FORM 10-K
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year
ended November 30, 1996   Commission file number 0-748

McCORMICK & COMPANY, INCORPORATED
(Exact name of Registrant as specified in its charter)

Maryland	52-0408290
(State or other jurisdiction of incorporation or organization)	(I.R.S. 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:

Title of each class	Name of each exchange on which registered
Not Applicable	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.   [   ]

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

Aggregate market value of the voting stock held by nonaffiliates of the Registrant $182,641,709

The aggregate market value indicated above was calculated as follows: The number of shares of voting stock held by nonaffiliates of the Registrant as of January 31, 1997 was 7,379,463. This number excludes shares held by the McCormick Profit Sharing Plan and PAYSOP and its Trustees, the McCormick Pension Plan and its Trustees, and the directors and officers of the Registrant, who may or may not be affiliates. This number was then multiplied by the closing price of the stock as of January 31, 1997, $24.75.

CLASS	NUMBER OF SHARES OUTSTANDING	DATE
Common Stock	10,987,195	1/31/97
Common Stock Non-Voting	65,802,523	1/31/97

DOCUMENTS INCORPORATED BY REFERENCE

Document	Part of 10-K into which incorporated
Registrant's 1996 Annual Report to Stockholders	Part I, Part II, Part IV
Registrant's Proxy Statement dated 2/19/97	Part III, Part IV

PART I

As used herein, the "Registrant" means McCormick & Company, Incorporated and its subsidiaries, unless the context otherwise requires.

ITEM 1. BUSINESS

The Registrant, a diversified specialty food company, is principally engaged in the manufacture of spices, seasonings, flavorings and other specialty food products and sells such products to the retail food market, the food service market and to industrial food processors throughout the world. The Registrant also, through subsidiary corporations, manufactures and markets plastic packaging products for the food, cosmetic and health care industries.

The Registrant's Annual Report to Stockholders for 1996, which is enclosed as Exhibit 13, contains a description of the general development during the last fiscal year, of the business of the Registrant, which was formed in 1915 under Maryland law as the successor to a business established in 1889. Pages 7 through 13 of that Report are incorporated by reference. Unless otherwise indicated, all references to amounts in this Report or in the Annual Report to Stockholders for 1996 are amounts from continuing operations. The Registrant's net sales increased 2.4% in 1996 to $ 1,732,506,000.

In March 1996, the Registrant formed a joint venture with Pioneer Products, Inc. for the production and sale of dessert decorating products. The new company, Signature Brands, LLC, is located in Ocala, Florida and manufactures and distributes a broad range of such products under the Betty Crocker (a trademark owned by General Mills) and Cake Mate brand names.

The Registrant implemented a restructuring plan in June 1996 which is intended to increase focus on core businesses and improve its cost structure. A description of the actions taken under this plan are set forth in the Registrant's Annual Report to Stockholders for 1996 in Note 2 of the Notes to Consolidated Financial Statements on pages 22 and 23 and on pages 37 and 38, which pages are incorporated by reference.

In August 1996, the Registrant sold substantially all of the assets of Gilroy Foods, Incorporated and Gilroy Energy Company, Inc. to ConAgra, Inc. and to an affiliate of Calpine Corporation, respectively. Gilroy Foods manufactures and sells dehydrated onion, garlic, capsicum and vegetable products. Gilroy Energy operates an energy cogeneration facility. The Registrant's Annual Report to Stockholders for 1996 sets forth a description of the sale of Gilroy Foods and Gilroy Energy on page 38 and in Note 3 of the Notes to Consolidated Financial Statements on page 23. Those pages of the Registrant's Annual Report are incorporated by reference.

In 1994, the Registrant announced a restructuring plan which reduced the work force and implemented a program to eliminate redundant facilities and positions, improve production and efficiency and eliminate certain businesses and product lines. A description of the actions taken under this plan are set forth in the Registrant's Annual Report to Stockholders for 1996 in Note 2 of the Notes to Consolidated Financial Statements on pages 22 and 23 and on pages 37 and 38, which pages are incorporated by reference.

The Registrant operates in two business segments, Food Products and Packaging Products, and has disclosed in Note 10 of the Notes to Consolidated Financial Statements on pages 31 and 32 of its Annual Report to Stockholders for 1996, which Note is incorporated by reference, the financial information about the business segments required by this Item.

PRINCIPAL PRODUCTS/MARKETING

Spices, seasonings, flavorings and other specialty food products are the Registrant's principal products. The Registrant also manufactures and markets plastic bottles and tubes for food, personal care and other products, primarily in the United States. The net sales value of each of these product segments is set forth in Note 10 of the Notes to Consolidated Financial Statements on pages 31 and 32 of the Registrant's Annual Report to Stockholders for 1996, which Note is incorporated by reference. No other products or classes of similar products or services contributed as much as 10% to consolidated net sales during the last three fiscal years.

The Registrant markets its food service products and consumer products through its own sales organization, food brokers and distributors. In the industrial market, sales are made mostly through the Registrant's own sales force. The Registrant markets its packaging products through its own sales force and distributors.

RAW MATERIALS

Many of the spices and herbs purchased by the Registrant are imported into the United States from the country of origin, although significant quantities of some materials, such as paprika, dehydrated vegetables, onion and garlic and food ingredients other than spices and herbs, originate in the United States. The Registrant is a direct importer of certain raw materials, mainly black pepper, vanilla beans, cinnamon, herbs and seeds from the countries of origin. Some of the imported materials are purchased from dealers in the United States. The principal purpose of such purchases is to satisfy the Registrant's own needs. In addition, the Registrant sells imported raw materials to other food processors. The Registrant also purchases cheese and dairy powders from U.S. sources for use in many industrial products.

The raw materials most important to the Registrant are onion, garlic and capsicums (paprika and chili peppers), which are produced in the United States, black pepper, most of which originates in India, Indonesia, Malaysia and Brazil, and vanilla beans, a large proportion of which the Registrant obtains from the Malagasy Republic and Indonesia. The Registrant does not anticipate any material restrictions or shortages on the availability of raw materials which would have a significant impact on the Registrant's business in the foreseeable future.

Substantially all of the raw materials used in the packaging business originate in the United States.

TRADEMARKS, LICENSES AND PATENTS

The Registrant owns a number of registered trademarks, which in the aggregate may be material to the Registrant's business. However, the loss of any one of those trademarks, with the exception of the Registrant's "McCormick," "Schilling," "Schwartz" and "Club House" trademarks, would not have a material adverse impact on the Registrant's business. The "McCormick" and "Schilling" trademarks are extensively used by the Registrant in connection with the sale of a substantial number of the Registrant's products in the United States. The "McCormick" and "Schilling" trademarks are registered and used in various foreign countries as well. The "Schwartz" trademark is used by the Registrant in connection with the sale of the Registrant's products in Europe and the "Club House" trademark is used in connection with the sale of the Registrant's products in Canada. The terms of the trademark registrations are as prescribed by law and the registrations will be renewed for as long as the Registrant deems them to be useful.

The Registrant has entered into a number of license agreements authorizing the use of its trademarks by persons in foreign countries. In the aggregate, the loss of those license agreements would not have a material adverse impact on the Registrant's business. The terms of the license agreements are generally 3 to 5 years or until such time as either party terminates the agreement. Those agreements with specific terms are renewable upon agreement of the parties.

The Registrant owns various patents, but they are not viewed as material to the Registrant's business.

SEASONAL NATURE OF BUSINESS

Historically, the Registrant's sales and profits are lower in the first two quarters of the fiscal year and increase in the third and fourth quarters.

WORKING CAPITAL

In order to meet increased demand for its products during its fourth quarter, the Registrant usually builds its inventories during the second and third quarters. In common with other companies, the Registrant generally finances working capital items (inventory and receivables) through short-term borrowings, which include the use of lines of credit and the issuance of commercial paper. The Registrant's Annual Report to Stockholders for 1996 sets forth a description of the Registrant's liquidity and capital resources on pages 41 and 42, which pages are incorporated by reference.

CUSTOMERS

The Registrant has a large number of customers for its products. No single customer accounted for as much as 10% of consolidated net sales in 1996. In the same year, sales to the five largest customers represented approximately 20% of consolidated net sales.

BACKLOG ORDERS

The dollar amount of backlog orders of the Registrant's business is not material to an understanding of the Registrant's business, taken as a whole.

GOVERNMENT CONTRACTS

No material portion of the Registrant's business is subject to renegotiation of profits or termination of contracts or subcontracts at the election of the Government.

COMPETITION

Although the Registrant is a leader in sales of certain spices and seasoning and flavoring products, its business is highly competitive. For further discussion, see pages 8 through 12, 37 and 39 of the Registrant's Annual Report to Stockholders for 1996, which pages are incorporated by reference.

RESARCH AND QUALITY CONTROL

The Registrant has emphasized quality and innovation in the development, production and packaging of its products. Many of the Registrant's products are prepared from confidential formulae developed by its research laboratories and product development departments. The long experience of the Registrant in its field contributes substantially to the quality of the products offered for sale. Quality specifications exist for the Registrant's products, and continuing quality control inspections and testing are performed. Total expenditures for these and other related activities during fiscal years 1996, 1995 and 1994 were approximately $35,705,000, $33,825,000 and $34,050,000 respectively. Of these amounts, expenditures for research and development amounted to $12,216,000 in 1996, $12,015,000 in 1995 and $11,162,000 in 1994. The amount spent on customer-sponsored research activities is not material.

