

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

MCCORMICK & CO INC
 Form 10-K/A
 May 25, 2001

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

FORM 10-K/A

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

For the fiscal year ended NOVEMBER 30, 2000 Commission file number 0-748

MCCORMICK & COMPANY, INCORPORATED

Maryland 52-0408290
 (State of incorporation) (IRS Employer Identification No.)
 18 Loveton Circle

Sparks, Maryland 21152
 (Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (410) 771-7301

Securities registered pursuant to Section 12(b) of the Act: Not applicable

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

COMMON STOCK, NO PAR VALUE	COMMON STOCK NON-VOTING, NO PAR VALUE
-----	-----
(Title of Class)	(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES /X/ NO / /

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

The aggregate market value of the voting stock held by non-affiliates of the registrant at January 31, 2001.... ..\$ 202,142,762

The aggregate market value of the non-voting stock held by non-affiliates of the registrant at January 31, 2001 \$2,186,244,219

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

CLASS	NUMBER OF SHARES OUTSTANDING	DATE
-------	------------------------------	------

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

Common Stock	8,175,191	January 31, 2001
Common Stock Non-Voting	60,338,346	January 31, 2001

DOCUMENTS INCORPORATED BY REFERENCE

DOCUMENT	PART OF 10-K INTO INCORPORATED
Registrant's 2000 Annual Report to Stockholders	Part I, Part II,
Registrant's Proxy Statement dated February 15, 2001.....	Part III

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 11-K

Annual Report Pursuant to Section 15(d) of the
Securities Exchange Act of 1934 (Fee Required)

Commission File Number 0-748

For the fiscal year ended November 30, 2000

THE MCCORMICK PROFIT SHARING PLAN

MCCORMICK & COMPANY, INCORPORATED
18 Loveton Circle
Sparks, Maryland 21152

Items 1 through 3: Not required; see Item 4, below.

Item 4. Financial Statements and Exhibits.

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

a)	i)	Report of Independent Auditors	1
	ii)	Statements of Financial Condition	2
	iii)	Statements of Changes in Plan Equity	3
	iv)	Notes to Financial Statements	4
b)	Exhibits:	Independent Auditors' Consent Letter as to Incorporation of their Report on the Plan's Financial Statements.	

SIGNATURES

The Plan pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the Plan) have duly caused this annual report to be signed by the undersigned thereunto duly authorized.

THE MCCORMICK PROFIT SHARING PLAN

DATE: 5/15/01

By: /s/ Karen D. Weatherholtz
Karen D. Weatherholtz
Senior Vice President - Human Relations
and Plan Administrator

The McCormick Profit Sharing Plan
Audited Financial Statements and Supplemental Schedules
Years ended November 30, 2000 and 1999
with Report of Independent Auditors

The McCormick Profit Sharing Plan
Audited Financial Statements and Supplemental Schedule

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

Years ended November 30, 2000 and 1999

CONTENTS

Report of Independent Auditors.....

Audited Financial Statements

Statements of Net Assets Available for Benefits.....

Statements of Changes in Net Assets Available for Benefits.....

Notes to Financial Statements.....

Supplemental Schedule

Schedule H, Line 4i - Schedule of Assets Held for Investment Purposes.....

Report of Independent Auditors

To the Investment Committee
McCormick & Company, Incorporated

We have audited the accompanying statements of net assets available for benefits of the McCormick Profit Sharing Plan as of November 30, 2000 and 1999, and the related statements of changes in net assets available for benefits for each of the three years in the period ended November 30, 2000. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at November 30, 2000 and 1999, and the changes in its net assets available for benefits for each of the three years in the period ended November 30, 2000, in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the financial

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

statements taken as a whole. The accompanying supplemental schedule of assets held for investment purposes as of November 30, 2000 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

