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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 29, 1996
or
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File Number: 1-1553

THE BLACK & DECKER CORPORATION
(Exact name of registrant as specified in its charter)

Maryland	52-0248090
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

701 East Joppa Road	Towson, Maryland	21286
(Address of principal executive offices)		(Zip Code)

(410) 716-3900
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address, and former fiscal year, if changed since last report.)

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. X YES NO

The number of shares of Common Stock outstanding as of September 29, 1996: 87,826,621

The exhibit index as required by item 601(a) of Regulation S-K is included in this report.

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES

INDEX - FORM 10-Q

September 29, 1996

CONSOLIDATED STATEMENT OF EARNINGS (Unaudited)
The Black & Decker Corporation and Subsidiaries
(Dollars in Millions Except Per Share Amounts)

	Three Months Ended September 29, 1996	Three Months Ended October 1, 1995	Nine Months Ended September 29, 1996	Nine Months Ended October 1, 1995
Revenues	$1,186.7	$1,168.9	$3,459.6	$3,325.7
Cost of goods sold	757.5	744.8	2,209.5	2,103.5
Marketing and administrative expenses	315.1	320.7	943.5	944.6
Restructuring costs	-	-	81.6	-
Operating Income	114.1	103.4	225.0	277.6
Interest expense (net of interest income)	32.5	47.7	106.3	142.0
Other expense	5.3	5.9	14.5	12.4
Earnings From Continuing Operations Before Income Taxes	76.3	49.8	104.2	123.2
Income taxes	20.6	17.5	35.6	43.7
Earnings From Continuing Operations	55.7	32.3	68.6	79.5
Earnings from discontinued operations (net of income taxes)	-	11.2	70.4	24.5
Net Earnings	$ 55.7	$ 43.5	$ 139.0	$ 104.0

Net Earnings Applicable to Common Shares	$ 52.8	$ 40.6	$ 130.3	$ 95.3
Net Earnings Per Common and Common Equivalent Share:				
Primary:				
Earnings from continuing operations	$ .59	$ .33	$ .67	$ .81
Earnings from discontinued operations	-	.13	.78	.28
Primary Earnings Per Share	$ .59	$ .46	$ 1.45	$ 1.09
Shares Used in Computing Primary Earnings Per Share (in Millions)	90.2	88.5	89.9	87.7
Assuming Full Dilution:				
Earnings from continuing operations	$ .58	$ .34	$ .71	$ .80
Earnings from discontinued operations	-	.12	.73	.28
Fully Diluted Earnings Per Share	$ .58	$ .46	$ 1.44	$ 1.08
Shares Used in Computing Fully Diluted Earnings Per Share (in Millions)	96.6	95.1	96.4	88.2
Dividends Per Common Share	$ .12	$ .10	$ .36	$ .30

See Notes to Consolidated Financial Statements (Unaudited)

CONSOLIDATED BALANCE SHEET
The Black & Decker Corporation and Subsidiaries
(Millions of Dollars Except Per Share Amount)

	September 29, 1996 (Unaudited)	December 31, 1995
Assets		
Cash and cash equivalents	$ 122.7	$ 131.6
Trade receivables	678.2	651.3
Inventories	828.2	855.7
Net assets of discontinued operations	-	302.4
Other current assets	168.9	165.6
Total Current Assets	1,798.0	2,106.6
Property, Plant and Equipment	856.8	866.8
Goodwill	2,062.4	2,142.0
Other Assets	431.3	429.9
	$5,148.5	$5,545.3
Liabilities and Stockholders' Equity		
Short-term borrowings	$ 260.1	$ 599.2
Current maturities of long-term debt	43.6	48.0
Trade accounts payable	368.4	396.7
Other accrued liabilities	732.1	743.0
Total Current Liabilities	1,404.2	1,786.9
Long-Term Debt	1,624.0	1,704.5
Deferred Income Taxes	55.8	52.8
Postretirement Benefits	312.2	307.8
Other Long-Term Liabilities	229.2	270.1
Stockholders' Equity		
Convertible preferred stock, no par value (outstanding: September 29, 1996 and December 31, 1995--150,000 shares)	150.0	150.0
Common stock, par value $.50 per share (outstanding: September 29, 1996--87,826,621 shares; December 31, 1995--86,447,588 shares)	43.9	43.2
Capital in excess of par value	1,113.5	1,084.5
Retained earnings	301.4	202.6
Equity adjustment from translation	(85.7)	(57.1)
Total Stockholders' Equity	1,523.1	1,423.2
	$5,148.5	$5,545.3

See Notes to Consolidated Financial Statements (Unaudited)

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
The Black & Decker Corporation and Subsidiaries
(Millions of Dollars)

	Nine Months Ended September 29, 1996	Nine Months Ended October 1, 1995
Operating Activities		
Net earnings	$139.0	$104.0
Adjustments to reconcile net earnings to cash flow from operating activities of continuing operations:		
Non-cash charges and credits:		
Restructuring charges	81.6	-
Depreciation and amortization	159.3	155.1
Other	8.7	15.1
Earnings of discontinued operations	(70.4)	(24.5)
Changes in selected working capital items:		
Trade receivables	4.9	9.5
Inventories	22.5	(208.0)
Trade accounts payable	(28.4)	93.1
Restructuring	(21.0)	-
Other assets and liabilities	(138.7)	(36.6)
Net decrease in receivables sold	(39.0)	(48.0)
Cash flow from operating activities of continuing operations	118.5	59.7
Cash flow from operating activities of discontinued operations	(12.3)	(12.9)
Cash Flow From Operating Activities	106.2	46.8
Investing Activities		
Proceeds from partial sale of discontinued operations	413.8	95.5
Investing activities of discontinued operations	-	(7.3)
Proceeds from disposal of assets	29.7	10.1
Capital expenditures	(122.9)	(122.7)
Cash inflow from hedging activities	324.0	425.1
Cash outflow from hedging activities	(325.2)	(420.9)
Cash Flow From Investing Activities	319.4	(20.2)
Cash Flow Before Financing Activities	425.6	26.6
Financing Activities		
Net decrease in short-term borrowings	(336.8)	(51.2)
Proceeds from long-term debt (including revolving credit facility)	471.8	234.5
Payments on long-term debt (including revolving credit facility)	(550.2)	(148.3)
Issuance of common stock	20.9	16.7
Cash dividends	(40.2)	(34.4)
Cash Flow From Financing Activities	(434.5)	17.3
Effect of exchange rate changes on cash	-	1.5
(Decrease) Increase In Cash And Cash Equivalents	(8.9)	45.4
Cash and cash equivalents at beginning of period	131.6	65.0
Cash And Cash Equivalents At End Of Period	$122.7	$110.4

See Notes to Consolidated Financial Statements (Unaudited)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
The Black & Decker Corporation and Subsidiaries

NOTE 1: BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the unaudited consolidated financial statements include all adjustments consisting only of normal recurring accruals considered necessary for a fair presentation of the financial position and the results of operations. The accompanying Consolidated Statement of Earnings for the three and nine months ended October 1, 1995, and Consolidated Statement of Cash Flows for the nine months ended October 1, 1995, have been reclassified to identify separately the results of operations and cash flows of the Corporation's discontinued information technology and services segment (see Note 2). Certain prior year amounts in the consolidated financial statements have been reclassified to conform to the presentation used for 1996.

Operating results for the three- and nine-month periods ended September 29, 1996, are not necessarily indicative of the results that may be expected for a full fiscal year. For further information, refer to the consolidated financial statements and notes included in the Corporation's Annual Report on Form 10-K for the year ended December 31, 1995.

NOTE 2: DISCONTINUED OPERATIONS

The accompanying Consolidated Statement of Earnings reflects the net income attributable to the Corporation's discontinued information technology and services (PRC) segment as earnings from discontinued operations. Revenues of the discontinued PRC segment are excluded from revenues as reported in the accompanying Consolidated Statement of Earnings. The results of the discontinued operations of PRC do not reflect any expense for interest allocated by or management fees charged by the Corporation.

On February 16, 1996, the Corporation announced that it had completed the previously announced sale of PRC Inc. for $425.0 million to Litton Industries, Inc. No earnings from discontinued operations were recognized during the three months ended September 29, 1996. Earnings from discontinued operations of $70.4 million for the nine months ended September 29, 1996, consist primarily of the gain on the sale of PRC Inc., net of applicable income taxes of $55.6 million. Revenues and operating income of PRC Inc. for the period from January 1, 1996, through February 15, 1996, were not significant. The terms of the sale of PRC Inc. provide for an adjustment to the sales price, expected to be finalized in late 1996 or early 1997, based upon the changes in the net assets of PRC Inc. through February 15, 1996.

The Corporation sold PRC Realty Systems, Inc. (RSI) on March 31, 1995, and sold PRC Environmental Management, Inc. (EMI) on September 15, 1995, for proceeds of $60.0 million and $35.5 million, respectively. Together, PRC Inc., RSI and EMI comprised the discontinued PRC segment. Earnings from the discontinued PRC segment amounted to $11.2 and $24.5 million for the three- and nine-month periods ended October 1, 1995, net of applicable income taxes of $1.1 million and $8.1 million, respectively. The pre-tax gain on the sale of RSI and EMI recognized during the nine months ended October 1, 1995, was offset by tax expense associated with the sale. Revenues of the discontinued PRC segment for the three- and nine-month periods ended October 1, 1995, were $207.9 million and $579.9 million, respectively.

NOTE 3: RESTRUCTURING

During the three months ended March 31, 1996, the Corporation commenced a restructuring of certain of its operations and recorded a restructuring charge of $81.6 million. During the three months ended September 29, 1996, the Corporation, as a result of changed business conditions and the insights of new management in certain businesses, modified portions of the restructuring plan announced earlier in the year. The net effect of the modifications to the initial restructuring plan, together with changes in estimates to the components of the initial plan, was to eliminate approximately 200 additional positions, while the original restructuring charge of $81.6 million remained unchanged.

The major component of the restructuring charge, as modified, relates to the Corporation's elimination of approximately 1,300 positions. As a result, an accrual of $67.5 million for severance, principally associated with the Corporation's European Consumer businesses, is included in the restructuring charge.

In connection with the modified restructuring plan, the Corporation will also take actions to rationalize certain manufacturing and service operations. Such rationalization, principally associated with the Corporation's Consumer businesses in the United States, will include the outsourcing of certain products currently manufactured by the Corporation and the closure of several small manufacturing facilities. As a result, the restructuring charge also includes a $6.6 million write-down to net realizable value of certain land and buildings. The remaining restructuring charge primarily relates to the write-down to net realizable value of certain equipment made obsolete or redundant due to the Corporation's decision to close certain facilities or outsource certain production.

NOTE 4: SALE OF RECEIVABLES

At September 29, 1996, under its sale of receivables program, the Corporation had sold $191.0 million of receivables compared to $230.0 million at December 31, 1995. The discount on sale of receivables is included in "Other expense."