ENVIRONMENTAL REGULATIONS

Compliance with Federal, State and local provisions related to protection of the environment has had no material effect on the Registrant's business. No material capital expenditures for environmental control facilities are expected to be made during this fiscal year or the next.

EMPLOYEES

The Registrant had on average approximately 8,400 employees during fiscal year 1996 and approximately 7,300 employees on November 30, 1996.

FOREIGN OPERATIONS

International businesses have made significant contributions to the Registrant's growth and profits. In common with other companies with foreign operations, the Registrant is subject in varying degrees to certain risks typically associated with doing business abroad, such as local economic and market conditions, exchange and price controls, restrictions on investment, royalties and dividends and exchange rate fluctuations.

Note 10 of the Notes to Consolidated Financial Statements on pages 31 and 32 of the Registrant's Annual Report to Stockholders for 1996, and pages 38 through 41 of the Registrant's Annual Report to Stockholders for 1996 contain the information required by subsection (d) of Item 101 of Regulation S-K, which pages are incorporated by reference.

ITEM 2. PROPERTIES

The location and general character of the Registrant's principal plants and other materially important physical properties are as follows:

(a) Consumer Products

A plant is located in Hunt Valley, Maryland on approximately 52 acres in the Hunt Valley Business Community. This plant, which contains approximately 540,000 square feet, is owned in fee and is used for processing spices and other food products. There is an approximately 110,000 square foot office building located in Hunt Valley, Maryland which is the headquarters for the Registrant's Consumer Products division. Also in Hunt Valley, Maryland is a facility of approximately 100,000 square feet which contains the Registrant's printing operations and a warehouse. All of these facilities are owned in fee. A plant of approximately 460,000 square feet and a distribution center of approximately 325,000 square feet are located in Salinas, California and a plant of approximately 108,000 square feet is located in Commerce, California. These facilities are owned in fee and used for milling, processing, packaging, and distributing spices and other food products.

(b) Industrial Products

The Registrant has two principal plants devoted to industrial flavoring products in the United States. A plant of 105,000 square feet is located in Hunt Valley, Maryland and is owned in fee. A plant of 102,000 square feet is located in Dallas, Texas and is owned in fee.

(c) Spice Milling

Located adjacent to the consumer products plant in Hunt Valley is a spice milling and cleaning plant which is owned in fee by the Registrant and contains approximately 185,000 square feet. This plant services all food product groups of the Registrant. Much of the milling and grinding of raw materials for Registrant's seasoning products is done in this facility.

(d) Packaging Products

The Registrant has three principal plants which are devoted to the production of plastic products. A plant of approximately 275,000 square feet is located in Anaheim, California and a plant of approximately 221,000 square feet is located in Easthampton, Massachusetts. Both of these facilities are owned in fee. A plant of approximately 203,000 square feet is located in Cranbury, New Jersey and is leased.

(e) International

The Registrant has a plant in London, Ontario which is devoted to the processing, packaging and distribution of food products. This facility is approximately 140,000 square feet and is owned in fee. The Registrant has a new 251,000 square foot facility in Buckinghamshire, England which contains the Registrant's U.K. headquarters and manufacturing plant for dry products.

(f) Research and Development

The Registrant has a facility in Hunt Valley, Maryland which houses the research and development laboratories and the technical capabilities of the industrial division. The facility is approximately 110,000 square feet and is owned in fee.

(g) Distribution

The new McCormick Distribution Center in Belcamp, Maryland opened in March 1996. The leased 369,000 square foot facility handles the distribution of consumer, food service and industrial products in the eastern United States.

ITEM 3. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Registrant or any of its subsidiaries is a party or to which any of their property is subject.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted during the fourth quarter of Registrant's fiscal year 1996 to a vote of security holders.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Registrant has disclosed at page 42 of its Annual Report to Stockholders for 1996, which page is incorporated by reference, the information relating to the market, market quotations, and dividends paid on Registrant's common stocks required by this Item.

The approximate number of holders of common stock of the Registrant based on record ownership as of January 31, 1997 was as follows:

Title of Class	Approximate Number of Record Holders
Common Stock, no par value	2,000
Common Stock Non-Voting, no par value	9,900

ITEM 6. SELECTED FINANCIAL DATA

The Registrant has disclosed the information required by this Item in the line items for 1992 through 1996 entitled "Net Sales," "Net income-continuing operations," "Earnings per share - Continuing operations," "Common dividends declared," Long term debt" and "Total assets" on pages 14-15 of its Annual Report to Stockholders for 1996, which pages are incorporated by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Registrant's Annual Report to Stockholders for 1996 at pages 37 through 42 contains a discussion and analysis of the Company's financial condition and results of operations for the three fiscal years ended November 30, 1996. Said pages are incorporated by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and supplementary data for McCormick & Company, Incorporated are included on pages 17 through 35 of the Annual Report to Stockholders for 1996, which pages are incorporated by reference. The report of independent auditors from Ernst & Young LLP on such financial statements is included on page 36 of the Annual Report to Stockholders for 1996; the supplemental schedule for 1994, 1995 and 1996 is included on page 15 of this Report on Form 10-K.

The unaudited quarterly data required by Item 302 of Regulation S-K is included in Note 12 of the Notes to Consolidated Financial Statements at pages 34 and 35 of the Registrant's Annual Report to Stockholders for 1996, which Note is incorporated by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

No response is required to this Item.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The Registrant has filed with the Commission a definitive copy of its Proxy Statement dated February 19, 1997, which sets forth the information required by this Item at pages 3 through 8, which pages are incorporated by reference. In addition to the executive officers and directors discussed in the Proxy Statement, J. Allan Anderson and Christopher J. Kurtzman are also executive officers of the Registrant.

Mr. Anderson is 50 years old and has had the following work experience during the last five years: 1/92 to present - Vice President and Controller; 3/91 to 1/92 - President and Chairman of the Board - Golden West Foods, Inc. (a former subsidiary of the Company); 4/89 to 3/91 - Vice President - Food Service & Industrial Groups.

Mr. Kurtzman is 44 years old and has had the following work experience during the last five years: 2/96 to present - Vice President and Treasurer; 5/94 to 2/96 - Assistant Treasurer-Domestic; 9/90 to 5/94 - Assistant Treasurer-Investor Relations & Financial Services; 12/89 to 9/90 - - Assistant Treasurer- Financial Services.

ITEM 11. EXECUTIVE COMPENSATION

The Registrant has filed with the Commission a definitive copy of its Proxy Statement dated February 19, 1997, which sets forth the information required by this Item at pages 8 through 23, which pages are incorporated by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The Registrant has filed with the Commission a definitive copy of its Proxy Statement dated February 19, 1997, which sets forth the information required by this Item at pages 2 through 7, which pages are incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Registrant has filed with the Commission a definitive copy of its Proxy Statement dated February 19, 1997, which sets forth the information required by this Item at pages 9 and 10, which pages are incorporated by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) The following documents are filed as a part of this Form:

1. The consolidated financial statements for McCormick & Company, Incorporated and subsidiaries which are listed in the Table of Contents appearing on page 14 below.

2. The financial statement schedules required by Item 8 of this Form which are listed in the Table of Contents appearing on page 14 below.

3. The exhibits which are filed as a part of this Form and required by Item 601 of Regulation S-K are listed on the accompanying Exhibit Index at pages 16 through 18 of this Report.

(b) The Registrant filed one report during the last quarter on Form 8-K dated September 13, 1996 which reported the Registrant's sale of the assets of Gilroy Foods, Incorporated and Gilroy Energy Company to ConAgra Inc. and to an affiliate of Calpine Corporation, respectively.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

McCORMICK & COMPANY, INCORPORATED

By:/s/ Robert J. Lawless Robert J. Lawless	President, Chief Executive Officer	February 19, 1997

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

Principal Executive Officer:

/s/ Robert J. Lawless Robert J. Lawless	President, Chief Executive Officer	February 19, 1997

Principal Financial Officer:

/s/ Robert G. Davey Robert G. Davey	Executive Vice President & Chief Financial Office	February 19, 1997

Principal Accounting Officer:

/s/ J. Allan Anderson J. Allan Anderson	Vice President & Controller	February 19, 1997

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons, being a majority of the Board of Directors of McCormick & Company, Incorporated, on the date indicated:

THE BOARD OF DIRECTORS:	DATE:
/s/ James J. Albrecht James J. Albrecht	February 19, 1997
/s/ James S. Cook James S. Cook	February 19, 1997
/s/ Robert G. Davey Robert G. Davey	February 19, 1997
/s/ Freeman A. Hrabowski, III Freeman A. Hrabowski, III	February 19, 1997
/s/ George W. Koch George W. Koch	February 19, 1997
/s/ Robert J. Lawless Robert J. Lawless	February 19, 1997
/s/ Charles P. McCormick, Jr. Charles P. McCormick, Jr.	February 19, 1997
/s/ George V. McGowan George V. McGowan	February 19, 1997
/s/ Carroll D. Nordhoff Carroll D. Nordhoff	February 19, 1997
/s/ Robert W. Schroeder Robert W. Schroeder	February 19, 1997
/s/ Richard W. Single, Sr. Richard W. Single, Sr.	February 19, 1997
/s/ William E. Stevens William E. Stevens	February 19, 1997
/s/ Karen D. Weatherholtz Karen D. Weatherholtz	February 19, 1997

CROSS REFERENCE SHEET

PART I	ITEM		REFERENCED MATERIAL/PAGE(S)PART
	Item 1.	Business	Registrant's 1996 Annual Report to Stockholders/Pages 7-13, 22-23, 31-32 and 37-42.
	Item 2.	Properties	None.
	Item 3.	Legal Proceedings	None.
	Item 4.	Submission of Matters to a Vote of Security Holders.	None.
PART II	Item 5.	Market for the Registrant's Common Equity and Related Stockholder Matters.	Registrant's 1996 Annual Report to Stockholders/ Page 42.
	Item 6.	Selected Financial Data.	Registrant's 1996 Annual Report to Stockholders/Selected Items on Pages 14-15.
	Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations.	Registrant's 1996 Annual Report to Stockholders/Pages 37-42.
	Item 8.	Financial Statements and Supplementary Data.	Registrant's 1996 Annual Report to Stockholders/Pages 17-35 and 36; Page 15 of this Report.
	Item 9.	Changes in and Disagreements with Accountants on	None.

