SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): July 17, 1996

The Stanley Works
(Exact name of registrant as specified in charter)

Connecticut	1-5224	06-058860
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1000 Stanley Drive, New Britain, Connecticut	06053
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code:(860) 225-5111

Not Applicable
(Former name or former address, if changed since last report)

Exhibit Index is located on Page 4

Item 5. Other Events.

1. On July 17, 1996, the Registrant issued a press release.

Attached as Exhibit (20)(i) is a copy of the Registrant's press release. This Exhibit is incorporated herein by reference.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) 20(i) Press release dated July 17, 1996 reporting on Stanley s second quarter sales and earnings.

SIGNATURE

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

THE STANLEY WORKS

Date: July 18, 1996   By: Stephen S. Weddle
Name: Stephen S. Weddle
Title: Vice President, General Counsel and Secretary

EXHIBIT INDEX

Current Report on Form 8-K
Dated July 17, 1996

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FOR IMMEDIATE RELEASE

July 17, 1996

STANLEY REPORTS SECOND QUARTER GAINS IN CORE EARNINGS FROM RESTRUCTURING

New Britain, Connecticut (NYSE:SWK) ... The Stanley Works today announced significant increases in core earnings on a modest sales increase. Richard H. Ayers, Chairman and Chief Executive Officer, commented, "The second quarter improvement in our core earnings continues to reflect benefits realized from the restructuring initiatives we have been implementing. The sales increase reflected strengthening in U.S. consumer channels partially offset by the effects of divestitures and weakness in other markets."

Net sales for the second quarter were $677 million, up 3% from prior year sales of $656 million. Net earnings were reported at $33 million, or $.37 per share, and were reduced by $.12 per share related to the company's restructuring program. Gains from recent divestitures were offset by charges for the writedown of assets associated with the company's active marketing of non-strategic product segments and resulted in a net restructuring charge of $4 million (pre-tax), or $.06 per share. The company also incurred $8 million (pre-tax), or $.06 per share, for consulting and transition costs related to its various restructuring activities. Excluding these restructuring charges and restructuring-related transition costs, net income would have been $43 million, or $.49 per share, a 37% increase over the prior year earnings of $31 million, or $.36 per share.

Mr. Ayers commented, "Initiatives announced last year as part of our "4x4" restructuring program are now being implemented. While we are incurring some short-term transition costs related to these programs, the planned reductions in our cost structure are beginning to be realized. Our progress to-date is very much on target. We are especially pleased with the success of our cross-divisional procurement teams."

Gross margins reported for the second quarter were 33.1% of sales compared with 32.3% in the prior year quarter. The positive effects of our purchasing and other restructuring initiatives contributed to the improvement in margins. In addition, prior year margins had been adversely affected by manufacturing integration costs at our Mechanics Tools division. Operating expenses were 22.6% of sales and included $4 million of consulting and other restructuring- related transition costs.

Excluding these charges, operating expenses would have been 22.0% of sales compared with 22.7% in the prior year. The improvement in operating expense ratios reflects aggressive cost containment efforts as well as the benefits accruing from restructuring.

Net sales in the Tools segment were virtually flat compared with last year and included a 2% reduction due to divestitures. Consumer sales, down 4% from last year, reflected weak non-U.S. markets. Industrial sales were slightly higher than the prior year despite reduced volumes in our storage systems business. Engineered tool sales were strongly influenced by gains in U.S. fastening tools and fasteners. Operating profits for the Tools segment included $7 million of restructuring charges and restructuring-related transition costs. Operating profit margins, excluding these charges, would have been 13.3% of sales compared with 11.7% in the prior year.
The Hardware segment experienced strong growth in the second quarter due to the strengthening of U.S. consumer markets. Operating profits, excluding $1 million of restructuring-related transition costs, would have been $14 million, or 16.0% of sales, as compared with $8 million, or 9.4% of sales in the prior year. In addition to restructuring benefits, second quarter margins were enhanced by increased factory utilization on higher volume and the resolution of a legal matter.

Sales gains in the Specialty Hardware segment reflected significant growth in the U.S. home center channel for our door products. The recent strategic assessment of our door-related product lines has resulted in an increased focus on growing the entry door business. Operating profits, excluding restructuring-related transition costs, would have been $7 million, or 7.7% of sales, compared with 4.5% in the prior year and reflected lower manufacturing costs.

Consolidated operating profit margins, excluding restructuring charges and restructuring-related transition costs, were significantly improved to 12.9% from 10.5% in the prior year period.

Geographically, the largest sales gains were in the U.S. due to strengthening in retail channels. Europe and Other Areas, with the exception of Canada, continued to produce weak sales results. Operating profits, excluding restructuring charges and restructuring-related transition costs, would have been $71 million in the U.S., $10 million in Europe, and $6 million in Other Areas.

Mr. Ayers commented on the quarter, "Our second quarter operating results clearly benefited from our restructuring efforts and stronger U.S. retail markets. While market conditions are less predictable, we believe that the structural changes resulting from our restructuring initiatives will have a sustainable impact on our future profitability. The strategic evaluation of all of our business units and product segments has left us sharply focused on achieving the full potential of our most important businesses. As a result, we have recently begun actions to divest the following product segments determined to be non-strategic: Garage-related products, office products, U.S. manufactured paint applicators, mail order safety products and drywall tape products. We expect the sale of these product segments to be completed by the end of the year."

Mr. Ayers commented further, "Our remaining businesses are pursuing plans and initiatives to position themselves competitively for future growth. As we prepare to implement these plans, additional restructuring charges will be reported. In addition, we have begun to direct our efforts toward achieving the growth goals established as part of the 4x4 program. With our strong balance sheet and our focus on reducing working capital and improving cash flow, we are well positioned financially to fund the acquisitions and other business ventures that will help realize these goals."