NOTE 5: INVENTORIES

The components of inventory at the end of each period, in millions of dollars, consisted of the following:

	September 29, 1996	December 31, 1995
FIFO Cost		
Raw materials and work-in-process	$228.7	$231.6
Finished products	643.1	665.0
	871.8	896.6
Excess of FIFO cost over LIFO inventory value	(43.6)	(40.9)
	$828.2	$855.7

Inventories are stated at the lower of cost or market. The cost of United States inventories is based primarily on the last-in, first-out (LIFO) method; all other inventories are based on the first-in, first-out (FIFO) method.

NOTE 6: GOODWILL
Goodwill at the end of each period, in millions of dollars, was as follows:

	September 29, 1996	December 31, 1995
Goodwill	$2,605.2	$2,635.0
Less accumulated amortization	542.8	493.0
	$2,062.4	$2,142.0

NOTE 7: LONG-TERM DEBT
In April 1996, the Corporation replaced its former unsecured revolving credit facility, which was scheduled to expire in 1997, with a new unsecured revolving credit facility (the Credit Facility), which will expire in 2001. Under the Credit Facility, which consists of two individual facilities, the Corporation may borrow up to $1.0 billion.

Borrowing options under the Credit Facility are at the London Interbank Offered Rate (LIBOR) plus a specified percentage, or at other variable rates set forth therein. The Credit Facility provides that the interest rate margin over LIBOR, initially set at .15% and .25% for the two individual facilities, will increase or decrease based upon changes in the ratings of the Corporation's long-term senior unsecured debt. The Corporation also is able to borrow by means of competitive bid rate loans under the Credit Facility. Competitive bid rate loans will be made through an auction process at then-current market rates. In addition to interest payable on the principal amount of indebtedness outstanding from time to time under the Credit Facility, the Corporation is also required to pay an annual facility fee to each bank, initially equal to .125% of the amount of each bank's commitment, whether used or unused. The Credit Facility provides that the facility fee also will increase or decrease based upon changes in the ratings of the Corporation's long-term senior unsecured debt.

The Credit Facility includes various customary covenants, including covenants limiting the ability of the Corporation and its subsidiaries to pledge assets or incur liens on assets, and financial covenants requiring the Corporation to maintain a specified leverage ratio and to achieve a certain level of cash flow to fixed expense coverage. As of September 29, 1996, the Corporation was in compliance with all terms and conditions of the Credit Facility. The Corporation expects to continue to meet the covenants imposed by the Credit Facility. Meeting the cash flow coverage ratio is dependent upon the level of future earnings and interest rates, each of which can have a significant impact on the ratio.

Indebtedness of subsidiaries of the Corporation in the aggregate principal amounts of $643.0 million and $759.1 million were included in the Consolidated Balance Sheet at September 29, 1996, and December 31, 1995, respectively, under the captions short-term borrowings, current maturities of long-term debt, and long-term debt.

NOTE 8: INTEREST EXPENSE (NET OF INTEREST INCOME)
Interest expense (net of interest income) for each period, in millions of dollars, consisted of the following:

	Three Months Ended		Nine Months Ended	
	September 29, 1996	October 1, 1995	September 29, 1996	October 1, 1995
Interest expense	$34.0	$49.5	$111.6	$147.8
Interest (income)	(1.5)	(1.8)	(5.3)	(5.8)
	$32.5	$47.7	$106.3	$142.0

NOTE 9: STOCKHOLDERS' EQUITY
As more fully described in the Corporation's Annual Report on Form 10-K for the year ended December 31, 1995, the Corporation had a Stockholder Rights Plan pursuant to which, under certain conditions, each stockholder had share purchase rights for each outstanding share of common stock and Series B Cumulative Convertible Preferred Stock of the Corporation. At December 31, 1995, the Corporation had reserved 1.5 million shares of Series A Junior Participating Preferred Stock for possible issuance upon exercise of the rights. In 1996, the Corporation's Stockholder Rights Plan expired in accordance with its terms without the issuance of any shares of Series A Junior Participating Preferred

Stock.

NOTE 10: NET EARNINGS PER COMMON SHARE

Primary earnings per common and common equivalent share are computed by dividing net earnings, after deducting preferred stock dividends, by the weighted average number of common shares outstanding during each period plus the incremental shares that would have been outstanding under certain employee benefit plans and upon the assumed exercise of dilutive stock options.

Preferred dividends were $2.9 million for the three months ended September 29, 1996 and October 1, 1995, and $8.7 million for the nine months ended September 29, 1996 and October 1, 1995.

Fully diluted earnings per share for the three- and nine-month periods ended September 29, 1996 and for the three-month period ended October 1, 1995 are computed by dividing net earnings by the weighted average number of common shares outstanding during the period plus the incremental shares that would have been outstanding under certain employee benefit plans and upon the assumed exercise of dilutive stock options and conversion of the preferred shares. For the nine-month period ended October 1, 1995, conversion of the preferred shares is anti-dilutive and is, therefore, not considered in the computation of fully diluted earnings per share. Fully diluted earnings per share for the nine months ended October 1, 1995, are computed by dividing net earnings applicable to common shares, which are after preferred stock dividends, by the weighted average number of common shares outstanding plus the incremental shares that would have been outstanding under certain employee benefit plans and upon the assumed exercise of dilutive stock options.

NOTE 11: SUBSEQUENT EVENT

As more fully described in Note 14 of Notes to Consolidated Financial Statements included in the Corporation's Annual Report on Form 10-K for the year ended December 31, 1995, the Corporation had the option, after September 1996, to require the conversion of its Series B Cumulative Convertible Preferred Stock (Series B) into shares of common stock if the current market price of the shares of common stock equaled or exceeded $39.45 per share for a period of 20 out of 30 consecutive trading days. On October 14, 1996, the Corporation exercised its conversion option, issuing 6.35 million shares of common stock in exchange for all previously outstanding shares of Series B stock.

In connection with the original sale of the Series B stock, the Corporation and the purchaser of the Series B stock entered into a standstill agreement that included, among other things, provisions limiting the purchaser's ownership and voting of shares of the Corporation's capital stock, provisions limiting actions by the purchaser with respect to the Corporation, and provisions generally restricting the purchaser's equity interest in the Corporation to 15%. The standstill agreement, which expires in September 2001, continues to apply to the shares of common stock held by the purchaser of the Series B stock, including those common shares issued upon the conversion of the Series B stock.

As more fully described in Note 10, the 6.35 million shares of common stock issued upon conversion of the Series B stock have been considered in the Corporation's computation of fully diluted earnings per share for the three- and nine-month periods ended September 29, 1996 and October 1, 1995. Those 6.35 million shares of common stock will be considered in the Corporation's computation of primary earnings per share for periods subsequent to the conversion date. On a pro forma basis assuming that the 6.35 million common shares had been issued upon conversion of the Series B stock as of July 1, 1996 and January 1, 1996, primary earnings per share for the three and nine months ended September 29, 1996, would have been $.58 and $1.44, respectively.

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

OVERVIEW

The Corporation reported net earnings of $55.7 million or $.58 per share on a fully diluted basis for the three-month period ended September 29, 1996, compared to net earnings of $43.5 million or $.46 per share on a fully diluted basis for the three-month period ended October 1, 1995. Earnings from continuing operations increased to $55.7 million or $.58 per share on a fully diluted basis for the three-month period ended September 29, 1996, from $32.3 million or $.34 per share on a fully diluted basis for the three-month period ended October 1, 1995.

The Corporation reported net earnings of $139.0 million or $1.44 per share on a fully diluted basis for the nine-month period ended September 29, 1996, compared to net earnings of $104.0 million or $1.08 per share on a fully diluted basis for the nine-month period ended October 1, 1995. Excluding the effects of the restructuring charge of $81.6 million ($67.0 million after tax) recognized in the first quarter of 1996, earnings from continuing operations increased to $135.6 million ($1.41 per share on a fully diluted basis) in the first nine months of 1996 from $79.5 million ($.80 per share on a fully diluted basis) in the first nine months of 1995.

These improvements in earnings from continuing operations during the three and nine months ended September 29, 1996, were attributable to higher sales volume, the continuing effects of cost reduction initiatives, lower interest expense due primarily to reduced debt levels, and a lower effective income tax rate.

DISCONTINUED OPERATIONS

Discontinued operations consist of the results of PRC Inc., PRC Realty Systems, Inc. (RSI) and PRC Environmental Management, Inc. (EMI). Together, PRC Inc., RSI and EMI comprised the Corporation's former information technology and services (PRC) segment.

On February 16, 1996, the Corporation announced that it had completed the previously announced sale of PRC Inc., the remaining business in the discontinued PRC segment, to Litton Industries, Inc. Proceeds of $425.0 million from the sale of PRC Inc., less cash selling expenses of $11.2 million paid during the nine months ended September 29, 1996, were used to reduce short-term borrowings. As a result of the sale of PRC Inc. in the first quarter of 1996, no earnings from discontinued operations were recognized during the quarter ended September 29, 1996. Earnings from discontinued operations of $70.4 million or $.73 per share on a fully diluted basis for the nine-month period ended September 29, 1996, consist primarily of the gain on the sale of PRC Inc., net of applicable income taxes of $55.6 million. The gain is net of provisions for adjustment to the sales price and retained liabilities. Revenues and operating income of PRC Inc. for the period from January 1, 1996, through the date of sale were not significant.

Earnings from discontinued operations amounted to $11.2 million, net of income taxes of $1.1 million, or $.12 per share on a fully diluted basis for the three months ended October 1, 1995, and $24.5 million, net of income taxes of $8.1 million, or $.28 per share on a fully diluted basis for the nine months ended October 1, 1995. The Corporation sold RSI on March 31, 1995, and EMI on September 15, 1995, for proceeds of $60.0 million and $35.5 million, respectively. The pre-tax gains on the sales of RSI and EMI recognized during the nine months ended October 1, 1995, were substantially offset by tax expense associated with the sales.

The results of the discontinued operations of the PRC segment do not reflect any expense for interest expense allocated by or management fees charged by the Corporation.

CONTINUING OPERATIONS

RESTRUCTURING

The Corporation actively seeks to identify opportunities to improve its cost structure. These opportunities may involve the closure of manufacturing facilities or the reorganization of other operations.

The Corporation has undertaken restructuring actions in the past which improved its cost structure; those improvements, however, are subject to erosion over time as competitive pressures intensify or commodity prices increase. In order to preserve those improvements, the Corporation continuously seeks opportunities to improve its cost structure. Based upon a number of factors, including the weak retail environment in Europe which began to soften in the latter part of 1995, the Corporation decided to intensify its cost reduction efforts during the first quarter of 1996. Accordingly, the Corporation commenced a restructuring of certain of its operations during the first quarter of 1996 and recorded a restructuring charge in the amount of $81.6 million ($67.0 million after tax).