Accounting and Financial Disclosure.

PART III	Item 10.	Directors and Executive Officers of the Registrant.	Registrant's Proxy Statement dated February 19, 1997/Pages 3-8.
	Item 11.	Executive Compensation.	Registrant's Proxy Statement dated February 19, 1997/Pages 8-23.
	Item 12.	Security Ownership of Certain Beneficial Owners and Management.	Registrant's Proxy Statement dated February 19, 1997/Pages 2-7.
	Item 13.	Certain Relationships and Related Transactions.	Registrants Proxy Statement dated February 19, 1997/Pages 9-10.
PART IV	Item 14.	Exhibits, Financial Statement Schedules and Reports on Form 8-K.	See Exhibit Index on pages 16 through 18 and the Table of Contents at page 14 of this Report.

McCORMICK & COMPANY, INCORPORATED

TABLE OF CONTENTS
AND RELATED INFORMATION

Included in the Company's 1996 Annual Report to Stockholders, the following consolidated financial statements are incorporated by reference in Item 8*:

Included in Part IV of This Annual Report:

Supplemental Financial Schedules:

Schedules other than those listed above are omitted because of the absence of the conditions under which they are required or because the information called for is included in the consolidated financial statements or notes thereto.

*Pursuant to Rule 12b-23 issued by the Commission under the Securities Exchange Act of 1934, as amended, a copy of the 1996 Annual Report to Stockholders of the Registrant for its fiscal year ended November 30, 1996 accompanies this Annual Report on Form 10-K.

SUPPLEMENTAL FINANCIAL SCHEDULE II
CONSOLIDATED

McCORMICK & COMPANY, INCORPORATED

VALUATION AND QUALIFYING ACCOUNTS

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
DESCRIPTION	BALANCE AT BEGINNING OF YEAR	ADDITIONS CHARGED TO COSTS AND EXPENSES	DEDUCTIONS	BALANCE AT END OF YEAR
YEAR ENDED NOVEMBER 30, 1996				
Allowance for doubtful receivables.......	$2,545,000	$1,713,000	$731,000 (F1)	$3,527,000
YEAR ENDED NOVEMBER 30, 1995				
Allowance for doubtful				

receivables.......	$2,520,000	$654,000	$629,000 (F1)	$2,545,000
YEAR ENDED NOVEMBER 30, 1994				
Allowance for doubtful receivables.......	$2,530,000	$1,132,000	$1,142,000 (F1)	$2,520,000

(F1) Accounts written off net of recoveries.

Exhibit Index

Item 601 Exhibit Number		Reference or Page
(2)	Plan of acquisition, reorganization, arrangement, liquidation or succession	Not applicable.
(3)	Articles of Incorporation and By-Laws	
	Restatement of Charter of McCormick & Company, Incorporated dated April 16, 1990.	Incorporated by reference from Registration Form S-8, Registration Statement No. 33-39582 as filed with the Securities and Exchange Commission on March 25, 1991.
	Articles of Amendment to Charter of McCormick & Company, Incorporated dated April 1, 1992.	Incorporated by reference from Registration Form S-8, Registration Statement No. 33-59842 as filed with the Securities and Exchange Commission on March 19, 1993.
	By-laws of McCormick & Company Incorporated-Restated and Amended as of June 17, 1996.	Incorporated by reference from Registrant's Form 10-Q for the quarter ended May 31, 1996 as filed with the Securities and Exchange Commission on July 12, 1996.
(4)	Instruments defining the rights of security holders, including indentures.	With respect to rights of securities, see Exhibit 3 (Restatement of Charter). No instrument of Registrant with respect to long-term debt involves an amount of authorized securities which exceeds 10 percent of the total assets of the Registrant and its subsidiaries on a consolidated basis. Registrant agrees to furnish a copy of any such instrument upon request of the Commission.
(9)	Voting Trust Agreement.	Not applicable.

(10) Material contracts.

i) Registrant's supplemental pension plan for certain senior officers is described in the McCormick Supplemental Executive Retirement Plan, a copy of which was attached as Exhibit 10.1 to the Registrant's Report on Form 10-K for the fiscal year 1992 as filed with the Securities and Exchange Commission on February 17, 1993, which report is incorporated by reference.

ii) Stock option plans, in which directors, officers and certain other management employees participate, are described in the Registrant's S-8 Registration Statements Nos. 33-33725 and 33-58197 filed with the Securities and Exchange Commission on

March 2, 1990 and March 23, 1995 respectively, which statements are incorporated by reference.

iii) Consulting letter agreement between Registrant and Charles P. McCormick, Jr. dated February 14, 1996, which letter is incorporated by reference from Registrant's Form 10-Q dated April 12, 1996.

iv) Asset Purchase Agreement among the Registrant, Gilroy Foods, Inc. and ConAgra, Inc. dated August 28, 1996 which agreement is incorporated by reference from Registrant's Report on Form 8-K as filed with the Securities and Exchange Commission on September 13, 1996.

v) Asset Purchase Agreement among the Registrant, Gilroy Energy Company, Inc. and Calpine Gilroy Cogen, L.P., dated August 28, 1996 which agreement is incorporated by reference from Registrant's Report on Form 8-K as filed with the Securities and Exchange Commission on September 13, 1996.

(11) Statement re computation of per-share earnings.	Page 19 of this Report on Form 10-K.
(12) Statements re computation of ratios.	Page 42 of Exhibit 13.
(13) Annual Report to Security Holders	
McCormick & Company, Incorporated Annual Report to Stockholders for 1996.	Submitted in electronic format.
(16) Letter re change in certifying accountant.	Not applicable.
(18) Letter re change in accounting principles.	Not applicable.
(21) Subsidiaries of the Registrant	Page 44 of Exhibit 13.
(22) Published report regarding matters submitted to vote of securities holders	Not applicable.
(23) Consent of independent auditors	Page 20 of this Report on Form 10-K.
(24) Power of attorney	Not applicable.
(27) Financial Data Schedule	Submitted in electronic format only.
(99) Additional exhibits	Registrant's definitive Proxy Statement dated February 19, 1997.

McCormick and Company, Inc. Part I - Exhibit 11

(In Thousands Except Per Share Amounts)

Statement re Computation of Per-Share Earnings*	Year Ended November 30		
Computation for Statement of Income	1996	1995	1994
Net Income	$41,918	$97,521	$61,157
Reconciliation of Weighted Average Number of Shares Outstanding to Amount used in Primary Earnings Per Share Computation			
Weighted Average Number of Shares Outstanding	80,641	81,181	81,240
Add - Dilutive Effect of Outstanding Options (as Determined by the Application of the Treasury Stock Method) (F1)	61	138	391
Weighted Average Number of Shares Outstanding As Adjusted for Equivalent Shares	80,702	81,319	81,631
PRIMARY EARNINGS PER SHARE	$0.52	$1.20	$0.75

	Year Ended November 30		
Computation for Statement of Income	1996	1995	1994
Reconciliation of Weighted Average Number of Shares Outstanding to Amount used in Fully Diluted Earnings Per Share Computation			
Weighted Average Number of Shares Outstanding	80,641	81,181	81,240
Add - Dilutive Effect of Outstanding Options			

(As Determined by the Application of the Treasury Stock Method) (F1)	98	159	391
Weighted Average Number of Shares Outstanding As Adjusted for Equivalent Shares	80,739	81,340	81,631
FULLY DILUTED EARNINGS PER SHARE	$0.52	$1.20	$0.75

*See 1996 Annual Report, Note (1) of the Notes to Financial Statements.

(F1) "This calculation is submitted in accordance with Regulation S-K item 601(b)(11) although not required by footnote 2 to paragraph 14 of APB Opinion No. 15 because it results in dilution of less than 3%."

Exhibit 23 -- CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Annual Report (Form 10-K) of McCormick & Company, Incorporated and subsidiaries of our report dated January 16, 1997, included in the 1996 Annual Report to Shareholders of McCormick & Company, Incorporated.

Our audits also included the financial statement schedule of McCormick & Company, Incorporated and subsidiaries listed in Item 14(a). This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also consent to the incorporation by reference in the following Registration Statements of McCormick & Company, Incorporated and subsidiaries and in the related Prospectuses (if applicable) of our report dated January 16, 1997, with respect to the consolidated financial statements and schedule of McCormick & Company, Incorporated and subsidiaries included in the 1996 Annual Report to Shareholders and incorporated by reference in this Annual Report (Form 10-K) for the year ended November 30, 1996.