April 27, 2001

1

The McCormick Profit Sharing Plan

Statement of Net Assets Available for Benefits

	NOVEMBER 30	
	2000	1999

ASSETS		
Investments:		
Securities - at fair value:		
McCormick & Company, Incorporated - Common stock	\$ 83,121,183	\$ 78,121,183
Unaffiliated issuers:		
Temporary investments	14,993,343	
Mutual funds	154,161,364	170,161,364
Participant loans	4,959,463	4,959,463

Total investments	257,235,353	258,192,373
Receivables:		
Accrued interest and dividends	493,293	
Employer contributions	3,511,641	3,511,641
Due from funds for securities sold, net	1,412,953	1,412,953

Total receivables	5,417,887	5,417,887
Cash	-	-

	262,653,240	263,610,260
LIABILITIES		
Cash overdrafts	68,841	68,841

Net assets available for benefits	\$ 262,584,399	\$ 258,541,419
	=====	

SEE ACCOMPANYING NOTES.

The McCormick Profit Sharing Plan

Statement of Changes in Net Assets Available for Benefits

	YEAR ENDED NOVEMBER 30		
	2000	1999	1998

ADDITIONS			
Employer contributions:			
Employer match	\$ 2,158,982	\$ 2,010,032	\$ 1,988,314
Profit sharing	3,641,241	3,988,314	2,158,982
Employee contributions	12,744,063	11,841,578	10,553,580
Earnings from investments:			
Dividends:			
McCormick & Company, Incorporated	1,878,488	1,675,773	1,675,773
Mutual funds	11,682,609	10,493,875	8,440,129
Interest income	1,205,816	440,129	261,039
Other, net	261,039	(63,109)	
	-----	-----	-----
	33,572,238	30,386,592	24,158,982
DEDUCTIONS			
Participant withdrawals	21,142,972	14,370,337	14,370,337
Administrative expenses	329,286	265,790	
	-----	-----	-----
	21,472,258	14,636,127	14,370,337
Net realized gain on investments	10,553,580	13,340,091	8,440,129
Net unrealized (depreciation) appreciation of investments	(18,751,846)	(3,851,017)	22,158,982
	-----	-----	-----
Net increase	3,901,714	25,239,539	41,553,580
Net assets available for benefits at beginning of year	258,682,685	233,443,146	192,158,982
	-----	-----	-----
Net assets available for benefits at end of year	\$ 262,584,399	\$ 258,682,685	\$233,443,146
	=====	=====	=====

SEE ACCOMPANYING NOTES.

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

The McCormick Profit Sharing Plan

Notes to Financial Statements

November 30, 2000

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of The McCormick Profit Sharing Plan (the "Plan") are prepared on the accrual basis of accounting.

VALUATION OF SECURITIES

Investments are stated at aggregate fair value. Securities traded on a national securities exchange or included on the NASDAQ National Market List are valued at the last reported sales price on the last business day of the plan year. Investments for which no sale was reported on that date are valued at the last reported bid price.

The change in the difference between fair value and the cost of investments is reflected in the statement of changes in net asset available for benefits as net unrealized appreciation or depreciation of investments.

The net realized gain or loss on disposal of investments is the difference between the proceeds received and the average cost of investments sold. Expenses relating to the purchase or sale of investments are added to the cost or deducted from the proceeds.

ADMINISTRATIVE EXPENSES

McCormick & Company, Incorporated (the "Company") has deducted \$129,600, \$239,517 and \$267,265 in 2000, 1999 and 1998, respectively, from the cash deposit of its contributions to the Plan to offset a portion of the administrative costs incurred on behalf of the Plan. These expenses are included in administrative expenses in the statement of changes in net assets available for benefits. Direct expenses are paid by the Plan.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires Plan management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual amounts could differ from these estimates.