As initially established, the major component of the restructuring charge related to the Corporation's elimination of approximately 1,100 positions, of which approximately 1,000 were in its Consumer segment. As a result, severance benefits totaling $62.8 million, principally associated with the Corporation's European Consumer businesses, were accrued in the restructuring charge. The balance of the restructuring charge primarily represented non-cash charges associated with the Corporation's decision to rationalize certain manufacturing and service operations, principally in the Corporation's Consumer businesses in the United States. Such rationalization was anticipated to include the outsourcing of certain products currently manufactured by the Corporation and the closure of several small manufacturing facilities as well as a number of service centers. The principal non-cash charge consisted of an $8.9 million write-down to net realizable value of certain land and buildings affected by the rationalization. The remaining restructuring charge primarily related to the write-down to net realizable value of certain equipment made obsolete or redundant due to the Corporation's decision to close facilities or outsource certain production.

During the quarter ended September 29, 1996, the Corporation, as a result of changed business conditions and the insight of new management in certain businesses, modified portions of the restructuring plan announced earlier in the year. Under the modified plan, the Corporation has decided to continue its manufacturing at one of its smaller facilities in the United States rather than closing the facility and outsourcing production, and to continue to operate several service and distribution centers that had been slated for closure. In connection with its review of the changing business environment, the Corporation also determined that it was appropriate to further reduce employment in its Consumer businesses. The net effect of these modifications to the initial restructuring plan, together with changes in estimates of the components of the original plan, is to eliminate approximately 200 additional positions while the amount of the restructuring charge remained unchanged at $81.6 million.

A summary of the Corporation's restructuring activity through September 29, 1996, follows:

(Dollars in Millions)	Reserve As Established in the First Quarter of 1996	Utilization of Reserve Cash	Utilization of Reserve Non-Cash	Reversal of Previous Reserve and Accrual of New Reserve	Reserve at September 29, 1996
Severance benefits	$62.8	$(20.9)	$ -	$ 4.7	$46.6
Write-down of land and buildings to net realizable value	8.9	-	(6.4)	(2.3)	.2
Other charges	9.9	(.1)	(5.9)	(2.4)	1.5
Total	$81.6	$(21.0)	$(12.3)	$ -	$48.3

The Corporation anticipates that the remaining restructuring reserve of $48.3 million as of September 29, 1996, will be spent during the balance of 1996 and in 1997 as certain severance actions taken in the Corporation's European Consumer businesses are subject to scheduled pay-outs mandated by local custom or governmental regulation.

Based on current market conditions, the changes discussed above, and the net effect of delays or accelerations of components of the original plan, the Corporation estimates that savings from the modified restructuring plan will approximate $10 million in 1996, $40 million in 1997, and $50 million annually thereafter.

The Corporation is committed to continuous productivity improvement and, as part of its annual strategic planning review, continues to evaluate additional opportunities for cost reduction. As part of this commitment, the Corporation has embarked on the specific actions included in the aforementioned restructuring plan. Many of these actions involve the relocation or consolidation of production processes. Realization of the savings identified above is dependent upon the effectiveness and timing of these actions.

REVENUES

The following chart sets forth an analysis of the consolidated changes in revenues for the three- and nine-month periods ended September 29, 1996 and October 1, 1995.

ANALYSIS OF CHANGES IN REVENUES OF CONTINUING OPERATIONS

(Dollars in Millions)	For the Three Months Ended September 29, 1996	For the Three Months Ended October 1, 1995	For the Nine Months Ended September 29, 1996	For the Nine Months Ended October 1, 1995
Total revenues	$1,186.7	$1,168.9	$3,459.6	$3,325.7
Unit volume - existing (1)	3%	4%	5%	6%
- disposed (2)	-%	-%	-%	-%
Price	-%	1%	-%	1%
Currency	(1)%	2%	(1)%	4%
Change in total revenues	2%	7%	4%	11%

In the following chart and throughout the remainder of this discussion, the following definitions apply:

(1) Existing - Reflects the change in volume for businesses where period-to-period comparability exists.

(2) Disposed - Reflects the change in total revenues from continuing operations for businesses that were included in prior year results, but subsequently have been sold.

The Corporation operates in two business segments: Consumer and Home Improvement Products (Consumer), including consumer and professional power tools and accessories, household products, security hardware, outdoor products (composed of electric lawn and garden tools and recreational products), plumbing products, and product service; and Commercial and Industrial Products

(Commercial), including fastening systems and glass container-making equipment.

The following chart sets forth an analysis of the change in revenues of continuing operations for the three and nine months ended September 29, 1996, compared to the three and nine months ended October 1, 1995, by geographic area for each business segment.

ANALYSIS OF CHANGES IN REVENUES OF CONTINUING OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 29, 1996

	United States		Europe		Other		Total	
(Dollars in Millions)	3 Months	9 Months	3 Months	9 Months	3 Months	9 Months	3 Months	9 Months
Consumer								
Total Revenues	$606.3	$1,690.9	$264.6	$ 838.6	$152.2	$409.7	$1,023.1	$2,939.2
Existing unit volume	5%	10%	(1)%	(1)%	2%	(1)%	3%	5%
Price	(1)%	(1)%	(1)%	(1)%	2%	4%	-%	-%
Currency	-%	-%	(2)%	(2)%	(2)%	(2)%	(1)%	(1)%
	4%	9%	(4)%	(4)%	2%	1%	2%	4%
Commercial								
Total Revenues	$ 61.8	$ 196.9	$ 74.2	$ 227.9	$ 27.6	$ 95.6	$ 163.6	$ 520.4
Existing unit volume	2%	1%	7%	7%	3%	16%	4%	6%
Price	1%	1%	1%	1%	-%	-%	1%	1%
Currency	-%	-%	(3)%	(3)%	(14)%	(13)%	(4)%	(3)%
	3%	2%	5%	5%	(11)%	3%	1%	4%
Consolidated								
Total Revenues	$668.1	$1,887.8	$338.8	$1,066.5	$179.8	$505.3	$1,186.7	$3,459.6
Existing unit volume	5%	9%	1%	-%	2%	3%	3%	5%
Price	(1)%	-%	(1)%	-%	2%	3%	-%	-%
Currency	-%	-%	(2)%	(2)%	(4)%	(4)%	(1)%	(1)%
Change in Total Revenues	4%	9%	(2)%	(2)%	-%	2%	2%	4%

Existing unit volume grew by 3% and 5% for the three- and nine-month periods ended September 29, 1996, over the prior year levels. The negative effects of a stronger United States dollar compared to most major foreign currencies caused a 1% decrease in revenues from the prior year levels for both the three and nine months ended September 29, 1996. Pricing actions had minimal effect on revenues for the three and nine months ended September 29, 1996 compared to the corresponding periods in 1995.

Existing unit volume in the Consumer segment increased by 3% and 5% for the three- and nine-month periods ended September 29, 1996, compared to the same periods in 1995.

Revenues in the Consumer businesses in the United States grew by 4% and 9% over prior year levels for the three- and nine-month periods ended September 29, 1996. The domestic Consumer businesses' price reductions of 1% during the quarter and nine months ended September 29, 1996, were taken to reduce levels of excess inventories and in response to competitive pressures. Existing unit volume in the three and nine months ended September 29, 1996, exceeded the prior year levels for all domestic Consumer businesses, with the exception of the household products business where sales were sharply lower than the corresponding quarter in 1995 and were essentially flat to the corresponding nine-month period in 1995. The sharp decrease in domestic household products sales during the quarter ended September 29, 1996, was primarily attributable to several factors. A generally weak retail environment for household products, coupled with the continued effects of the business' efforts to exit certain lower margin product lines, depressed sales for the third quarter of 1996. The most significant factor impacting the year-over-year sales comparison, however, was the sharply lower level of sales of the SnakeLightTM flexible flashlight in the quarter ended September 29, 1996. The Corporation believes that these lower sales resulted from a change in the timing of SnakeLight orders. During the 1994 Christmas season, retail shortages of the newly introduced SnakeLight were widespread. Despite increased SnakeLight production in 1995, demand continued to outstrip supply and, in order to ensure availability for the 1995 Christmas season, retailers ordered SnakeLights for delivery in the third quarter of 1995. By mid-1996, the household products business had sufficiently increased production to fully satisfy SnakeLight demand, as a result of which retailers exited the second quarter of 1996 with significant quantities of SnakeLight inventory on hand. This fact, coupled with the normalization of the SnakeLight Christmas order pattern from the third quarter of 1995 to the fourth quarter of 1996, resulted in sharply lower SnakeLight sales during the quarter ended September 29, 1996, compared to the corresponding quarter in 1995.

For the quarter ended September 29, 1996, double-digit rates of growth over the prior year level were experienced in the domestic power tools and security hardware businesses, while the domestic accessories and plumbing products businesses also experienced strong rates of growth over the prior year level. Strong revenue growth in the domestic power tools business during the three and nine months ended September 29, 1996, was experienced across all product categories, with the exception of the consumer power tools line which, for the nine months ended September 29, 1996, increased moderately over the prior year level. For the quarter ended September 29, 1996, the consumer power tools line was down from the prior year level, suffering from the comparison to a particularly strong third quarter of 1995 that benefited from that year's successful introduction of the cordless VERSAPAK TM line.

Excluding the negative effect of changes in foreign exchange rates, revenues in the Corporation's Consumer businesses in Europe declined by 2% for both the three and nine months ended September 29, 1996, respectively, from the corresponding periods in 1995. The European Consumer businesses' price reductions of 1% during the three and nine months ended September 29, 1996, were in response to competitive pressures. The retail environment in Europe continued to be difficult in the third quarter of 1996, with mixed results experienced throughout Europe. These mixed results were the product of revenue increases in a number of European countries more than offset by revenue declines in other countries, most notably in Germany where sales have significantly declined from the prior year level. Sales in Europe of consumer power tools, outdoor lawn and garden tools, accessories, household products, and security hardware declined during the three and nine months ended September 29, 1996, as compared to 1995 levels, while sales of professional power tools experienced an increase during these periods in 1996 over the corresponding periods in 1995.

Excluding the negative effect of changes in foreign exchange rates, revenues in the Corporation's Consumer businesses in Other geographic areas for the three and nine months ended September 29, 1996, increased by 4% and 3%, respectively, over 1995 levels. Included in these increases were the positive effects of pricing actions taken during the three and nine months ended September 29, 1996, most significantly in the Corporation's businesses in Latin America.

Excluding the negative effect of changes in foreign exchange rates, revenues in the Corporation's Commercial businesses during the three months and nine months ended September 29, 1996, increased by 5% and 7%, respectively, over the corresponding periods in 1995. For the three months ended September 29, 1996, this overall improvement was experienced in both the glass-container making equipment and fastening systems businesses. For the nine months ended September 29, 1996, this improvement was driven by strong revenues in the Corporation's glass-container making equipment business while revenues in the fastening systems business were also ahead of the prior year levels.

EARNINGS

Operating income for the three months ended September 29, 1996, increased by 10% to $114.1 million, compared to $103.4 million for the corresponding period in 1995. Operating income as a percentage of revenues was 9.6% for the three months ended September 29, 1996, compared to 8.8% for the comparable quarter in 1995. This improvement in operating income as a percentage of revenues was experienced in the Corporation's domestic plumbing products business, in its Consumer businesses in Europe and Latin America, and in its Commercial businesses.