Form	Registration Number	Date Filed
S-8	33-58197	3/23/95
S-3	33-66614	7/27/93
S-3	33-40920	6/18/91
S-3	33-40920	5/29/91
S-8	33-33724	3/2/90
S-8	33-33725	3/2/90
S-3	33-32712	12/21/89
S-8	33-24660	3/16/89
S-3	33-24959	9/15/88
S-8	33-24658	9/15/88

Ernst & Young LLP

Baltimore, Maryland
February 21, 1997

Company Description

McCormick & Company, Incorporated is the largest spice company in the world. The Company is the leader in the manufacture, marketing and distribution of spices, seasonings, flavors and other food products to the food industry - retail, foodservice and food processors. A packaging group manufactures and markets plastic bottles and tubes for food, personal care and other products. McCormick products are processed and sold throughout the world. Founded in 1889, McCormick pioneered with products and people, and in 1932 started participative management. For more than 60 years, McCormick has thrived with Multiple Management - a philosophy and system of management development - which, along with enlightened leadership, helps shape our corporate culture. Multiple Management encourages a belief in the power of people, recognizes the dignity of the individual, the dynamics of human relationships, the need for participation at all levels of employment and the importance of sharing the rewards of success. Headquartered in Sparks, Maryland, McCormick has sales of $1.7 billion. Worldwide, McCormick has 7,300 employees - people loyal to a heritage of product quality and customer service which has made McCormick a success over the years. Publicly held and traded on NASDAQ, the Company has more than 25,000 shareholders - many are employees. McCormick has paid dividends every year since 1925.

Contents

[picture of Grill Mates Spicy Montreal Steak Seasoning
with steak on a plate]

The paper that the financials are printed on contains McCormick Pure Ground Black Pepper. The 1997 Annual Meeting will be held at 10:00 a.m., Wednesday, March 19, 1997, at Marriott's Hunt Valley Inn, 245 Shawan Road (exit 20A off I-83 north of Baltimore), Hunt Valley, Maryland 21031.

MISSION The primary mission of McCormick & Company, Incorporated is to profitably expand its worldwide leadership position in the spice, seasoning and flavoring markets.

CORE VALUES We believe that our people are the most important ingredient to our success. We believe in continuously adding value for our shareholders. We believe customers are the reason we exist. We believe in doing business honestly and ethically. We believe in focused achievement of goals and objectives through teamwork.

[photo: Cinnamon flavors many dishes around the world and is the scent for this year's annual report.]

FINANCIAL HIGHLIGHTS
(dollars in millions except per-share data)

Year ended November 30

	1996	1995	1994	1993	1992
Net sales	$1,732.5	$1,691.1	$1,529.4	$1,400.9	$1,323.9
Before restructuring charges					
Net income from continuing operations	$83.1	$84.5	$88.8	$82.9	$73.6
Net income	81.5	95.2	107.5	73.1	95.2
Earnings per share - continuing operations	1.03	1.04	1.09	1.01	.90
Earnings per share - total	1.01	1.17	1.32	.89	1.16
Return on shareholders' equity	16.2%	19.7%	22.1%	17.0%	23.3%

After restructuring charges					
Net income from continuing operations	$43.5	$86.8	$42.5	$82.9	$73.6
Net income	41.9	97.5	61.2	73.1	95.2
Earnings per share - continuing operations	.54	1.07	.52	1.01	.90
Earnings per share - total	.52	1.20	.75	.89	1.16
Return on shareholders' equity	8.6%	20.3%	12.8%	17.0%	23.3%
Dividends paid per share	$ .56	$ .52	$ .48	$ .44	$.38
Margins					
Gross profit	34.9%	34.5%	36.5%	38.5%	38.9%
Operating income	5.4%	10.2%	5.6%	10.1%	9.2%
Net income from continuing operations	2.5%	5.1%	2.8%	5.9%	5.6%
Cash flow from operating activity	$201.7	$ 59.4	$ 72.5	$ 80.6	$117.3
Cash flow from investing activity	187.9	(78.5)	(184.0)	(145.0)	(121.3)
Cash flow from financing activity	(380.8)	17.7	113.9	79.1	4.2
Debt to total capital	47.1%	55.5%	54.6%	48.0%	42.5%
Shareholders' equity	$450.0	$519.3	$490.0	$466.8	$437.9
Average shares outstanding and equivalents (000's)	80,641	81,181	81,240	81,766	81,918
Ending shares outstanding and equivalents (000's)	78,205	81,218	81,206	81,916	81,978

[Bar graph showing Ten-Year Growth of One Dollar Invested in McCormick Stock for the period of 1986 at $1.00 to 1996 at $5.65. Ten-year compound growth rate of 19% (includes dividend reinvestment)]

[Bar graph showing Market Capitalization - Dollars in Millions. The graph depicts in 1986 an amount of $514 and in 1996 an amount of $1,926.]

Letter to Shareholders

1996 was approached as a turnaround year and turnaround it was. Our first-half performance, as expected, was sub-par. The second half returned to growth, and we are again pointed in the right direction.

Confidence in the future of the business led to our announcement in August that we would, over time, buy back 10 million shares of the Company's outstanding stock on the open market. Confidence also led us to approve a 7 percent increase in the regular quarterly cash dividend. This is the 14th dividend increase that we have declared over the last 10 years. McCormick has paid dividends every year since 1925. We are pleased to reward long-term shareholders and look forward to taking future actions that will improve total return to them.

A year ago, we reported that we would measure ourselves in a new way, creating shareholder value with a focus on generating both positive and growing economic value added (EVA). We have been focused on increasing our worldwide market share, more effectively managing our assets and, of course, growing earnings per share. We firmly believe that EVA is an excellent tool to measure shareholder value, and increasing shareholder value results in a higher stock price. Proper measurement gives incentive to our managers to perform like owners of the business.

Of the year's actions, most significant was the sale of our garlic and onion dehydration business, Gilroy Foods, Incorporated, to ConAgra, Inc. Simultaneously, we sold Gilroy Energy Company, Inc. to Calpine Corporation. As a result of both transactions, we are a much stronger company. The sale of those businesses may be as important to our future health as was our real estate divestiture in 1989. These sales have helped to lessen our debt burden and will provide the resources to take advantage of growth opportunities.

Our year was shaped by a comprehensive portfolio review. In addition to the Gilroy sales, the Brooklyn, New York plant of our packaging subsidiary, Setco, Inc., was closed. After year end, we entered into agreements to sell Giza National Dehydration Company of Egypt and Minipack Systems Limited of England. We are also divesting other small, non-core businesses, and we are exiting certain minor, non-core product lines.

In other developments, certain international manufacturing facilities are being realigned to maximize efficiencies, most notably our new operation at Haddenham in the United Kingdom. In Maryland, we opened our new distribution center, which consolidated distribution activities that occurred at nine other facilities. We merged our

Cake Mate brand with Pioneer Products to form Signature Brands. We are happy to report that this new joint venture is doing extremely well.

These are positive steps that improve our cash flow and asset management and will help drive our business forward again.

The "Flavor Up!" advertising campaign which began in 1995 has helped us market the McCormick brand more aggressively than ever before. Highlighted by a series of radio and television ads, the campaign has created results and strengthened brand loyalty versus the competition. Our efforts are working, whether to promote Bag'n Season, specialty blends like Grill Mates or our gravy line. We are committed to the campaign because it is just one more way we separate ourselves from the competition. The McCormick and Schilling brand names are very powerful, and our vision is to leverage the power of those brands.

An even greater avenue for growth for the Company is international. Sales outside the United States, including joint ventures, are now approximately 39 percent. Our goal is to increase this to at least 50 percent of our sales over time. One key area is China, which has the availability of key raw materials so that we can process in-country to our standard of quality. We currently operate facilities in Guangzhou and Shanghai and are opening sales offices elsewhere. There are no national spice brands, and we are creating the platform to be that brand.

We continue to broaden our horizon within our industrial business by introducing new products such as SavorySelect, ChileMex, ColorBits and TastyBits. Industry reaction has been favorable. Our Research & Technical Development team creates innovative, value-added products that give McCormick customers the edge.

Whether the focus is retail, international or industrial, we have growth opportunities for years to come.

Recent spice consumption data in the United States show that per capita use is up to more than three pounds per year. The popularity of ethnic foods continues to rise, and people are increasingly conscious of the need to eat healthier foods. Spices and seasonings not only make ethnic dishes stand out, they bring added flavor to healthier foods that have reduced salt or fat. Our business is benefiting from these major eating trends.

[photograph of Robert J. Lawless, President and CEO, (left) and Charles P. McCormick, Jr., Chairman]

Effective January 1, 1997, Robert J. Lawless became Chief Executive Officer in addition to President & Chief Operating Officer. Charles P. McCormick, Jr., who had been serving as Chairman of the Board & CEO since January 1, 1996, will continue as Chairman and devote approximately 40 percent of his time to Company business. Robert G. Davey was promoted to Executive Vice President & Chief Financial Officer. Robert W. Schroeder, Vice President & General Manager of the McCormick/Schilling Division, was elected to the Board of Directors. Dr. Freeman A. Hrabowski, III, President of the University of Maryland Baltimore County, has also been elected to the Board.