Contact: Richard Huck
Vice President, Finance
and Chief Financial Officer
Tel: (203)-827-3803

The Stanley Works corporate press releases are available through PR Newswire's "Company News On-Call" service. BY FAX: Dial 1-800-758-5804, ext. 874363. FOR INTERNET ACCESS: http://www.prnewswire.com.

THE STANLEY WORKS AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited, Millions of Dollars Except Per Share Amounts)

	Second Quarter 1996	Second Quarter 1995	Six Months 1996	Six Months 1995
Net Sales	$ 677.2	$ 655.5	$ 1,312.5	$ 1,298.8
Costs and Expenses				
Cost of sales	453.0	443.6	882.3	881.2
Selling, general and administrative	153.1	148.6	302.1	295.9
Interest - net	5.4	8.1	11.9	15.6
Other - net	4.4	4.4	7.9	9.0
Restructuring	3.8	-	3.8	-
	619.7	604.7	1,208.0	1,201.7
Earnings before income taxes	57.5	50.8	104.5	97.1

Income Taxes	24.9	19.3	42.3	36.9
Net Earnings	$ 32.6	$ 31.5	$ 62.2	$ 60.2
Net Earnings Per Share of Common Stock	$ 0.37	$ 0.36	$ 0.70	$ 0.68
Dividends per share	$ 0.18	$ 0.175	$ 0.36	$ 0.35
Average shares outstanding (in thousands)	88,825	88,732	88,830	88,775

THE STANLEY WORKS AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited, Millions of Dollars)

	June 29, 1996	July 1, 1995
ASSETS		
Cash and cash equivalents	$ 79.5	$ 44.8
Accounts receivable	454.2	436.6
Inventories	344.4	415.6
Other current assets	42.3	35.4
Total current assets	920.4	932.4
Property, plant and equipment	523.9	557.0
Goodwill and other intangibles	121.0	160.8
Other assets	103.3	86.9
	$ 1,668.6	$ 1,737.1
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term borrowings	$ 47.2	$ 137.9
Accounts payable	119.6	98.5
Accrued expenses	204.6	184.8
Total current liabilities	371.4	421.2
Long-term debt	373.3	396.3
Other long-term liabilities	158.2	152.7
Shareholders' equity	765.7	766.9
	$ 1,668.6	$ 1,737.1

THE STANLEY WORKS AND SUBSIDIARIES
BUSINESS SEGMENT INFORMATION
(Unaudited, Millions of Dollars)

Second Quarter

	1996	Price	Unit Volume	ACQ/ DVT	Curr- ency	1995
INDUSTRY SEGMENTS						
NET SALES						
Tools						
Consumer	$ 175.7	1%	(2)%	(1)%	(2)%	$ 183.3
Industrial	142.5	3%	-	-	(1)%	140.3
Engineered	177.3	-	7%	(4)%	-	172.9
Total Tools	495.5	1%	2%	(2)%	(1)%	496.5
Hardware	87.9	1%	7%	-	-	81.7
Specialty Hardware	93.8	(2)%	22%	1%	-	77.3
Consolidated	$ 677.2	1%	4%	(1)%	(1)%	$ 655.5
OPERATING PROFIT						
Tools	$ 58.8					$ 57.9
Hardware	12.7					7.7
Specialty Hardware	6.7					3.5
Total	78.2					69.1
Net corporate expenses	(13.7)					(9.0)
Interest expense	(7.0)					(9.3)
Earnings before income taxes	$ 57.5					$ 50.8
GEOGRAPHIC AREAS						
NET SALES						
United States	$ 493.2	1%	7%	(2)%	-	$ 466.0
Europe	101.0	1%	-	1%	(5)%	104.5
Other Areas	83.0	1%	(2)%	-	(1)%	85.0
Consolidated	$ 677.2	1%	4%	(1)%	(1)%	$ 655.5
OPERATING PROFIT						
United States	$ 63.4					$ 50.5
Europe	9.3					11.7
Other Areas	5.5					6.9
Total	$ 78.2					$ 69.1

THE STANLEY WORKS AND SUBSIDIARIES
BUSINESS SEGMENT INFORMATION
(Unaudited, Millions of Dollars)

Year to Date

	1996	Price	Unit Volume	ACQ/ DVT	Curr- ency	1995
INDUSTRY SEGMENTS						
NET SALES						
Tools						
Consumer	$ 348.4	1%	(2)%	-	(1)%	$ 356.8
Industrial	282.9	3%	(3)%	-	-	284.1
Engineered	341.3	-	5%	(4)%	-	339.4
Total Tools	972.6	1%	-	(1)%	(1)%	980.3
Hardware	171.1	2%	1%	-	-	166.4
Specialty Hardware	168.8	(1)%	10%	2%	-	152.1
Consolidated	$ 1,312.5	1%	2%	(1)%	(1)%	$ 1,298.8

OPERATING PROFIT						
Tools	$ 110.7					$ 110.9
Hardware	22.3					16.2
Specialty Hardware	9.0					6.1
Total	142.0					133.2
Net corporate expenses	(22.9)					(17.9)
Interest expense	(14.6)					(18.2)
Earnings before income taxes	$ 104.5					$ 97.1
GEOGRAPHIC AREAS						
NET SALES						
United States	$ 942.7	1%	3%	(2)%	-	$ 920.6
Europe	209.1	1%	(2)%	1%	(2)%	212.3
Other Areas	160.7	1%	(3)%	-	(1)%	165.9
Consolidated	$ 1,312.5	1%	2%	(1)%	(1)%	$ 1,298.8
OPERATING PROFIT						
United States	$ 108.8					$ 97.2
Europe	20.9					24.1
Other Areas	12.3					11.9
Total	$ 142.0					$ 133.2