Operating income for the nine months ended September 29, 1996, was $225.0 million, compared to $277.6 million for the corresponding period in 1995. Excluding the effects of the $81.6 million restructuring charge recognized in the first quarter of 1996, operating income for the first nine months of 1996 increased 10% to $306.6 million, compared to $277.6 million for first nine months of 1995. Excluding the 1996 restructuring charge, operating income as a percentage of revenues would have been 8.9% for the nine-month period ended September 29, 1996, compared to 8.3% for the corresponding period in 1995. This improvement in operating income as a percentage of revenues was experienced in the Corporation's domestic power tools, security hardware, plumbing products, and household products businesses as well as in the Corporation's Consumer businesses in Latin America and in its Commercial businesses.

Gross margin as a percentage of revenues was 36.2% and 36.1% for the three- and nine-month periods ended September 29, 1996, compared to 36.3% and 36.8% for the corresponding periods in 1995. This decrease in gross margin percentage was primarily attributable to several factors. First, actions taken by the Corporation in 1996 to reduce inventory levels resulted in lower production levels during 1996 and the associated lower overhead absorption negatively impacted gross margin. Also, excess inventories were liquidated during the period, often at reduced margin. Second, competitive pressures did not permit the Corporation's businesses to institute certain price increases and, in some cases, caused the businesses to reduce prices from prior year levels. Finally, gross margin was negatively affected by changes in the mix of products sold.

Decreases in gross margin as a percentage of revenues during the three and nine months ended September 29, 1996, were more than offset by improvements in marketing and administrative expenses. Marketing and administrative expenses as a percentage of total revenues for the three- and nine-month periods ended September 29, 1996, were 26.6% and 27.3%, compared to 27.4% and 28.4% for the comparable periods in 1995 as the benefits of the Corporation's cost reduction initiatives and the realization of the leverage effects of higher sales volumes on fixed and semi-fixed costs continued to be recognized.

Net interest expense (interest expense less interest income) for the three- and nine-month periods ended September 29, 1996, was $32.5 million and $106.3 million, respectively, compared to $47.7 million and $142.0 million for the three- and nine-month periods ended October 1, 1995, respectively. The lower level of net interest expense was primarily the result of reduced debt levels in 1996 as compared to 1995 as the Corporation used the proceeds from the sales of its discontinued operations and cash generated by operations to repay debt.

The Corporation maintains a portfolio of interest rate hedge instruments for the purpose of managing interest rate exposure. During the nine months ended September 29, 1996, the Corporation decreased its portfolio through the termination of a variable to fixed rate interest rate swap of $50.0 million notional amount and through the scheduled maturity of a rate basis swap with a notional principal amount of $50.0 million. Deferred gains and losses on the early termination of interest rate swaps as of September 29, 1996, were not significant. In addition, during the nine months ended September 29, 1996, the Corporation entered into an additional $250.0 million notional amount of interest rate swaps, maturing in 1999, that swap from United States dollars into foreign currencies. Of that amount, $100.0 million swap from fixed rate United States dollars (with a weighted average fixed rate of 6.66%) into fixed rate Japanese yen (with a weighted average fixed rate of 1.99%), $100.0 million swap from fixed rate United States dollars (with a weighted average fixed rate of 6.64%) into fixed rate Deutsche marks (with a weighted average fixed rate of 4.73%), and $50.0 million swap from fixed rate United States dollars (with a weighted average fixed rate of 6.77%) into fixed rate Dutch guilders (with a weighted average fixed rate of 4.58%).

The repayment of short-term borrowings during the first nine months of 1996 with the proceeds from the sale of PRC Inc. and other reductions in borrowings during that period, coupled with the changes in the Corporation's interest rate hedge portfolio described above, had the effect of decreasing the Corporation's variable rate debt to total debt ratio from 43% at December 31, 1995, to 40% at September 29, 1996.

For the three months ended September 29, 1996, income tax expense of $20.6 million was recognized on the Corporation's pre-tax earnings from continuing operations of $76.3 million, compared to income tax expense of $17.5 million on pre-tax earnings from continuing operations of $49.8 million for the corresponding quarter in 1995. For the nine months ended September 29, 1996, income tax expense of $35.6 million was recognized on the Corporation's pre-tax earnings from continuing operations of $104.2 million, compared to income tax expense of $43.7 million on pre-tax earnings from continuing operations of $123.2 million for the corresponding period in 1995. The Corporation's reported tax rate on its continuing operations was 27% for the quarter ended September 29, 1996, as compared to 35% for the corresponding quarter in 1995. Excluding the income tax benefit of $14.6 million recognized on the restructuring charge of $81.6 million recognized in the first quarter of 1996, the Corporation's reported tax rate on its continuing operations for the nine months ended September 29, 1996, would have been 27% compared to a tax rate of 35% for the corresponding period in 1995.

The lower rate for the three and nine months ended September 29, 1996, as compared to 1995 is due to two factors. First, the reported tax rate on continuing operations of 35% for the three- and nine-month periods ended October 1, 1995, was abnormally high due to the effects of the allocation of taxes associated with PRC to discontinued operations. Because the Corporation recorded income tax expense during the first three quarters of 1995 based upon estimated taxable earnings that included PRC, the allocation of income tax expense attributable to PRC to earnings from discontinued operations caused the Corporation's tax rate on continuing operations to fluctuate during each of the quarters in the year ended December 31, 1995. Excluding the effects of the tax benefit that resulted from the reduction of its deferred tax asset valuation allowance in the fourth quarter of 1995, the Corporation's reported tax rate on continuing operations was 33% for the year ended December 31, 1995. Second, higher taxable earnings in the United States and a change in the mix of operating income outside the United States from those subsidiaries in higher rate tax jurisdictions to those subsidiaries in lower rate tax jurisdictions or subsidiaries that profit from the utilization of net operating loss carryforwards also contributed to a lower tax rate on continuing operations during the three- and nine-month periods ended September 29, 1996, compared to the corresponding periods in 1995.

FINANCIAL CONDITION

Operating activities of continuing operations before the sale of receivables generated cash of $157.5 million for the nine months ended September 29, 1996, compared to $107.7 million of cash generated for the nine months ended October 1, 1995. This improvement was primarily attributable to three factors. First, the Corporation's focus on reducing inventories during 1996 resulted in inventories which were lower than the prior year end, compared to the significant build in inventories experienced during the first nine months of 1995 when the Corporation repositioned its global power tools line. The improvement in inventory management experienced in 1996 was partially offset by the timing and amount of certain accrual and expense payments. In particular, a decrease was experienced in the level of trade accounts payable at September 29, 1996, from the prior year end, compared to the increase that occurred in the corresponding period in 1995 when the Corporation sought to increase vendor terms to improve operating cash flow. In addition, the significantly larger cash usage that resulted from changes in other assets and liabilities during the nine months ended September 29, 1996, compared to that of the prior year was attributable, to a large extent, to the lower levels of interest and tax expense experienced during 1996 coupled with the timing of interest and tax payments in 1996 as compared to the prior year. Finally, excluding the non-cash effects of the Corporation's 1996 restructuring, improved operating income from continuing operations during the nine months ended September 29, 1996, over the corresponding period in 1995 contributed to increased cash generation.

Investing activities for the nine months ended September 29, 1996, generated cash of $319.4 million compared to $20.2 million of cash usage in the corresponding period in 1995. The improvement in cash flow from investing activities is primarily attributable to the receipt of proceeds from the sale of PRC Inc., net of cash selling expenses paid, in the amount of $413.8 million in the first nine months of 1996 compared to the receipt of proceeds from the sales of RSI and EMI in the amount of $95.5 million in the corresponding period in 1995. PRC Inc., RSI, and EMI were components of the Corporation's discontinued PRC segment.

Financing activities used cash of $434.5 million for the nine months ended September 29, 1996, compared to cash generated of $17.3 million in the first nine months of 1995. The additional use of cash associated with financing activities in the first nine months of 1996 compared to 1995 relates primarily to two factors. First, the Corporation reduced short-term borrowings with the net proceeds received from the sale of PRC Inc. Second, improved operating cash flow enabled the Corporation's net reduction of long-term debt by $78.4 million during the nine months ended September 29, 1996, as compared to the net increase in long-term debt of $86.2 million which occurred in the corresponding period in 1995. Due, in part, to the Corporation's replacement of its former revolving credit facility with the new unsecured credit facility, more fully described in Note 7 of Notes to Consolidated Financial Statements, average debt maturity increased to 4.7 years at September 29, 1996, from 4.0 years at December 31, 1995.

In addition to measuring its cash flow generation and usage based upon the operating, investing, and financing classifications included in the Consolidated Statement of Cash Flows, the Corporation also measures its free cash flow. Free cash flow, a measure commonly employed by bond rating agencies and banks, is defined by the Corporation as cash available for debt reduction (including short-term borrowings), prior to the effects of cash received from divested businesses, equity offerings, and sales of receivables. Free cash flow, a more inclusive measure of the Corporation's cash flow generation than cash flow from operating activities included in the Consolidated Statement of Cash Flows, considers items such as cash used for capital expenditures and dividends, as well as net cash inflows or outflows from hedging activities. During the nine months ended September 29, 1996, the Corporation experienced positive free cash flow of $16.6 million compared to negative free cash flow of $80.4 million for the corresponding period in 1995. This $97.0 million increase in free cash flow during the first nine months of 1996 over the 1995 level was primarily the result of improved cash flows from operating activities.

As more fully described in Note 11 of Notes to Consolidated Financial Statements, on October 14, 1996, the Corporation exercised its conversion option, issuing 6.35 million shares of common stock in exchange for the 150,000 shares of Series B cumulative convertible preferred stock previously outstanding. As more fully described in Note 10 of Notes to Consolidated Financial Statements, the 6.35 million common shares issued upon conversion have been considered in the Corporation's computation of fully diluted earnings per share for the three- and nine-month periods ended September 29, 1996, and October 1, 1995. The 6.35 million common shares issued upon conversion will be considered in the Corporation's computation of primary earnings per share for periods ending after October 14, 1996. Because the dividend rate on common stock is lower than that which was paid on the preferred stock, the conversion will result in annualized cash savings, at the current dividend rate, of approximately $8.6 million for the Corporation.

As more fully described in Note 7 of Notes to Consolidated Financial Statements, in April 1996, the Corporation replaced its former unsecured revolving credit facility, which expired in 1997, with a new unsecured revolving credit facility (the Credit Facility), expiring in 2001. The Credit Facility consists of two separate unsecured revolving credit facilities, both of which include certain covenants that require the Corporation to meet specified minimum cash flow coverage and maximum leverage (debt to equity) ratios. As of September 29, 1996, the Corporation was well within the limits specified for the cash flow coverage and leverage ratios and was in compliance with all other covenants and provisions of the Credit Facility.