During the year, there were additional executive appointments. Richard W. Single, Sr. became Vice President-Government Affairs and Secretary/Counsel to the Board of Directors. Robert W. Skelton was promoted to Vice President & General Counsel, and W. Geoffrey Carpenter was promoted to Assistant Secretary & Associate General Counsel. Christopher J. Kurtzman was named Vice President & Treasurer. He succeeds Donald A. Palumbo who retired. Robert C. Singer was appointed Vice President-Acquisitions & Financial Planning. He succeeds Samuel E. Banks who retired.

Dr. James J. Albrecht, Group Vice President-Asia/Pacific since 1993, has been appointed Vice President-Science & Technology. Gary W. Zimmerman, Vice President & General Manager of the McCormick Flavor Group since 1992, became Group Vice President-Asia/Pacific. In addition, Dorsey N. Baldwin, Vice President-Packaging Group and President of Tubed Products, Inc., retired from the Company. He was succeeded by Alan D. Wilson, as President and General Manager of Tubed Products.

We wish to thank our employees for their outstanding performance under very competitive circumstances. They have demonstrated once again that participative management remains a hallmark of our business. Teamwork, so vital to our success, has led us to focus on our core businesses, manage our assets more effectively, drive our brands, return to profit growth and increase shareholder value.

[photograph of the Executive Committee: left to right, seated: Nordhoff, Davey; standing: Lawless, McCormick.]

We believe the steps we are taking will produce the desired results and ensure a bright future. The officers and the Board of Directors join in thanking our shareholders, customers, suppliers and employees for your continuing support of McCormick & Company, Incorporated.

/s/Charles P. McCormick, Jr.
Charles P. McCormick, Jr.
Chairman of the Board

/s/Robert J. Lawless
President & Chief Executive Officer

Report on Operations

Much was accomplished during 1996. One year ago, the Company identified several areas of focus if we were to return to the type of successful performance our investors have enjoyed over time. Concurrent with addressing increased competitive pressures, our objective was to establish the platform for growth. As we promised a year ago, we aggressively drove our brands. Our marketing efforts were refocused on the consumer. This included significantly increased advertising and other promotions to attract consumers to our products. And finally, the Company worked to lower costs and intensified asset management.

To get our house in order, we determined what had to be done - and with determination, we did it. Taken as a whole, 1996 was a substandard year. But looking deeper than the year-end numbers, you'll see that the turnaround has happened. A poor first half of the year was followed by a strong second half. Our successful return to growth in the second half is our springboard to future increased earnings and increased shareholder value.

Any telling of a turnaround story is a good news/bad news tale. The bad news: We were in a situation where we needed to reverse our course and return to growth. The good news: We did it. But equally as important, our plan unfolded as described late last year. This report will elaborate on how it happened, and why we confidently say, "We're back." But first...

A Brief Look at Who We Are

McCormick's consumer, foodservice and some industrial businesses are aligned globally into three zones: the Americas market, the European market and the Asia/Pacific market.

McCormick's oldest and largest business is dedicated to the manufacture and sale of consumer spices, herbs, extracts, proprietary seasoning blends, sauces and marinades. These consumer products are sold in the United States, primarily under the McCormick brand in the East, the Schilling brand in the West, in Canada under the Club House brand and in the United Kingdom under the Schwartz brand. In other market zones, the McCormick brand name is primarily used.

The Food Service Division serves broadline foodservice distributors and membership warehouse clubs.

The McCormick Flavor Group includes our U.S. industrial and fast food spice, seasoning and flavor businesses. It sells to food processors and major restaurant chains worldwide.

McCormick's Packaging Group, comprised of Setco, Inc. and Tubed Products, Inc., is a U.S.-focused business that manufactures and markets plastic bottles and tubes for food, personal care and other products.

Our Portfolio Review

The cornerstone of our turnaround was an EVA-driven portfolio review we performed on every part of our business. We determined which parts would create long-term shareholder value and which would not. As a result, the Company took a number of steps.

Last August, the Company sold Gilroy Foods, Incorporated, our agricultural business located in Gilroy, California, to ConAgra, Inc. It was an EVA-positive move to sell the business. As Gilroy grew, it became very capital intensive, consuming too much of our resources with inadequate returns in recent years. It was the right move for the future growth of the Company.

At the same time, the Company sold Gilroy Energy Company, Inc. to Calpine Corporation. Both transactions, in total, improved our cash flow and will improve EVA. The proceeds from the sales allow us to pay down debt, reinvest in our brands, commence a 10 million share stock repurchase program and position ourselves to take advantage of numerous growth opportunities.

The Brooklyn, New York plant of McCormick's packaging subsidiary, Setco, was closed. We are realigning certain manufacturing operations in Europe. After year end, we entered into agreements to sell Giza National Dehydration Company of Egypt and Minipack Systems Limited of

England. Certain other small non-core businesses were also put up for sale.

Certain regions of our United States consumer business changed from a direct sales force to a broker sales force, so we now have a broker network across the entire U.S. This provides increased coverage of individual retail stores and allows for more effective implementation of our sales and marketing programs. Also, the Company is exiting certain non-core product lines.

All of the actions mentioned above helped to make the Company stronger, more competitive and enhanced our potential to grow the business in a very focused way.

Our Return to Growth

After a series of down quarters, the second half of 1996 saw the Company return to earnings growth. To continue the rebound, we will capitalize on certain trends in the industry and execute a number of strategies, some old and reliable, others new and innovative. Combined, they will help McCormick maintain its position as the premier spice, flavor and extract company in the world.

[picture of two Produce Partners sauce mixes and a plate of food]

One strategy that we mentioned in last year's report is our aggressive effort to drive our brands with the "Flavor Up!" promotional campaign. That effort continued in earnest in 1996. Highlighted by a series of radio and television ads, the campaign has done more than just create excitement in our retail business: It has created results.

Our Bag'n Season products are a perfect example. Bag'n Season helps provide an excellent meal, quick and easy, with hardly any clean up. It is a great product and has been for more than 20 years. Our only problem was that few people knew about it. So we updated the packaging and increased our promotional efforts. As a result, one of our "old" products was accepted by consumers like a new product. For the year, sales were up nearly 40 percent.

Grill Mates meat and poultry seasoning blends, developed for outdoor barbecue cooking, experienced similar success. Sales for the year were up approximately 40 percent. Likewise, after increased advertising, we saw sales growth for our line of low-fat gravies.

Our promotional efforts are working, and we see the direct link to the "Flavor Up!" ad campaign. We're committed to them, and they are just one more major way we separate ourselves from the competition.

All three products are also excellent examples of McCormick's extensive portfolio of value-added products, a list that will continue to grow in 1997.

Another tactic in our effort to grow the business is in the evolution of our relations with the grocery trade. For many years, our consumer business has been trade driven, with most efforts directed at obtaining premium shelf space in the stores. What we are working for is a better blend, directing efforts at the consumer as well as the trade. The "Flavor Up!" campaign is a good example of consumer focus. An example of trade focus is our effort in category management. With category management, McCormick acts as the marketing consultant to the grocer, sharing data relative to McCormick brand strength versus the competition and data relative to volume movement. We help measure the success of the grocer's merchandising strategies. The goal of this enhanced partnership is to sell more consumer branded products, benefiting both the grocer and McCormick.

[picture of a Bag'n Season]

The grocery trade is concerned about a trend of an increasing percentage of product being sold through non-traditional outlets such as warehouse stores, drug stores and club stores. While we participate within all distribution channels, consumer testing indicates that consumers prefer to buy spices from grocery stores. Because of our category management practices, we believe consumers will get a better value, and we will see more profitability by greater sales of our branded products.

We are using both the tried-and-true methods and some new techniques to help drive our brands. In the past few annual reports, we have informed you about our perimeter strategy, where we have focused on the perimeter area of the grocery store (the produce, seafood and meat sections) as those parts of the store with the highest shopping activity. As a result, we have focused aggressive marketing techniques that have met with success. Our Old Bay and Golden Dipt seafood lines have been very successful. Our Produce Partners line was repackaged and reformulated resulting in increased sales for the year.

A newer strategy has been our further exploration of cyberspace. McCormick has had a web site (http://www.mccormick.com) for more than a year, and in 1996, we added a recipe data base with hundreds of recipes. So, as you "surf the net," you can plan your next meal.

Our efforts to grow go beyond our well-known retail business. Our industrial business continues to grow thanks to innovation, a growing stable of value-added products and global expansion among major customers.

In last year's report, we noted the introduction of FlavorCell, our technology to encapsulate a wide range of liquid and solid flavors. This innovative product answered a need for food processors, and sales projections for the first year were exceeded. The success of FlavorCell has been expanded by other value-added products that give McCormick customers the technical edge.

One new product is SavorySelect, a collection of natural meat flavors. They all deliver the just-cooked tastes of beef, chicken or pork for rich flavor in soups, marinades, gravies, meats and other applications. Another creative product from our Flavor Division is ChileMex, which captures the signature flavors of popular chili-based Mexican cuisine. Chilies do more than add heat to Mexican dishes: They add flavor. And, ChileMex answers a need for restaurants capitalizing on this popular food trend.

One of the exciting industrial products to come out of the Flavor Group's Ingredient Division is ColorBits. ColorBits is a line of small, colorful food ingredients used primarily to enhance the appearance of food. They have been very successful in snack seasonings, confectionery, cheese and cereal applications. Food processors are just scratching the surface for the potential applications for this new product, and a similar product called TastyBits has been introduced as well.