The McCormick Profit Sharing Plan

Notes to Financial Statements (continued)

1. SIGNIFICANT ACCOUNTING POLICIES

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS

During the year ended November 30, 2000, the Plan adopted the provisions of AICPA Statement of Position 99-3 "Accounting for and Reporting of Certain Defined Contribution Benefit Plan Investments and Other Disclosure Matters" (the "Statement"). The Statement eliminates the requirement for the Plan to disclose net assets available for benefits and changes in net assets available for benefits by individual fund. There was no impact on net assets available for benefits as a result of the adoption of the Statement.

2. DESCRIPTION OF THE PLAN

The following description of the Plan provides only general information. Further information about the Plan agreement, eligible employees, the vesting provisions and investment alternatives are contained in the Summary Plan Description and in Registration Statement No. 33-33724 on Form S-8 filed with the Securities and Exchange Commission on March 2 1990. Copies of these documents are available from McCormick Corporate Human Relations.

The Plan is a defined contribution plan sponsored by McCormick & Company, Incorporated which incorporates a 401(k) savings and investment option.

Participating employees can make elective pretax contributions to the Plan through regular payroll deductions. If an employee authorizes elective contributions, the contributions may not be less than 1% of his or her taxable cash compensation and may be up to a maximum of 15%. The Company and participating subsidiaries will make a matching contribution at a rate of \$.20 for each \$1.00 of the participant's elective contributions to the Plan regardless of the participant's investment election. The matching contribution is not made on elective contributions in excess of 10% of compensation.

The Plan also contains a "Profit Sharing Feature" whereby the Company and participating subsidiaries may also make additional contributions to the Plan for amounts authorized by the Board of Directors. Company profit sharing contributions are allocated to each participant's account based upon the participant's compensation and length of service.

5

The McCormick Profit Sharing Plan

Notes to Financial Statements (continued)

2. DESCRIPTION OF THE PLAN (CONTINUED)

Participants are immediately vested in their contributions and related earnings. Participants are also immediately vested in the Company contribution portion and related earnings of their accounts once these amounts have been deposited into their accounts. Company contributions cannot be withdrawn under the in-service early withdrawal provisions, other than hardship withdrawals, until three years after the contributions are approved by the Board of Directors.

Effective March 23, 2000, the T. Rowe Price Prime Reserve Fund, the Bond Fund of America, and the T. Rowe Price Small Cap Value Fund were liquidated and transferred into the T. Rowe Price Summit Fund, the Fidelity U.S. Bond Index Fund, and the TCW Small Cap Growth Fund, respectively. In addition, the Vanguard S&P 500 Index Fund was added as an investment option.

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

The following is a detailed description of the investment funds available to participants as of November 30, 2000:

MCCORMICK STOCK FUND - This fund invests principally in the common stock of McCormick & Company, Inc., the Plan sponsor.

BALANCED FUND - The balanced fund seeks conservation of capital, current income and long-term growth of capital and income by investing in stocks, bonds, and other fixed-income securities. This fund invests principally in the American Balanced Fund.

SMALL CAP GROWTH FUND - This Fund seeks long-term capital appreciation. To pursue this goal, it invests at least 65% of the value of its total assets in equity securities issued by companies with market capitalizations, at the time of acquisition, within the capitalization range of the companies comprising the Standard & Poor's Small Cap 600 Index. This fund invests principally in the TCW Galileo Small Cap Growth Fund.

INTERNATIONAL GROWTH FUND - This international fund seeks long-term growth of capital by investing in companies based outside the United States. This fund invests principally in the American Europacific Growth Fund.

6

The McCormick Profit Sharing Plan

Notes to Financial Statements (continued)

2. DESCRIPTION OF THE PLAN (CONTINUED)

THE U.S. BOND INDEX FUND - The bond fund seeks to provide as high a level of current income as is consistent with preservation of capital. This fund invests primarily in the Fidelity U.S. Bond Index Fund.