The Corporation will continue to have cash requirements to support seasonal working capital needs and capital expenditures, to pay interest, to service debt, and to complete previously announced restructuring plans. In order to meet these cash requirements, the Corporation intends to use internally generated funds and to borrow under the Credit Facility or under short-term borrowing facilities. Management believes that cash generated from these sources will be adequate to meet the Corporation's cash requirements over the next 12 months.

PART II - OTHER INFORMATION

ITEM 1 LEGAL PROCEEDINGS

The Corporation is involved in various lawsuits in the ordinary course of business. These lawsuits primarily involve claims for damages arising out of the use of the Corporation's products and allegations of patent and trademark infringement. The Corporation is also involved in litigation and administrative proceedings involving employment matters and commercial disputes. Some of these lawsuits include claims for punitive as well as compensatory damages. The Corporation, using current product sales data and historical trends, actuarially calculates the estimate of its current exposure for product liability claims for amounts in excess of established deductibles and accrues for the estimated liability as described above up to the limits of the deductibles. All other claims and lawsuits are handled on a case-by-case basis.

The Corporation also is involved in lawsuits and administrative proceedings with respect to claims involving the discharge of hazardous substances into the environment. Certain of these claims assert damages and liability for remedial investigations and cleanup costs with respect to sites at which the Corporation has been identified as a potentially responsible party under federal and state environmental laws and regulations (off-site). Other matters involve sites that the Corporation currently owns and operates or has previously sold (on-site). For off-site claims, the Corporation makes an assessment of the cost involved based on environmental studies, prior experience at similar sites, and the experience of other named parties. The Corporation also considers the ability of other parties to share costs, the percentage of the Corporation's exposure relative to all other parties, and the effects of inflation on these estimated costs. For on-site matters associated with properties currently owned, an assessment is made as to whether an investigation and remediation would be required under applicable federal and state laws. For on-site matters associated with properties previously sold, the Corporation considers the terms of sale as well as applicable federal and state laws to determine if the Corporation has any remaining liability. If the Corporation is determined to have potential liability for properties currently owned or previously sold, an estimate is made of the total cost of investigation and remediation and other potential costs associated with the site.

The Corporation's estimate of the costs associated with legal, product liability, and environmental exposures is accrued if, in management's judgment, the likelihood of a loss is probable. These accrued liabilities are not discounted. Insurance recoveries for environmental and certain general liability claims are not recognized until realized.

As of September 29, 1996, the Corporation has no known probable but inestimable exposures for awards and assessments in connection with environmental matters and other litigation and administrative proceedings that could have a material effect on the Corporation.

Management is of the opinion that the amounts accrued for awards or assessments in connection with the environmental matters and other litigation and administrative proceedings to which the Corporation is a party are adequate and, accordingly, ultimate resolution of these matters will not have a material adverse effect on the Corporation.

ITEM 5 OTHER INFORMATION

AMENDMENT TO BYLAWS

The Board of Directors of the Corporation amended certain provisions of the Bylaws of the Corporation at its meeting on October 17, 1996. The amendments included changes to certain provisions governing the transaction of business at the annual meeting of stockholders of the Corporation and the nomination of persons for election as directors.

Set forth below is a summary of certain provisions of the Bylaws, as amended (the "Amended Bylaws"). The summary does not purport to be complete, is subject to, and is qualified in its entirety by reference to the provisions of the Amended Bylaws, a copy of which is filed as an exhibit to this Quarterly Report on Form 10-Q.

The Amended Bylaws provide that, to be properly brought before an annual meeting of stockholders, business must be either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly brought before the meeting by a stockholder. In addition to any other applicable requirements, for business to be properly brought before the meeting by a stockholder, the stockholder must have given written notice thereof delivered to or mailed and received by the Secretary of the Corporation at the principal executive offices of the Corporation, not less than 70 days nor more than 90 days prior to the meeting; provided, however, that in the event that less than 80 days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder must be so received not later than the close of business on the 10th day following the day on which the notice of the date of the meeting was mailed or the public disclosure was made, whichever first occurred. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the meeting (a) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting, (b) the name and record address of the stockholder proposing such business, (c) the class and number of shares of Common Stock of the Corporation that are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business.

Notwithstanding anything in the Amended Bylaws to the contrary, no business shall be conducted at an annual meeting of stockholders except in accordance with the procedures set forth in the preceding paragraph; provided, however, that nothing in that paragraph shall be deemed to preclude discussion by any stockholder of any business properly brought before the meeting. The Chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of the Amended Bylaws, and if the Chairman should so determine, he shall so declare to the meeting, and any such business not properly brought before the meeting shall not be transacted.

The Amended Bylaws also provide that only persons nominated in accordance with the following procedures shall be eligible for election as directors. Nominations of persons for election as directors may be made at a meeting by, or at the direction of the Board of Directors by any nominating committee or person appointed by the Board, or by any stockholder of the Corporation entitled to vote for the election of directors at a meeting who complies with the notice procedures set forth below.

Nominations, other than those made by or at the direction of the Board, shall be made pursuant to written notice delivered to or mailed to and received by the Secretary of the Corporation at the principal executive offices of the Corporation not less than 70 days nor more than 90 days prior to the meeting; provided, however, that, in the event less than 80 days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder must be so received not later than the close of business on the 10th day following the day on which the notice of the date of the meeting was mailed or the public disclosure was made, whichever first occurred. The notice to the Secretary shall set forth (a) as to each person whom the stockholder proposes to nominate for election or re-election as a director, (i) the name, age, business address, and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of capital stock of the Corporation that are beneficially owned by the person, and (iv) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of directors pursuant to Rule 14a under the Securities Exchange Act of 1934; and (b) as to the stockholder giving the notice (i) the name and record address of the stockholder and (ii) the class and number of shares of capital stock of the Corporation that are beneficially owned by the stockholder. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of the proposed nominee to serve as a director of the Corporation.

The Chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and the defective nomination shall be disregarded.

The 1997 Annual Meeting of Stockholders of the Corporation is expected to be held on April 22, 1997.

DELISTING OF BLACK & DECKER COMMON STOCK ON FOREIGN STOCK EXCHANGES

The Corporation recently completed a review of the costs and benefits to the continued listing of its Common Stock on the London, Frankfurt, and Swiss Stock Exchanges. Based on that review, the Corporation has decided to delist its shares of Common Stock on those exchanges. It is presently anticipated that the delisting of the Common Stock on the London, Frankfurt, and Swiss Stock Exchanges will be finalized by the end of the year.

ITEM 6 EXHIBITS AND REPORTS ON FORM 8-K

Exhibit No.	Description
3(ii)	Bylaws of the Corporation, as amended on October 17, 1996.
11	Computation of Earnings Per Share.
12	Computation of Ratios.
27	Financial Data Schedule.
99	Unaudited Consolidated Balance Sheet as of October 1, 1995 of The Black & Decker Corporation and Subsidiaries (reclassified to identify separately the net assets of the Corporation's discontinued information technology and services segment).

The Corporation did not file any reports on Form 8-K during the three-month period ended September 29, 1996.

All other items were not applicable.

THE BLACK & DECKER CORPORATION

S I G N A T U R E S

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 BLACK & DECKER CORPORATION

By /s/ THOMAS M. SCHOEWE
Thomas M. Schoewe
Vice President and Chief Financial Officer

Principal Accounting Officer

By /s/ STEPHEN F. REEVES
Stephen F. Reeves
Vice President and Controller

Date: November 13, 1996

Adopted 10/17/96

BYLAWS

OF

THE BLACK & DECKER CORPORATION

ARTICLE I

Stockholders

SECTION 1. Annual Meeting.

The annual meeting of stockholders shall be held on the last Tuesday in April of each year or on such day within 15 days thereof and at such time and at such place as the Board of Directors may by resolution provide for the purpose of electing directors and for the transaction of only such other business as is properly brought before the meeting in accordance with these Bylaws.

To be properly brought before the meeting, business must be either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board, (b) otherwise properly brought before the meeting by or at the direction of the Board, or (c) otherwise properly brought before the meeting by a stockholder. In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, the stockholder must have given written notice thereof that is received by the Secretary of the Corporation at the principal executive offices of the Corporation not less than 70 days nor more than 90 days prior to the meeting; provided, however, that in the event that less than 80 days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder must be so received not later than the close of business on the 10th day following the day on which the notice of the date of the annual meeting was mailed or the public disclosure was made, whichever first occurred. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and record address of the stockholder proposing such business, (iii) the class and number of shares of the Corporation which are beneficially owned by the stockholder, and (iv) any material interest of the stockholder in such business.

Notwithstanding anything in the Bylaws to the contrary, no business shall be conducted at the annual meeting except in accordance with the procedures set forth in this section, provided, however, that nothing in this section shall be deemed to preclude discussion by any stockholder of any business properly brought before the annual meeting.

The Chairman of the annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Article, and if the Chairman should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

SECTION 2. Special Meetings.

Special meetings of the stockholders may be called at any time for any purpose or purposes by the Chief Executive Officer, by a majority of the Board of Directors, or by a majority of the Executive Committee. Special meetings of the stockholders shall be called forthwith by the Chairman of the Board, by the President, or by the Secretary of the Corporation upon the written request of stockholders entitled to cast a majority of all votes entitled to be cast at the special meeting. A written request that a special meeting be called shall state the purpose or purposes of the meeting and the matters proposed to be acted on at the meeting. However called,

notice of the meeting shall be given to each stockholder and shall state the purpose or purposes of the meeting. No business other than that stated in the notice shall be transacted at any special meeting.

SECTION 3. Place of Meetings.

All meetings of stockholders shall be held at the principal offices of the Corporation at Towson, Baltimore County, Maryland, or at such other location in the United States of America as the Board of Directors may provide in the notice of the meeting.

SECTION 4. Notice of Meetings.

Written or printed notice of each meeting of the stockholders shall be delivered to each stockholder by leaving the notice with the stockholder at the stockholder's residence or usual place of business, or by mailing it, postage prepaid and addressed to the stockholder at the stockholder's address as it appears upon the records of the Corporation. The notice shall be delivered or mailed not more than 90 nor less than 20 days before the meeting, and shall state the place, day, and hour at which the meeting is to be held. No notice of any meeting of the stockholders need be given to any stockholder who attends the meeting in person or by proxy, or to any stockholder who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives notice.

SECTION 5. Quorum.

At any meeting of stockholders the presence in person or by proxy of the holders of record of a majority of the shares of stock entitled to vote at the meeting shall constitute a quorum. In the absence of a quorum, the stockholders entitled to vote who shall be present in person or by proxy at any meeting (or adjournment thereof) may, by a majority vote and without further notice, adjourn the meeting from time to time, but not for a period of over thirty days at any one time, until a quorum shall attend. At any adjourned meeting at which a quorum shall be present, any business may be transacted that could have been transacted if the meeting had been held as originally scheduled.

SECTION 6. Conduct of Meetings.