These products are attracting new customers, and it is also our commitment to service that helps the Company maintain long-standing relations with numerous food businesses. The list of multi-national companies served by our industrial business reads like a "Who's Who" of the food industry. Many of these businesses are restricting their list of suppliers. Often we are selected as a supplier of choice. In 1996, a Fortune 50 company named McCormick "Supplier of the Year." For McCormick, it was the seventh time the Company has won the honor in the nine years it has been awarded.

As these multi-national companies continue to expand globally, we, as a trusted partner, continue the relationship around the world. To strengthen the level of customer support in far-off lands, McCormick has technical centers around the world poised to answer any customer's needs. The combination of our extensive product line, our innovative R&D staff and our respected reputation in the food industry make McCormick a consistent winner in the flavoring business.

The Food Service Division saw sales growth in 1996. One of the major U.S. foodservice distributors named McCormick a "Gold-Level Supplier," a distinction earned by only 10 of the distributor's 1,500 suppliers.

In an effort to differentiate itself from the competition, the Food Service Division launched a new packaging concept with an "operator friendly" labeling system designed as a result of direct input of hundreds of foodservice operators.

[picture of Schwartz One Pan Recipes mix with a plate of food prepared using this product]

We also see potential for growth in the foodservice business due to the trend in supermarket prepared foods. Grocery stores are providing the prepared "meal-to-go" offerings that have become popular among consumers with a taste for good food, but not enough time to prepare a meal from scratch.

The Company will also look to its Packaging Group to contribute to future growth. A major ingredient to the success of our Setco operation is the expanding vitamin industry. Setco has developed new packaging products and attracted new customers in the vitamin industry and also continues to serve a number of cosmetic and food companies, including McCormick. Tubed Products, Inc., (TPI), had a poor year in 1996 due to market pressures and operational inefficiencies. TPI will look to rebound in 1997, its 50th year of operation.

Most of the efforts mentioned so far have been focused on U.S. activities. A majority of our sales are in the United States, but the Company has set a goal to increase sales outside the U.S. to become half of McCormick's total sales in the future. There are several countries where McCormick has long been a well-known name, and there are others where McCormick is newer to the scene.

First, let's look at the Americas Zone.

Our Canadian operation saw record sales and profits in 1996. Sales grew in all Canadian divisions but were particularly strong in sales to food processors and foodservice operators. New business from major customers and growth from snack, fast food and meat segments fueled the record industrial growth. The club stores and distributors provided new sales highs for McCormick Canada's foodservice business.

McCormick de Mexico, our consumer joint venture, is still feeling the effects of a weak economy. Although consumer confidence in Mexico is still low, our unit sales grew modestly in 1996, and a number of initiatives completed in 1996 should bear fruit in 1997 if economic activity picks up. Our first international alliance, McCormick de Mexico, celebrates its 50th anniversary in 1997.

McCormick de Centro America, located in El Salvador, had an excellent year, setting an all-time record in profits. It was their sixth consecutive record-setting year.

[picture of McCormick Low Fat Bouillon products]

Despite a tough economic environment, McCormick de Venezuela had a very strong year. Newly introduced products have been quite successful, and we continue to look for additional growth in this market.

A great amount of activity took place in the European Zone in 1996. Three of our operations in the United Kingdom are being consolidated into one new facility in Haddenham. McCormick's business in Europe is strongly U.K.-based in consumer, industrial and foodservice, and the new facility acts as McCormick's European headquarters.

The European Zone enjoyed another record year. The consumer business continued to grow in the U.K., and steady sales of the core spice line have been boosted by a very strong response to the authentic mix and dry pour-over sauce line. Our relatively recent expansion into the Baltic States and former Soviet Union has seen encouraging results. These are emerging markets where we are pursuing growth.

McCormick's industrial business in the European Zone also enjoyed a successful 1996, with the Glentham flavor operations posting substantial sales increases from both its U.K. and South African facilities. Increased business was also the result of major fast food companies continuing their global expansion.

Perhaps no area offers greater potential for international expansion than the Asia/Pacific Zone. By the end of the decade, 60 percent of the world's population will be in Asia. Of the 100 largest cities in the world, 14 are in China. These numbers are hard to ignore and represent tremendous opportunity for McCormick. The Company has historically done well in major urban environments. These consumers are attracted to our packaging and our high quality standards. Their purchasing power is growing, and they have expressed interest in buying Western goods.

Presently, there are few established brands in Asia, so McCormick is creating the platform to become the national spice brand. To our advantage, China has the availability of key raw materials, so we can process in-country to our standard of quality. We have a plant in Shanghai in northern China, and in 1996, we started production at our new facility in Guangzhou in the south. In other parts of the country, we are also opening sales offices.

The Company is aggressively expanding our consumer business in several major cities in China and starting to penetrate others. Consumers are responding favorably to our line of Szechuan seasonings and fried rice seasonings as well as newer additions to the Season'n Fry line and a collection of jelly dessert products for children. Countries in this zone have great long-range potential for consumer as well as industrial and foodservice business. We look to this part of the world for growth as we seek to balance our sales more evenly between United States and international markets.

While 1996 was a sluggish year in Japan, our businesses in Australia and the Philippines had good years with the Philippines achieving records in sales and profits.

As previously stated, a great deal of McCormick's growth in the future will come outside the United States. In each of these regions of the world, there are diverse circumstances that confront any enterprise hoping for expansion. In an effort to strengthen our business strategies and review our business globally, the Company has created four Global Business Councils (consumer, industrial, foodservice, operations/procurement). Implemented along our worldwide lines of business, the Councils will be the link between the Corporate Mission and Operating Unit priorities. They will create global strategies that will accelerate growth in ways that no single division or zone can do independently. The Councils are key vehicles to analyze and prioritize growth options around the world.

Asset Management and Enhanced Efficiencies

The Company has made a significant effort to improve asset management. We committed to reduce debt levels through aggressive balance sheet management and have programs in place that are working. The past year saw us focus on improving the management of working capital using a dedicated inventory champion. A management incentive plan linked to efficient use of working capital has resulted in an improvement in inventory turnover.

At a number of our locations, we have taken steps to increase efficiencies and facility utilization. One of the largest efforts is the new facility at Haddenham, U.K. Another activity in our effort to improve efficiencies was the opening of the new McCormick Distribution Center in Maryland, which consolidated numerous distribution facilities.

These actions were taken to improve the Company's overall efficiencies and asset management and are key to keeping McCormick the industry leader in a highly competitive environment.

[picture of McCormick Guangzhou products]

Performance

It all gets down to performance. The past 12 months have been difficult and challenging. We don't, however, look at any one year in a vacuum. The first two quarters were unacceptable. We anticipated they would be down due, in part, to a significant increase in funding for promotional activities and other competitive pressures. Our second half resulted in a turnaround that gives us the momentum to grow - in 1997 and beyond. The sale of our Gilroy operations, the portfolio review and a dedication to asset management resulted in a much improved balance sheet. Debt reduction of $246 million resulted in a year-end debt to total capital ratio of 47.1 percent, down from 55.5 percent in 1995. And finally, excluding restructuring charges, earnings per share from continuing operations increased 25 percent in the second half of 1996 as compared to last year.

Our primary financial objective is to increase shareholder value. To support that objective, the Company has adopted economic value added (EVA) as a primary indicator to measure the performance of the business. This value-based management tool combines into one measure the profitability of our business after considering the associated capital costs. Positive EVA is generated when the Company's net operating profit after tax exceeds the cost to finance its capital. We believe that consistent growth in EVA will directly translate into superior returns for our shareholders over time.

The Company also believes that linking EVA to compensation and properly educating the work force in its use are critical components in the successful implementation of a value-based management program. As a result, EVA is being incorporated into the incentive compensation system. Significant time and energy were dedicated in 1996 to programs that resulted in extensive EVA training. This training will continue in 1997. As all employees are trained and learn of the opportunities they have to impact EVA, we believe the Company, our employees and our shareholders will all benefit.

Over the long run, McCormick shareholders have been rewarded well. The Company concluded 1996 with a total market capitalization of $1.9 billion, approximately four times larger than in 1986. Over a 10-year period, the value of McCormick stock has grown at a compound annual rate of 19 percent, including dividend reinvestment.

[photograph of two girls using the jelly dessert product made at the McCormick Shanghai plant]

The Company is well positioned to grow the business and increase shareholder value. The actions taken during the past year have made us stronger, more focused and more aggressive. We successfully defended against our main competitor's attempts to erode our market lead. Challenges that have hampered our performance for a number of quarters were addressed. We completed our portfolio review and strengthened our balance sheet. And, our focus on increasing shareholder value and a return to profit growth was intensified.

Growth...asset management...and performance: The three will be our driving force in 1997. The year 1996 will be remembered as an important chapter in the 107-year history of McCormick & Company. The year of the turnaround. Now, watch us grow.

