM Industries, Inc.	New Jersey	100% of stock owned by Faber-Castell Corporation
N.V. Newell Benelux S.A.	Belgium	99% of stock owned by Newell S.A.; Remaining 1% owned by nominees as required by statute
Osmiroid International	England & Wales	Cum. Pfd. - 100% by Berol Limited Common - 99.9% by Berol Limited Common - .01% by E.G. Lewis (nominee)
Philips Canada, Inc.	Ontario, Canada	100% of stock owned by Philips Industries, Inc.
Pen and Pencil, Inc.	Illinois	100% of stock owned by Newell Co.

Name	Jurisdiction of Organization	Ownership
Philips Industries, Inc.	New York	100% of stock owned by Newell Co.
Plastics, Inc.	Delaware	100% of stock owned by Anchor Hocking Corporation
Sanford Investment Company	Delaware	21.29% of stock owned by Berol Corporation; 35.37% of stock owned by Faber-Castell Corporation; and 43.34% of stock owned by Pen and Pencil, Inc.
Sanford, L.P.	Illinois (limited partnership)	Newell Operating Company is the general partner and and Sandford Investment Company is the limited partner.
Sterling Plastics Co.	New Jersey	100% of stock owned by Sanford Corporation
Stuart Hall Company, Inc.	Missouri	100% of stock owned by Newell Co.

Terbal Corporation	Delaware	100% of stock owned by Berol Corporation

EXHIBIT 23.1

[ARTHUR ANDERSEN LETTERHEAD]

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our report dated January 27, 1997 included in Form 10-K, into the Company's previously filed Form S-8 Registration Statements File Nos. 33-24447, 33-25196, 33-40641, 33-67620, 33-67632, 33-51063, 33-51961 and 33-62047, Form S-3 Registration Statement File No. 33-64225, Post-Effective Amendment No. 1 on Form S-8 to Form S-4 Registration Statements File Nos. 33-49282 and 33-44957.

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
March 25, 1997

EXHIBIT 99

Newell Safe Harbor Statement

Information provided by the Company may contain certain forward-looking information, which, as defined by the Private Securities Litigation Reform Act of 1995 (the "Act"), may relate to such matters as sales, income, earnings per share, return on equity, capital expenditures, dividends, capital structure, free cash flow, debt to capitalization ratios, internal growth rates, future economic performance, management's plans and objectives for future operations or the assumptions relating to any of the forward-looking information. This Safe Harbor Statement is being made pursuant to the Act and with the intention of obtaining the benefits of the so-called "safe harbor" provisions of the Act. 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 necessarily limited to, the following:

- RETAIL ECONOMY. The Company's business depends on the strength of the retail economies in various parts of the world, primarily in the U.S. and to a lesser extent in Australia, Canada, Central and South America, and Europe, which are affected by such factors as consumer demand, the condition of the retail industry and weather conditions. Recently, the retail industry has been characterized by intense competition and consolidation.

- NATURE OF THE MARKETPLACE. The Company competes with numerous other manufacturers and distributors, 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 significant bargaining power. The combination of these market influences creates a very competitive marketplace, resulting in difficulty in raising prices and the need to provide superior services to customers. These competitive pressures increase the risk of losing substantial customers.

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

- FOREIGN OPERATIONS. Foreign operations, currently in Canada, Mexico, Colombia and Europe and sourcing from the Far East, are of increasing importance to the Company's business. Foreign operations can be affected by factors such as devaluation and other currency fluctuations, tariffs, nationalization and other political and regulatory risks.

<ARTICLE> 5
<LEGEND> 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.
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<F1> 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.
<F2> See note 1 to consolidated financial statements.