Meetings of stockholders shall be presided over by the Chairman of the Board of Directors of the Corporation or, in the Chairman's absence, by the Vice Chairman of the Board, or if both of such officers are absent, by the President of the Corporation. The Secretary of the Corporation shall act as secretary of meetings of the stockholders and in the Secretary's absence, the records of the proceedings shall be kept and authenticated by such other person as may be appointed for that purpose at the meeting by the presiding officer. To participate in a meeting, stockholders must be present in person or by proxy; stockholders may not participate by means of a conference telephone or other communications equipment. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order that the meeting may adopt.

SECTION 7. Approval of Minutes.

The minutes of all meetings of stockholders shall be corrected and approved by a committee of directors designated by the Board and if none is designated, by the Organization Committee. At a subsequent meeting of stockholders, a synopsis of the minutes shall be read for information at the request of the presiding officer or any stockholder.

SECTION 8. Proxies.

Stockholders may vote either in person or by proxy, but no proxy that is dated more than 11 months before the meeting at which it is offered shall be accepted unless the proxy shall on its face name a longer period for which it is to remain in force. Each proxy shall be in writing and signed by the stockholder, or by the stockholder's duly authorized agent, and shall be dated. The proxy need not be sealed, witnessed or acknowledged. Proxies shall be filed with the Secretary of the Corporation at or before the meeting.

SECTION 9. Voting.

Except as otherwise provided in the charter of the Corporation, at all meetings of stockholders, each holder of shares of Common Stock shall be entitled to one vote for each share of stock of the Corporation registered in the stockholder's name upon the books of the Corporation on the date fixed by the Board of Directors as the record date for the determination of stockholders entitled to vote at the meeting. Except as otherwise provided in the charter of the Corporation, all elections and matters submitted to a vote at meetings of stockholders shall be decided by a majority of all votes cast in person or by proxy, unless more than a majority of the votes cast is required by statute, by charter, or by these Bylaws. If the presiding officer shall so determine, a vote by ballot may be taken upon any election or matter, and the vote shall be so taken upon the request of the holders of ten percent of the stock present and entitled to vote on the election or matter. If the presiding officer shall so determine, the votes on all matters to be voted upon by ballot may be postponed to be voted on at the same time or on a single ballot.

SECTION 10. Inspectors of Elections.

Two or more inspectors may be appointed by the presiding officer at any meeting. If so appointed, the inspectors shall open and close the polls, receive and take charge of the proxies and ballots, decide all questions as to the qualifications of voters and the validity of proxies, determine and report the results of elections and votes on matters before the meeting, and do such other acts as may be proper to conduct the election and the vote with fairness to all stockholders.

SECTION 11. List of Stockholders.

Prior to each meeting of the stockholders, the Secretary of the Corporation shall prepare, as of the record date fixed by the Board of Directors with respect to the meeting, a full and accurate list of all stockholders entitled to vote at the meeting, indicating the number of shares and class of stock held by each. The Secretary shall be responsible for the production of that list at the meeting.

ARTICLE II

Board of Directors

SECTION 1. Powers.

The property, business, and affairs of the Corporation shall be managed by the Board of Directors of the Corporation. The Board of Directors may exercise all the powers of the Corporation, except those conferred upon or reserved to the stockholders by statute, by charter or by these Bylaws. The Board of Directors shall keep minutes of each of its meetings and a full account of all of its transactions.

SECTION 2. Number of Directors.

The number of directors of the Corporation shall be 14 or such lesser number not less than eight as may from time to time be determined by the vote of three-fourths of the entire Board of Directors. However, the tenure of Office of a director shall not be affected by any change in number.

SECTION 3. Nomination of Directors.

Only persons who are nominated in accordance with the following procedures shall be eligible for election as Directors at a meeting of stockholders. Nominations of persons for election as Directors may be made at a meeting of stockholders by or at the direction of the Board of Directors by any nominating committee or person appointed by the Board or by any stockholder of the Corporation entitled to vote for the election of Directors at the meeting who complies with the notice procedures set forth in this section. Nominations, other than those made by or at the direction of the Board, shall be made pursuant to written notice delivered to or mailed and received by the Secretary of the Corporation at the principal executive offices of the Corporation not less than 70 days nor more than 90 days prior to the meeting; provided, however, that in the event that less than 80 days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder must be so received not later than the close of business on the 10th day following the day on which notice of the date of the meeting was mailed or public disclosure was made, whichever first occurred. The notice to the Secretary shall set forth (a) as to each person whom the stockholder proposes to nominate for election or re-election as a Director, (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the person and (iv) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of Directors pursuant to Rule 14a under the Securities Exchange Act of 1934; and (b) as to the stockholder giving the notice (i) the name and record address of stockholder and (ii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the stockholder. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of the proposed nominee to serve as Director of the Corporation.

The presiding officer of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if the presiding officer shall so determine and shall so declare to the meeting, the defective nomination shall be disregarded.

SECTION 4. Election.

Except as hereinafter provided, the members of the Board of Directors shall be elected each year at the annual meeting of stockholders by the vote of the holders of record of a majority of the shares of stock present in person or by proxy and entitled to vote at the meeting. Each director shall hold office until the next annual meeting of stockholders held after his or her election and until his or her successor shall have been duly elected and qualified, or until death, or until he or she shall have resigned, or shall have been removed as hereinafter provided. Each person elected as director of the Corporation shall qualify as such by written acceptance or by attendance at and participation as a director in a duly called meeting of the Board of Directors.

SECTION 5. Removal.

At a duly called meeting of the stockholders at which a quorum is present, the stockholders may, by vote of the holders of a majority of the votes entitled to be cast at the meeting, remove with or without cause any director or directors from office, and may elect a successor or successors to fill any resulting vacancy for the remainder of the term of the director so removed.

SECTION 6. Vacancies.

If any director shall die or resign, or if the stockholders shall remove any director without electing a successor to fill the remaining term, that vacancy may be filled by the vote of a majority of the remaining members of the Board of Directors, although a majority may be less than a quorum. Vacancies in the Board created by an increase in the number of directors may be filled by the vote of a majority of the entire Board as constituted prior to the increase. A director elected by the Board of Directors to fill any vacancy, however created, shall hold office until the next annual meeting of stockholders and until his or her successor shall have been duly elected and qualified.

SECTION 7. Meetings.

Immediately after each annual meeting of stockholders at which a Board of Directors shall have been elected, the Board of Directors shall meet, without notice, for the election of an Executive Committee of the Board of Directors, for the election of officers of the Corporation, and for the transaction of other business. Other regular meetings of the Board of Directors shall be held in the months of February, July, October and December on the day and at the time designated by the Chief Executive Officer. Special meetings of the Board of Directors may be called at any time by the Chief Executive Officer or by any two directors. Regular and special meetings of the Board of Directors may be held at such place, in or out of the State of Maryland, as the Board may from time to time determine.

SECTION 8. Notice of Meetings.

Except for the meeting immediately following the annual meeting of stockholders, notice of the place, day and hour of a regular meeting of the Board of Directors shall be given in writing to each director not less than three days prior to the meeting and delivered to the director or to the director's residence or usual place of business, or by mailing it, postage prepaid and addressed to the director at his or her address as it appears upon the records of the Corporation. Notice of special meetings may be given in the same way, or may be given personally, by telephone, or by telegraph or facsimile message sent to the director's home or business address as it appears upon the records of the Corporation, not less than one day prior to the meeting. Unless required by these Bylaws or by resolution of the Board of Directors, no notice of any meeting of the Board of Directors need state the business to be transacted at the meeting. No notice of any meeting of the Board of Directors need be given to any director who attends, or to any director who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives notice.

SECTION 9. Quorum.

A majority of the Board of Directors shall constitute a quorum for the transaction of business at meetings of the Board of Directors. Except as otherwise provided by statute, by charter, or by these Bylaws, the vote of a majority of the directors present at a duly constituted meeting shall be sufficient to pass any measure, and such decision shall be the decision of the Board of Directors. In the absence of a quorum, the directors present, by majority vote and without further notice, may adjourn the meeting from time to time until a quorum shall be present. The Board of Directors may also take action or make decisions by any other method which may be permitted by statute, by charter, or by these Bylaws.

SECTION 10. Presumption of Assent.

A director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the director announces his or her dissent at the meeting, and (a) the dissent is entered in the minutes of the meeting, (b) before the meeting adjourns the director files with the person acting as the secretary of the meeting a written dissent to the action, or (c) the director forwards a written dissent within 24 hours after the meeting is adjourned by registered or certified mail to the Secretary of the Corporation. The right to dissent does not apply to a director who voted in favor of the action or who failed to announce his or her dissent at the meeting. A director may abstain from voting on any matter before the meeting by so stating at the time the vote is taken and by causing the abstention to be recorded or stated in writing in the same manner as provided above for a dissent.

SECTION 11. Compensation.

Each director shall be entitled to receive such remuneration as may be fixed from time to time by the Board of Directors. However, no director who receives a salary as an officer or employee of the Corporation or of any subsidiary thereof shall receive any remuneration as a director or as a member of any committee of the Board of Directors. Each director may also receive reimbursement for the reasonable expenses incurred in attending the meetings of the Board of Directors, the meetings of any committee thereof, or otherwise in connection with attending to the affairs of the Corporation.

SECTION 12. Director Emeritus.

Any retired member of the Board of Directors may be designated by the Board as a Director Emeritus for a period of one year for each of the three years next succeeding retirement as a Director. Each Director Emeritus shall receive notices of meetings, remuneration, and reimbursement for expenses in attending meetings as may be fixed by the Board of Directors from time to time. A Director Emeritus shall be entitled to attend all meetings of the Board of Directors and of any committee to which he or she may be appointed and may participate in the discussion of (but not in the voting on) any matter properly before the meeting. A Director Emeritus shall not be counted for the purpose of determining the number of appointments to be made to a committee or for determining a quorum of the committee.

ARTICLE III

Committees

SECTION 1. Executive Committee.

At its first meeting after the annual meeting of the stockholders, the Board of Directors shall elect an Executive Committee consisting of at least five members of the Board, of whom the Chairman of the Board, if any, shall be one. The Board shall designate a Chairman of the Committee who shall serve as Chairman of the Committee at the pleasure of the Board. During the intervals between the meetings of the Board of Directors, the Executive Committee shall possess and may exercise all powers in the management and direction of the business and affairs of the Corporation except as limited by the Maryland General Corporation Law or by resolution of the Board of Directors. All action taken by the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action, and shall be subject to revision and alteration by the Board, provided that no rights of third parties may be adversely affected by any revision or alteration. Delegation of authority to the Executive Committee shall not relieve the Board of Directors or any director of any responsibility imposed by law or statute or by charter.

SECTION 2. Other Committees.

From time to time the Board of Directors by resolution adopted by the affirmative vote of a majority of the members of the entire Board may provide for and appoint other committees to have the powers and perform the duties assigned to them by the Board of Directors. These committees may include, but are not limited to, an Organization Committee, a Finance Committee, and an Audit Committee.

SECTION 3. Meetings of Committees.