Historical Financial Summary

(dollars in millions except per-share data)

For the Year	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
Net sales	1,732.5	1,691.1	1,529.4	1,400.9	1,323.9	1,276.3	1,166.2	1,110.2	1,099.1	1,011.1
Percent change over prior year	2.4%	10.6%	9.2%	5.8%	3.7%	9.4%	5.0%	1.0%	8.7%	10.3%
Operating profit	93.3	172.6	86.0	142.1	121.4	100.6	86.9	74.5	65.4	53.7
Operating profit excluding restructuring	151.4	168.7	156.5	142.1	121.4	100.6	86.9	74.5	65.4	53.7
Net income - continuing operations	43.5	86.8	42.5	82.9	73.6	60.4	51.8	47.1	24.8	21.5
Net income(F1)	41.9	97.5	61.2	73.1	95.2	80.9	69.4	135.5	42.7	30.6
Earnings per share:(F2)										
Continuing operations	.54	1.07	.52	1.01	.90	.73	.62	.54	.27	.23
Discontinued operations	.08	.13	.23	.21	.26	.25	.21	1.00	.12	.09
Extraordinary item	(.10)	-	-	-	-	-	-	-	-	-
Accounting changes(F3)	-	-	-	(.33)	-	-	-	-	.07	-
Net earnings	.52	1.20	.75	.89	1.16	.98	.83	1.54	.46	.32
Percentage of net sales:										
Gross profit	34.9%	34.5%	36.5%	38.5%	38.9%	36.9%	36.0%	35.2%	32.6%	33.7%
Operating profit	5.4%	10.2%	5.6%	10.1%	9.2%	7.9%	7.5%	6.7%	6.0%	5.3%
Income - continuing operations	2.5%	5.1%	2.8%	5.9%	5.6%	4.7%	4.4%	4.2%	2.3%	2.1%
Effective tax rate	38.7%	36.1%	40.5%	41.4%	39.4%	38.4%	38.0%	38.1%	46.6%	41.1%
Depreciation and amortization	63.8	63.7	62.5	50.5	43.8	40.5	36.6	34.8	29.8	30.4
Capital expenditures	74.7	82.1	87.7	76.1	79.3	73.0	58.4	53.4	50.4	81.7
Common dividends declared(F4)	.57	.53	.49	.45	.40	.31	.24	.19	.14	.13
Market closing price:										
High	25.00	26.50	24.75	30.25	28.75	22.88	13.38	12.50	7.25	6.44
Low	19.25	18.13	17.75	20.40	20.63	11.88	9.13	6.31	3.85	4.10
Dividend payout ratio(F5)	50.5%	44.4%	36.4%	36.1%	32.8%	28.6%	28.9%	30.8%	36.5%	38.5%
Average shares outstanding and equivalents (000's)	80,641	81,181	81,240	81,766	81,918	82,396	83,720	87,772	93,068	94,408
At Year End										
Current debt	108.9	297.3	214.0	84.7	122.6	78.2	30.4	20.3	49.5	76.7
Long-term debt	291.2	349.1	374.3	346.4	201.0	207.6	211.5	210.5	229.4	198.1
Total debt	400.1	646.4	588.3	431.1	323.6	285.8	241.9	230.8	278.9	274.8
Shareholders' equity	450.0	519.3	490.0	466.8	437.9	389.2	364.4	346.2	294.3	280.6
Total capital	850.1	1,165.7	1,078.3	897.9	761.5	675.0	606.3	577.0	573.2	555.4
Total assets	1,326.6	1,614.3	1,555.7	1,313.2	1,130.9	1,037.4	946.9	864.5	846.4	776.5
Return on equity	8.6%	20.3%	12.8%	17.0%	23.3%	21.8%	20.4%	40.0%	14.6%	11.3%
Percent debt to total capital	47.1%	55.5%	54.6%	48.0%	42.5%	42.3%	39.9%	40.0%	48.7%	49.5%
Book value per common share(F3)	5.75	6.39	6.03	5.70	5.45	4.88	4.56	4.18	3.27	3.00

The Company disposed of its wholly-owned real estate subsidiary in 1989, and both Gilroy Foods, Inc. and Gilroy Energy, Inc. in 1996.
All share data adjusted for 2-for-1 stock splits in January 1992, January 1990 and April 1988.
In 1993, the Company adopted SFAS No. 106 "Employers's Accounting for Postretirement Benefits Other than Pensions," and in 1988, it adopted SFAS No.96, "Accounting for Income Taxes."
Includes fourth quarter dividends for the years 1988-1996, which were declared in December of each of those years.
Dividend payout ratio does not include gains or losses on sale of discontinued operations, cumulative effect of accounting changes, restructuring charge or credit, and extraordinary items.

[Bottom of page has two McCormick/Schilling coupons. One for an Extract/ Spice and the other for Dry Seasoning Mix or Bag'n Season Blend.]

[Next page has a picture of various international McCormick products and brands]

Consolidated Income Statement
(in thousands except per-share data)

	Year ended November 30		
Consolidated results	1996	1995	1994
Net sales	$1,732,506	$1,691,086	$1,529,414
Cost of goods sold	1,128,032	1,106,935	970,564
Gross profit	604,474	584,151	558,850
Selling, general and administrative expense	453,088	415,459	402,363
Restructuring charge (credit)	58,095	(3,904)	70,445

Operating income	93,291	172,596	86,042
Interest expense	33,811	39,298	25,585
Other (income) expense - net	(2,254)	692	2,414
Income from consolidated continuing operations before income taxes	61,734	132,606	58,043
Income taxes	23,871	47,866	23,515
Net income from consolidated continuing operations	37,863	84,740	34,528
Income from unconsolidated operations	5,612	2,068	7,929
Net income from continuing operations	43,475	86,808	42,457
Income from discontinued operations, net of income taxes	6,249	10,713	18,700
Net income before extraordinary item	49,724	97,521	61,157
Extraordinary loss from early extinguishment of debt, net of income tax benefit	(7,806)	-	-
Net income	$ 41,918	$ 97,521	$ 61,157
Earnings per share			
Continuing operations	$.54	$1.07	$.52
Discontinued operations	.08	.13	.23
Extraordinary loss from early extinguishment of debt	(.10)	-	-
Total earnings per share	$.52	$1.20	$.75

See Notes to Consolidated Financial Statements, pages 21 - 35.

Consolidated Balance Sheet
(in thousands)

Assets

	November 30	
	1996	1995
Current assets		
Cash and cash equivalents	$ 22,418	$ 12,465
Receivables, less allowances of $3,527 for 1996 and $2,545 for 1995	217,495	223,958
Inventories	245,089	383,222
Prepaid expenses	15,648	17,093
Deferred income taxes	33,762	33,980
Total current assets	534,412	670,718
Property, plant and equipment - net	400,394	524,807
Goodwill - net	165,066	180,751
Prepaid allowances	149,200	183,357
Investments and other assets	77,535	54,706
Trademarks, formulae, etc.	1	1
Human relations	1	1
	$1,326,609	$1,614,341

Liabilities and Shareholders' Equity

	November 30	
	1996	1995
Current liabilities		
Short-term borrowings	$ 98,450	$ 284,961
Current portion of long-term debt	10,477	12,352
Trade accounts payable	153,584	146,674
Other accrued liabilities	236,791	202,880
Total current liabilities	499,302	646,867
Long-term debt	291,194	349,111
Deferred income taxes	4,937	25,436
Other long-term liabilities	81,133	73,674
Total liabilities	876,566	1,095,088

Shareholders' equity

Common Stock, no par value; authorized 160,000 shares; issued and outstanding: 1996 - 11,533 shares, 1995 - 12,089 shares	48,541	48,133
Common Stock Non-Voting, no par value; authorized 160,000 shares; issued and outstanding: 1996 - 66,672 shares, 1995 - 69,129 shares	112,489	112,522
Retained earnings	313,847	387,657
Foreign currency translation adjustments	(24,834)	(29,059)
Total shareholders' equity	450,043	519,253
	$1,326,609	$1,614,341

See Notes to Consolidated Financial Statements, pages 21- 35.

Consolidated Statement of Cash Flows
(in thousands)

Cash flows from operating activitiess	Year ended November 30		
	1996	1995	1994
Net income	$ 41,918	$ 97,521	$ 61,157
Adjustments to reconcile net income to net cash provided by operating activities			
Restructuring charge (credit)	58,095	(3,904)	70,445
Depreciation and amortization	63,788	63,698	62,540
Deferred income taxes	(26,368)	15,697	(27,095)
Other	2,402	483	1,305
Income from unconsolidated operations	(5,612)	(2,068)	(7,929)
Extraordinary item	7,806	-	-
Changes in selected working capital items			
Receivables	(5,363)	(21,560)	(24,895)
Inventories	21,811	(13,751)	(41,011)
Prepaid allowances	23,689	(40,133)	(16,914)
Accounts payable	24,443	3,973	14,005
Other assets and liabilities	(4,931)	(40,549)	(22,476)
Dividend received from unconsolidated affiliate	-	-	3,345
Net cash provided by operating activities	201,678	59,407	72,477
Cash flows from investing activities			
Acquisitions of businesses	-	-	(82,573)
Capital expenditures	(74,654)	(82,140)	(87,676)
Proceeds from sale of discontinued operations	248,766	-	-
Proceeds from sale of assets	15,283	1,910	152
Other	(1,497)	1,703	(13,929)
Net cash provided by (used in) investing activities	187,898	(78,527)	(184,026)
Cash flows from financing activities			
Short-term borrowings - net	(186,541)	85,148	7,023
Long-term debt borrowings	4,454	-	165,692
Long-term debt repayments	(83,178)	(20,186)	(15,012)
Common stock issued	4,524	11,314	6,106
Common stock acquired by purchase	(74,709)	(16,330)	(10,961)
Dividends paid	(45,322)	(42,202)	(38,997)
Net cash provided by (used in) financing activities	(380,772)	17,744	113,851
Effect of exchange rate changes on cash and cash equivalents	1,149	(1,725)	426
Increase/(decrease) in cash and cash equivalents	9,953	(3,101)	2,728
Cash and cash equivalents at beginning of year	12,465	15,566	12,838
Cash and cash equivalents at end of year	$ 22,418	$ 12,465	$ 15,566

See Notes to Consolidated Financial Statements, pages 21 -35.