GROWTH & INCOME PORTFOLIO FUND - This growth and income fund seeks high total return through a combination of current income and capital appreciation. The fund invests mainly in securities of companies that pay current dividends and offer potential growth of earnings. However, the fund may buy securities that are not currently paying dividends but offer prospects for either capital appreciation or future income. Securities may be of foreign and domestic issuers. The fund diversifies investments among a variety of industries. The principal investment is in the Fidelity Growth & Income Portfolio Fund.

LONG-TERM CAPITAL APPRECIATION FUND - This long-term capital appreciation fund seeks capital appreciation by making a profit on invested capital over the long term. The fund invests in common stocks, and securities convertible to common stock, issued by companies operating in the U.S. and/or abroad. Investments are made in large corporations as well as smaller, lesser-known companies. The fund also diversifies investments among a variety of industries and sectors within the market. This fund invests principally in the Fidelity

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

Magellan Fund.

MONEY MARKET FUND - As a money market fund, this fund is managed to maintain a stable \$1 share price (although it is not guaranteed). The value of the fund's shares is neither insured nor guaranteed by the U.S. Government. This fund invests principally in the T. Rowe Price Summit Fund.

S&P 500 INDEX FUND - This fund holds all of the 500 stocks that make up the unmanaged Standard & Poor's 500 Composite Stock Price Index, in proportion to their weighting in the index. The fund attempts to match the performance of the index and remains fully invested in stocks at all times. This fund seeks long-term growth of capital and income from dividends and invests principally in the Vanguard S&P Index Fund.

Participants' elective contributions and the Company's Profit Sharing contributions are invested in the Plan's investment funds as directed by the participant.

In general, participant withdrawals are subject to a 10% excise tax for early withdrawals prior to the participant reaching retirement.

7

The McCormick Profit Sharing Plan

Notes to Financial Statements (continued)

2. DESCRIPTION OF THE PLAN (CONTINUED)

Participants are permitted to take loans against their contributions to the Plan, subject to \$500 minimum. The maximum of any loan cannot exceed one-half of the participant's contributed account balance or \$50,000 less the highest outstanding unpaid loan balance during the prior twelve months, whichever is less. The Company's Investment Committee determines the interest rate for loans based on current market rates. Loan repayments, interest, plus maintenance fees are made by participants through payroll deductions over loan terms of up to five years. Longer loan terms are available for loans taken to purchase, construct, re-construct or substantially rehabilitate a primary home for the participant or the participant's immediate family.

The Company intends to continue the Plan indefinitely. The Company reserves the right to terminate the Plan, or to reduce or cease contributions at any time, if its Board of Directors determines that business, financial or other good causes make it necessary to do so, or to amend the Plan at any time and in any respect provided, however, that any such action will not deprive any participant or beneficiary under the Plan of any vested right.

3. INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated March 12, 1996, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code and, therefore, the related trust is exempt from taxation. Subsequent to this issuance of the determination letter, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

Code to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

8

The McCormick Profit Sharing Plan

Notes to Financial Statements (continued)

4. INVESTMENTS

During 2000, 1999, and 1998, the Plan's investments (including investments bought, sold, or held throughout the year) appreciated (depreciated) in fair value by (\$8,198,266), \$9,489,074 and \$30,673,292, respectively, as follows:

	YEAR ENDED NOVEMBER 30		1998
	2000	1999	
	NET APPRECIATION (DEPRECIATION) IN FAIR VALUE DURING YEAR	NET APPRECIATION (DEPRECIATION) IN FAIR VALUE DURING YEAR	APPR IN FA DUR
McCormick & Company, Incorporated			
- common stock	\$ 11,758,929	\$ (3,680,122)	\$ 18,673,292
Unaffiliated issuers:			
Temporary investments	-	-	-
Mutual funds	(19,957,195)	13,169,196	12,673,292
Participant loans	-	-	-
Total	\$ (8,198,266)	\$ 9,489,074	\$ 30,673,292

The Plan's interest and dividend income for the years ended November 30, 2000, 1999, and 1998 was \$14,766,913, \$12,609,777, and \$10,112,649, respectively.