Each Committee of the Board of Directors shall fix its own rules of procedure, and shall meet as provided by those rules or by resolution of the Board, or at the call of the chairman or any two members of the committee. A majority of each committee shall constitute a quorum thereof, and in every case the affirmative vote of a majority of the entire committee shall be necessary to take any action. Each committee may also take action by any other method that may be permitted by statute, by charter, or by these Bylaws. In the event a member of a committee fails to attend any meeting of the committee, the other members of the committee present at the meeting, whether or not they constitute a quorum, may appoint a member of the Board of Directors to act in the place of the absent member. Regular minutes of the proceedings of each committee and a full account of all its transactions shall be kept in a book provided for the purpose, except that the

Organization Committee shall not be required to keep minutes. Vacancies in any committee of the Board of Directors shall be filled by the Board of Directors.

ARTICLE IV

Officers

SECTION 1. Election and Tenure.

The Board of Directors may elect a Chairman and a Vice Chairman from among the directors. The Board of Directors shall elect a President, a Treasurer and a Secretary, and one or more Vice Presidents, one or more Assistant Treasurers, one or more Assistant Secretaries, and such other officers with such powers and duties as the Board may designate, none of whom need be a director. Each officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his or her election and until a successor shall have been duly chosen and qualified or until he or she shall have resigned or been removed. All elections to office shall be by a majority vote of the entire Board of Directors.

SECTION 2. Chairman of the Board.

The Chairman of the Board shall preside at all meetings of stockholders and of the Board of Directors at which he or she shall be present. The Chairman shall have such other powers and perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 3. Vice Chairman of the Board.

The Vice Chairman of the Board, in the absence of the Chairman of the Board, shall preside at all meetings of stockholders and the Board of Directors. (In the absence of the Chairman and the Vice Chairman, the Board of Directors shall elect a chairman of the meeting.) The Vice Chairman shall have such other powers and perform such other duties as from time to time may be assigned by the Board of Directors or by the Chairman of the Board.

SECTION 4. President.

The President shall be the Chief Executive Officer of the Corporation and, subject to the control of the Board of Directors and the Executive Committee, shall have general charge and supervision of the Corporation's business, affairs, and properties. The President shall have authority to sign and execute, in the name of the Corporation, all authorized deeds, mortgages, bonds, contracts or other instruments. The President may sign, with the Secretary or the Treasurer, stock certificates of the Corporation. In the absence of the Chairman and the Vice Chairman of the Board, the President shall preside at meetings of stockholders. In general, the President shall perform all the duties ordinarily incident to the office of a president of a corporation, and such other duties as, from time to time, may be assigned by the Board of Directors or by the Executive Committee.

SECTION 5. Vice Presidents.

Each Vice President, which term shall include any Executive Vice President or Group Vice President, shall have the power to sign and execute, unless otherwise provided by resolution of the Board of Directors, all contracts or other obligations in the name of the Corporation in the ordinary course of business, and with the Secretary, or with the Treasurer, or with an Assistant Secretary, or with an Assistant Treasurer, may sign stock certificates of the Corporation. At the request of the President or in the President's absence or during the President's inability to act, the Vice President or Vice Presidents shall perform the duties and exercise the functions of the President, and when so acting shall have the powers of the President. If there is more than one Vice President, the Board of Directors may determine which one or more of the Vice Presidents shall perform any of such duties or exercise any of such functions, or if the determination is not made by the Board, the

President may make the determination. The Vice President or Vice Presidents shall have such other powers and perform such other duties as may be assigned by the Board of Directors or by the President. For purposes of this Article IV, Section 5, the term Vice President does not include a Vice President appointed pursuant to Article IV, Section 9.

SECTION 6. Secretary.

The Secretary shall keep the minutes of the meetings of the stockholders, of the Board of Directors, and of the Executive Committee, including all the votes taken at the meetings, and record them in books provided for that purpose. The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by statute. The Secretary shall be the custodian of the records and of the corporate seal of the Corporation. The Secretary may affix the corporate seal to any document executed on behalf of the Corporation, and may attest the same. The Secretary may sign, with the President or a Vice President, stock certificates of the Corporation. In general, the Secretary shall perform all duties ordinarily incident to the office of a secretary of a corporation, and such other duties as, from time to time, may be assigned by the Board of Directors or by the President.

SECTION 7. Treasurer.

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation, and shall deposit or cause to be deposited, in the name of the Corporation, all moneys or other valuable effects in such banks, trust companies, or depositories as may be designated by the Board of Directors. The Treasurer shall maintain full and accurate accounts of all assets, liabilities and transactions of the Corporation, and shall render to the President and the Board of Directors, whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Corporation. In general, the Treasurer shall perform all the duties ordinarily incident to the office of a treasurer of a corporation, and such other duties as, from time to time, may be assigned to him or her by the Board of Directors or by the President. The Treasurer shall give the Corporation a bond, if required by the Board of Directors, in a sum, and with one or more sureties, satisfactory to the Board of Directors, for the faithful performance of the duties of the office and for the restoration to the Corporation in case of death, resignation, retirement or removal from office of all corporate books, papers, vouchers, moneys, and other properties of whatever kind in his or her possession or under his or her control.

SECTION 8. Subordinate Officers.

The subordinate officers shall consist of such assistant officers and agents as may be deemed desirable and as may be elected by a majority of the members of the Board of Directors. Each such subordinate officer shall hold office for such period, have such authority and perform such duties as the Board of Directors may prescribe.

SECTION 9. Appointed Vice Presidents.

The Chief Executive Officer may from time to time appoint one or more Vice Presidents with such administrative powers and duties as may be designated or approved by the Chief Executive Officer. An appointed Vice President shall not be a corporate officer and may be removed by the Chief Executive Officer.

SECTION 10. Officers Holding Two or More Offices.

Any two or more of the above named offices, except those of Chairman and Vice Chairman of the Board and those of President and Vice President, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity, if the instrument is required by statute, by charter, by these Bylaws, or by resolution of the Board of Directors to be executed, acknowledged, or verified by two or more officers.

SECTION 11. Compensation.

The Board of Directors shall have power to fix the compensation of all officers of the Corporation. It may authorize any officer upon whom the power of appointing subordinate officers may have been conferred to fix the compensation of the subordinate officers.

SECTION 12. Removal.

Any officer of the Corporation may be removed, with or without cause, by a vote of a majority of the entire Board of Directors, and any officer of the Corporation appointed by another officer may also be removed, with or without cause, by the appointing officer, by the Executive Committee, or by the Board of Directors.

SECTION 13. Vacancies.

A vacancy in any office because of death, resignation, removal, or any other cause shall be filled for the unexpired portion of the term by election of the Board of Directors at any regular or special meeting.

ARTICLE V

Stock

SECTION 1. Certificates.

Each stockholder shall be entitled to a certificate or certificates which shall represent and certify the number and kind of shares of the Corporation's stock owned by the stockholder for which full payment has been made, or for which payment is being made by installments in conjunction with a stockholder-approved option plan. Each stock certificate shall be signed by the Chairman, the President or a Vice President and countersigned by the Secretary or Treasurer or Assistant Treasurer of the Corporation. A stock certificate shall be deemed to be so signed and sealed whether the required signatures are manual or facsimile signatures and whether the seal is a facsimile seal or any other form of seal. In case any officer of the Corporation who has signed a stock certificate ceases to be an officer of the Corporation, whether because of death, resignation or otherwise, before the stock certificate is issued, the certificate may nevertheless be issued and delivered by the Corporation as if the officer had not ceased to be such officer on the date of issue.

SECTION 2. Transfer of Shares.

Shares of stock shall be transferable only on the books of the Corporation by the holder thereof, in person or by duly authorized agent, upon the surrender of the stock certificate representing the shares to be transferred, properly endorsed. The Board of Directors shall have power and authority to make other rules and regulations concerning the issue, transfer and registration of stock certificates as it may deem expedient.

SECTION 3. Transfer Agents and Registrars.

The Corporation may have one or more transfer agents and one or more registrars of its stock, whose respective duties the Board of Directors may, from time to time, define. No stock certificate shall be valid until countersigned by a transfer agent, if the Corporation has a transfer agent in respect of that class or series of capital stock, or until registered by a registrar, if the Corporation has a registrar in respect of that class or series of capital stock. The duties of transfer agent and registrar may be combined.

SECTION 4. New Certificates.

In case any stock certificate is alleged to have been lost, stolen, mutilated, or destroyed, the Board of Directors may authorize the issue of a new certificate in place thereof upon such terms and conditions as it may deem advisable. The Board of Directors may, in its discretion, further require the owner of the stock certificate or the owner's duly authorized agent to give bond with sufficient surety to the Corporation to indemnify it against any loss or claim which may arise by reason of the issue of a stock certificate in the place of one reportedly lost, stolen, or destroyed.

SECTION 5. Record Dates.

The Board of Directors may fix, in advance, a date as the record date for the purpose of determining those stockholders who shall be entitled to notice of, or to vote at, any meeting of stockholders, or for the purpose of determining those stockholders who shall be entitled to receive payment of any dividend or the allotment of any rights, or for the purpose of making any other proper determination with respect to stockholders. The date shall be not more than 90 days, and in the case of a meeting of stockholders, not less than 10 days, prior to the date on which the particular action, requiring such determination of stockholders, is to be taken. In lieu of fixing a record date, the Board of Directors may provide that the stock transfer books shall be closed for a stated period, not to exceed in any case 20 days. When the stock transfer books are closed for the purpose of determining stockholders entitled to notice of or to vote at a meeting of stockholders, the closing of the transfer books shall be at least 10 days before the date of the meeting.

SECTION 6. Annual Report.

The President of the Corporation shall annually prepare a full and correct statement of the affairs of the Corporation, including a balance sheet and a financial statement of operations for the preceding fiscal year. These statements shall be sent to the extent possible to each beneficial owner of the stock of the Corporation prior to or with the proxy statement and notice to stockholders of the annual meeting of stockholders. It will be submitted at the annual meeting, and within 20 days thereafter be placed on file at the Corporation's principal offices in Maryland.

ARTICLE VI

Dividends and Finance

SECTION 1. Dividends.

Subject to any statutory or charter conditions and limitations, the Board of Directors may in its discretion declare what, if any, dividends shall be paid from the surplus or from the net profits of the Corporation, the date when the dividends shall be payable, and the date for the determination of holders of record to whom the dividends shall be paid.

SECTION 2. Depositories.

The Board of Directors from time to time shall designate one or more banks or trust companies as depositories of the Corporation and shall designate those officers and agents who shall have authority to deposit corporate funds in such depositories. It shall also designate those officers and agents who shall have authority to withdraw from time to time any or all of the funds of the Corporation so deposited upon checks, drafts, or orders for the payment of money, notes and other evidences of indebtedness, drawn against the account and issued in the name of the Corporation. The signatures of the officers or agents may be made manually or by facsimile. No check or order for the payment of money shall be invalidated because a person whose signature appears thereon has ceased to be an officer or agent of the Corporation prior to the time of payment of the check or order by any depository.

SECTION 3. Corporate Obligations.

No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness or guaranties of the obligations of others shall be issued in the name of the Corporation unless authorized by a resolution of the Board of Directors. Such authority may be either general or specific. When duly authorized, all loans, promissory notes, acceptances, other evidences of indebtedness and guaranties shall be signed by the President, a Vice President, the Treasurer, or an Assistant Treasurer.

SECTION 4. Fiscal Year.

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December of each year.

ARTICLE VII

Books and Records

SECTION 1. Books and Records.

The Corporation shall maintain a stock ledger which shall contain the name and address of each stockholder and the number of shares of stock of the Corporation which the stockholder holds. The ledger shall be kept at the principal offices of the Corporation in Towson, Baltimore County, Maryland, or at the offices of the Corporation's stock transfer agent. All other books, accounts, and records of the Corporation, including the original or a certified copy of these Bylaws, the minutes of all stockholders meetings, a copy of the annual statement, and any voting trust agreements on file with the Corporation, shall be kept and maintained by the Secretary at the principal offices of the Corporation in Towson.

SECTION 2. Inspection Rights.

Except as otherwise provided by statute or by charter, the Board of Directors shall determine whether and to what extent the books, accounts, and records of the Corporation, or any of them, shall be open to the inspection of stockholders. No stockholder shall have any right to inspect any book, account, document or record of the Corporation except as conferred by statute, by charter, or by resolution of the stockholders or the Board of Directors.

ARTICLE VIII

Seal

SECTION 1. Seal.

The seal of the Corporation shall consist of a circular impression bearing the name of the Corporation and the word "Maryland" around the rim and in the center the word "Incorporated" and the year "1910."

ARTICLE IX

Indemnification

SECTION 1. Indemnification.

The Corporation to the full extent permitted by, and in the manner permissible under, the laws of the State of Maryland and other applicable laws and regulations may indemnify any person who is or was an officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation or entity and shall indemnify any director of the Corporation or any director who is or was serving at the request of the Corporation as a director of another corporation or entity, who by reason of his or her position was, is, or is threatened to be made a party to an action or proceeding, whether civil, criminal, administrative, or investigative, against any and all expenses (including, but not limited to, attorneys' fees, judgments, fines, penalties, and amounts paid in settlement) actually and reasonably incurred by the director, officer, employee, or agent in connection with the proceeding. Repeal or modification of this Section or the relevant law shall not affect adversely any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

ARTICLE X

Amendments

SECTION 1. Amendment of Bylaws.

These Bylaws may be amended at any meeting of the stockholders by a majority of all the votes cast, provided the text of the amendment is submitted with the notice of the meeting. The Board of Directors may also amend these Bylaws by a vote of a majority of the directors present at a meeting, provided that the Board of Directors shall not consider or act on any amendment to these Bylaws that, directly or indirectly, modifies the meaning or effect of any amendment to these Bylaws adopted by the stockholders within the preceding 12-month period, or any amendment to these Bylaws that, directly or indirectly, contains substantially similar provisions to those of an amendment rejected by the stockholders within the preceding 12-month period.

Exhibit 11(a)

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(Amounts in Millions Except Per Share Data)

	For The Three Months Ended			
	September 29, 1996		October 1, 1995	
	Amount	Per Share	Amount	Per Share
Primary:				
Average shares outstanding	87.8		85.9	
Dilutive stock options and stock issuable under employee benefit plans--based on the Treasury stock method using the average market price	2.4		2.6	
Adjusted shares outstanding	90.2		88.5	
Earnings from continuing operations	$55.7		$32.3	
Less preferred stock dividend	2.9		2.9	
Earnings from continuing operations attributable to common stock	$52.8	$.59	$29.4	$ .33
Fully Diluted:				
Average shares outstanding	87.8		85.9	
Dilutive stock options and stock issuable under employee benefit plans--based on the Treasury stock method using the higher of the average market price or ending market price	2.5		2.8	
Adjusted shares outstanding	90.3		88.7	
Average shares assumed to be converted through convertible preferred stock (Note 1)	6.3		6.4	
Fully diluted average shares outstanding	96.6		95.1	
Earnings from continuing operations	$55.7	$ .58	$32.3	$ .34

Notes: 1. Difference from prior year is due to rounding.

Exhibit 11(b)

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(Amounts in Millions Except Per Share Data)

	For The Three Months Ended			
	September 29, 1996		October 1, 1995	
	Amount	Per Share	Amount	Per Share
Primary:				
Average shares outstanding	87.8		85.9	
Dilutive stock options and stock issuable under employee benefit plans--based on the Treasury stock method using the average market price	2.4		2.6	
Adjusted shares outstanding	90.2		88.5	
Net earnings	$55.7		$43.5	
Less preferred stock dividend	2.9		2.9	

	-----		-----	
Net earnings attributable to common stock	$52.8	$.59	$40.6	$ .46
	=====	====	=====	=====
Fully Diluted:				
Average shares outstanding	87.8		85.9	
Dilutive stock options and stock issuable under employee benefit plans--based on the Treasury stock method using the higher of the average market price or ending market price	2.5		2.8	
	----		----	
Adjusted shares outstanding	90.3		88.7	
Average shares assumed to be converted through convertible preferred stock (Note 1)	6.3		6.4	
	-----		-----	
Fully diluted average shares outstanding	96.6		95.1	
	====		====	
Net earnings	$55.7	$.58	$43.5	$ .46
	=====	====	=====	=====

Notes: 1. Difference from prior year is due to rounding.

Exhibit 11(c)

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(Amounts in Millions Except Per Share Data)

	For The Nine Months Ended			
	September 29, 1996		October 1, 1995	
	Amount	Per Share	Amount	Per Share
Primary:				
Average shares outstanding	87.4		85.4	
Dilutive stock options and stock issuable under employee benefit plans--based on the Treasury stock method using the average market price	2.5		2.3	
Adjusted shares outstanding	89.9		87.7	
Earnings from continuing operations	$68.6		$79.5	
Less preferred stock dividend	8.7		8.7	
Earnings from continuing operations attributable to common stock	$59.9	$.67	$70.8	$ .81
Fully Diluted:				
Average shares outstanding	87.4		85.4	
Dilutive stock options and stock issuable under employee benefit plans--based on the Treasury stock method using the higher of the average market price or ending market price	2.6		2.8	
Adjusted shares outstanding	90.0		88.2	
Average shares assumed to be converted through convertible preferred stock	6.4		6.4 (Note 1)	
Fully diluted average shares outstanding	96.4		94.6	
Earnings from continuing operations	$68.6	$ .71	$79.5	$ .84

Notes: 1. The assumed conversion of convertible preferred stock is anti-dilutive and, therefore, is not used in the calculation of fully diluted earnings per share included in the financial statements.

Exhibit 11(d)

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(Amounts in Millions Except Per Share Data)

	For The Nine Months Ended			
	September 29, 1996		October 1, 1995	
	Amount	Per Share	Amount	Per Share
Primary:				
Average shares outstanding	87.4		85.4	
Dilutive stock options and stock issuable under employee benefit plans--based on the Treasury stock method using the average market price	2.5		2.3	
Adjusted shares outstanding	89.9		87.7	
Net earnings	$139.0		$104.0	
Less preferred stock dividend	8.7		8.7	
Net earnings attributable to common stock	$130.3	$1.45	$95.3	$1.09
Fully Diluted:				
Average shares outstanding	87.4		85.4	
Dilutive stock options and stock issuable under employee benefit plans--based on the Treasury stock method using the higher of the average market price or ending market price	2.6		2.8	
Adjusted shares outstanding	90.0		88.2	
Average shares assumed to be converted through convertible preferred stock	6.4		6.4 (Note 1)	
Fully diluted average shares outstanding	96.4		94.6	
Net earnings	$139.0	$1.44	$104.0	$1.10

Notes: 1. The assumed conversion of convertible preferred stock is anti-dilutive and, therefore, is not used in the calculation of fully diluted earnings per share included in the financial statements.

EXHIBIT 12

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Millions of Dollars Except Ratios)

	Three Months Ended September 29, 1996	Nine Months Ended September 29, 1996
EARNINGS:		
Earnings from continuing operations before income taxes (Note 1)	$76.3	$104.2
Interest expense	34.0	111.6
Portion of rent expense representative of an interest factor	5.6	16.8
Adjusted earnings from continuing operations before taxes and fixed charges (Note 1)	$115.9	$232.6
FIXED CHARGES:		
Interest expense	$34.0	$111.6
Portion of rent expense representative of an interest factor	5.6	16.8
Total fixed charges	$39.6	$128.4
RATIO OF EARNINGS TO FIXED CHARGES (Note 1)	2.93	1.81

Note: 1. Excludes earnings from discontinued operations. Included in earnings from continuing operations before income taxes for the nine months ended September 29, 1996, is a restructuring charge in the amount of $81.6.

This schedule contains financial information extracted from the Corporation's unaudited interim financial statements as of and for the three and nine months ended September 29, 1996, and the accompanying footnotes and is qualified in its entirety by the reference to such financial statements.

0000012355
THE BLACK & DECKER CORPORATION
1,000

9-MOS
DEC-31-1996
SEP-29-1996
122,700
0
678,200
0
828,200
1,798,000
856,800
0
5,148,500
1,404,200
1,624,000
0
150,000
43,900
1,329,200
5,148,500
3,459,600
3,459,600
2,209,500
3,234,600
0
0
111,600
104,200
35,600
68,600
70,400
0
0
139,000
1.45
1.44

Represents net trade receivables.
Represents net property, plant and equipment.

Exhibit 99

The Black & Decker Corporation and Subsidiaries
Unaudited Consolidated Balance Sheet
October 1, 1995
(Millions of Dollars Except Per Share Amount)

Assets	
Cash and cash equivalents	$ 110.4
Trade receivables	683.9
Inventories	914.2
Net assets of discontinued operations	282.1
Other current assets	123.9
Total Current Assets	2,114.5
Property, Plant and Equipment	821.8
Goodwill	2,174.1
Other Assets	418.6
	$5,529.0
Liabilities and Stockholders' Equity	
Short-term borrowings	$ 497.5
Current maturities of long-term debt	280.9
Trade accounts payable	379.5
Other accrued liabilities	741.2
Total Current Liabilities	1,899.1
Long-Term Debt	1,677.3
Deferred Income Taxes	48.8
Postretirement Benefits	310.7
Other Long-Term Liabilities	301.5
Stockholders' Equity	
Convertible preferred stock, no par value (outstanding: 150,000 shares)	150.0
Common stock, par value $.50 per share (outstanding: 86,009,753 shares)	43.0
Capital in excess of par value	1,075.8
Retained earnings	94.1
Equity adjustment from translation	(71.3)
Total Stockholders' Equity	1,291.6
	$5,529.0

Note: The above Unaudited Consolidated Balance Sheet is presented for informational purposes and has been reclassified to identify separately the net assets of the Corporation's discontinued information technology and services segment. Footnote disclosures, required under generally accepted accounting principles, have been omitted.