The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

	NOVEMBER 30 2000	
McCormick & Company, Incorporated - common stock	\$ 83,121,183	\$ 78,121,183
Fidelity Investments Mutual Funds:		
Growth & Income Portfolio Fund	55,646,599	61,646,599
Long-Term Capital Appreciation Fund (Magellan Fund)	64,958,919	69,958,919
T. Rowe Price Summit Cash Reserves Fund	14,993,343	14,993,343

The McCormick Profit Sharing Plan

Notes to Financial Statements (continued)

5. TRANSACTIONS WITH PARTIES-IN-INTEREST

Fees paid during the year for legal, accounting and other services rendered by parties-in-interest were based on customary and reasonable rates for such services.

6. RECONCILIATION OF FORM 5500 TO AUDITED FINANCIAL STATEMENTS

The following represents a summary of the differences between the Form 5500 for the year ended November 30, 2000, and the accompanying financial statements:

FORM 5500 LINE NUMBER	DESCRIPTION	AMOUNT PER FORM 5500	AMOUNT PER ACCOMPANYING FINANCIAL STATEMENTS	DIF
32b (1) (A)	Interest - interest bearing cash	\$ 64,185	\$ 1,205,816	\$ (1,
32b (1) (E)	Interest - Participant loans	408,273	-	(11,
32b (2) (B)	Dividends - Common Stock	1,004,731	1,878,488	(9,
N/A	Dividends - mutual funds	-	11,682,609	(11,
32b (4) (C)	Net gain on sale of assets	616,760	10,553,580	(9,
32b (5)	Unrealized appreciation	11,142,170	(18,751,846)	29,
32b (10)	Registered investment companies	(7,997,517)	-	(7,
32c	Other income	1,284,281	261,039	1,
321 (1)	Transfers to this plan	112,423,132	-	112,
321 (2)	Transfers from this plan	(112,116,329)	-	(112,
		\$ 6,829,686	\$ 6,829,686	\$

The differences result from the classification of investments, and the basis for determining cost, as required for financial statement purposes (historical cost) differing from the classification required in the Form 5500 (market value at the beginning of the Plan year).

The McCormick Profit Sharing Plan

Notes to Financial Statements (continued)

7. SUBSEQUENT EVENTS

Effective December 1, 2000, the Plan was amended to eliminate the "Profit Sharing Feature." Contemporaneously, the Company match was enhanced such that the Company will match 100% of a participant's contribution up to the first 3% of the participant's salary, and 50% of the next 2% of a participant's salary. In conjunction with these amendments, the plan was also renamed the McCormick 401(k) Retirement Plan.

11

Supplemental Schedule

The McCormick Profit Sharing Plan

Schedule H, Line 4i - Schedule of Assets Held for Investment Purposes

November 30, 2000

Edgar Filing: MCCORMICK & CO INC - Form 10-K/A

	SHARES HELD	COST VALUE	MARK VAL
Temporary investments:			
T. Rowe Price Summit Cash Reserves	14,993,343	\$ 14,993,343	\$ 14,
McCormick & Company, Incorporated:			
Common stock*	2,231,441	38,643,084	83,
Mutual Funds Investments:			
Fidelity US Bond Index Fund	777,309	7,959,413	8,
Fidelity Growth & Income Portfolio Fund	1,304,115	45,814,743	55,
American Balanced Fund	300,955	4,583,484	4,
American EuroPacific International Fund	299,771	11,077,388	9,
Vanguard S&P 500 Index Fund	33,027	4,408,743	4,
TCW Galileo Small Cap Growth Fund	280,035	13,388,432	7,
Fidelity Long-Term Capital Appreciation Fund (Magellan Fund)	540,154	54,778,986	64,
Participant loans (average interest rate of 9%)*		-	4,
		\$ 195,647,616	\$257,

* Indicates parties-in-interest to the Plan