Consolidated Statement of Shareholders' Equity
(dollars in thousands except per-share data)

	Common Shares	Common Stock Non-Voting Shares	Common Stock Amount	Retained Earnings	Currency Translation Adjustments	Total Shareholders' Equity
Balance, December 1,						

1993	14,562	66,437	$146,517	$330,327	$ (10,023)	$466,821
Net income				61,157		61,157
Dividends declared ($.48/share)				(39,000)		(39,000)
Currency translation adjustments					4,999	4,999
Other adjustments				842		842
Shares purchased and retired	(111)	(300)	(920)	(10,041)		(10,961)
Shares issued	281	337	6,106			6,106
Equal exchange	(1,453)	1,453				
Balance, November 30, 1994	13,279	67,927	151,703	343,285	(5,024)	489,964
Net income				97,521		97,521
Dividends declared ($.52/share)				(42,205)		(42,205)
Currency translation adjustments					(24,035)	(24,035)
Other adjustments				3,024		3,024
Shares purchased and retired	(435)	(336)	(2,362)	(13,968)		(16,330)
Shares issued	298	485	11,314			11,314
Equal exchange	(1,053)	1,053				
Balance, November 30, 1995	12,089	69,129	160,655	387,657	(29,059)	519,253
Net income				41,918		41,918
Dividends declared ($.56/share)				(45,326)		(45,326)
Currency translation adjustments					4,225	4,225
Other adjustments				158		158
Shares purchased and retired	(264)	(3,111)	(4,149)	(70,560)		(74,709)
Shares issued	189	173	4,524			4,524
Equal exchange	(481)	481				
Balance,- November 30, 1996	11,533	66,672	$161,030	$313,847	$ (24,834)	$450,043

See Notes to Consolidated Financial Statements, pages 21 - 35.

Notes to Consolidated Financial Statements
(dollars in thousands except per-share data)

1. Summary of Accounting Policies:

Consolidation

The consolidated financial statements include the accounts of the Company and all majority-owned subsidiaries. In the first quarter of fiscal 1995, the Company changed the end of the reporting period for foreign subsidiaries from October 31 to November 30 to provide uniform reporting on a worldwide basis. Accordingly, an additional month of operating results for those subsidiaries is included in the 1995 financial statements. Investments in 20% to 50% owned affiliates are accounted for under the equity method. Intercompany transactions have been eliminated. Certain prior year amounts have been reclassified to conform to the presentation in 1996.

Use of Estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires 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.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity date of three months or less to be cash equivalents.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market.

Property, Plant and Equipment

Property, plant and equipment is stated at cost and depreciated over its estimated useful life using straight-line methods for financial reporting and both accelerated and straight-line methods for tax reporting.

Goodwill

Goodwill is amortized using the straight-line method over periods up to 40 years.

On a periodic basis, the Company estimates the future undiscounted cash flows of the businesses to which goodwill relates in order to ensure that the carrying value of such goodwill has not been impaired.

Prepaid Allowances

Prepaid allowances arise when the Company prepays sales discounts and marketing allowances to certain customers in connection with multi-year sales contracts. These costs are capitalized and amortized over the lives of the contracts, generally ranging from three to five years. The amounts reported in the Consolidated Balance Sheet are stated at the lower of unamortized cost or management's estimate of the net realizable value of these costs.

Research and Development

Research and development costs are expensed as incurred.

Earnings Per Share

Earnings per share have been computed by dividing net income by the weighted average number of common shares outstanding during the period.

Foreign Currency

The functional currency for the majority of the Company's operations outside of the United States is the applicable local currency. The translation from the applicable foreign currencies to the United States dollar is performed for balance sheet accounts using the current exchange rates in effect at the balance sheet date and for revenue and expense accounts using the weighted average exchange rate during the period. The resulting gains or losses are included in the foreign currency translation adjustments account within shareholders' equity.

Gains or losses resulting from foreign currency transactions and the translation of the financial statements for those operations in a hyperinflationary environment are included in the income statement.

The Company periodically enters into foreign exchange contracts to hedge the impact of foreign currency fluctuations on its investments in certain foreign subsidiaries, the impact of foreign currency transactions and the impact of firm foreign currency commitments. The gains and losses on foreign investment hedges, net of income taxes, are included in the foreign currency translation adjustments account within shareholders' equity. The gains and losses on foreign currency transaction hedges are recognized in income and offset the foreign exchange gains and losses on the underlying transactions. Gains and losses of foreign currency firm commitment hedges are deferred and included in the basis of the transactions underlying the commitments.

Credit Risk

The Company is potentially subjected to concentrations of credit risk with trade accounts receivable, prepaid allowances and forward exchange contracts for foreign currency. Because the Company has a large and diverse customer base with no single customer accounting for a significant percentage of trade accounts receivable and prepaid allowances, there was no material concentration of credit risk in these accounts at November 30, 1996. The Company evaluates the credit worthiness of the counterparties to forward exchange contracts for foreign currency and considers nonperformance credit risk to be remote.

Accounting and Disclosure Changes

In March 1995, the Financial Accounting Standards Board (FASB) issued Statement No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." The Statement requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset in question may not be recoverable. The Company must adopt this Standard in its fiscal year beginning December 1, 1996. The effect of this accounting change on the Company's consolidated financial statements is not expected to be material.

In October 1995, FASB issued Statement No. 123, "Accounting for Stock-Based Compensation." This new standard encourages, but does not require, a fair-value- based method of accounting for stock-based compensation plans. Alternatively, the Company can continue the current method of accounting for stock compensation plans under the existing rules of Accounting Principles Board No. 25, and disclose the compensation expense that would be recorded under the new rules in the Notes to the Financial Statements. The Company has decided to adopt the disclosure provisions of the new standard in 1997. Therefore, there will be no impact on the Company's consolidated income statement.

2. Business Restructuring:

In the third quarter of 1996, the Company began implementation of a restructuring plan and recorded a restructuring charge of $58,095 in 1996. This charge reduced net income by $39,582 or $.49 per share. In addition, there are approximately $1,915 of additional charges ($.02 per share) directly related to the restructuring plan which could not be accrued but will be expensed as the plan is implemented.

Specific actions under this plan include: the divestiture of certain small non-core businesses; the divestiture of Giza National Dehydration Company (Giza) of Egypt, which is consistent with the Company's sale of Gilroy Foods, Giza's parent company; closing the Brooklyn, New York packaging plant; the exit from certain minor, non-core product lines; the rationalization of certain overseas manufacturing facilities; and in our consumer business, the conversion from a direct sales force to a broker sales force for certain regions in the U.S. Major components of the restructuring charge include: severance and personnel costs of $9,983; a $44,562 write-down to net realizable value of assets and businesses identified for disposal; and other exit costs of $3,550. The $1,915 of additional charges which will be expensed during the implementation are principally costs to move equipment and personnel.

These actions are expected to be completed in 1997 and will require net cash outflows of approximately $12,000. Net sales of the small non-core businesses and Giza, which are being divested by these actions, were approximately 7% of consolidated net sales.

As of November 30, 1996, the Brooklyn, New York packaging plant has been closed with production being transferred to another U.S. plant. Also, the conversion to a broker sales force and exit from certain minor non-core product lines is complete. In December 1996, the Company entered into agreements to sell the Minipack business in the United Kingdom and Giza in Egypt.

The components of the restructuring charge and remaining liability are as follows:

	Restructuring Charge	11/30/96 Remaining Amount
Severance and personnel costs	$ 9,983	$ 2,628
Write-down of assets and businesses	44,562	23,378
Other exit costs	3,550	1,415
	$58,095	$27,421
Additional costs to be expensed		$ 1,915

In the fourth quarter of 1994, the Company recorded a charge of $70,445 for restructuring its business operations. At November 30, 1996, the remaining restructuring liability is $14,911, principally for realignment of some of our operations in the United Kingdom which will be completed in early 1997. The Company has reduced its work force by approximately 540 positions, an industrial products plant has been closed, a frozen food business has been sold and a number of administrative activities have been consolidated. A foodservice products plant was closed in the second quarter of 1996, and production was transferred to another facility. A consolidated distribution facility was also completed in the second quarter of 1996.

3. Discontinued Operations:

On August 29, 1996, the Company sold substantially all assets of Gilroy Foods, Incorporated (GFI) and Gilroy Energy Company, Inc. (GEC) to ConAgra, Inc. and Calpine Corporation, respectively, for $263.3 million in total. GFI manufactures and sells dehydrated onion, garlic, capsicum and vegetable products. GEC operates an energy cogeneration facility.

The sale of GFI and GEC resulted in a $478 loss ($291 after tax) and has been included in the caption, "Income from discontinued operations, net of income taxes" in the Consolidated Income Statement. The operating results of GFI and GEC have been reclassified for all periods presented on the Consolidated Income Statement to the caption, "Income from discontinued operations, net of income taxes." This caption includes interest expense based on the debt specifically associated with GEC and an allocation of interest to GFI assuming a debt to capital ratio similar to the Company's. Income taxes have also been allocated based on the statutory tax rates applicable to GFI and GEC. The income and expense disclosures in Notes to Consolidated Financial Statements exclude discontinued operations. Sales, interest expense and income taxes applicable to discontinued operations are as follows:

	1996	1995	1994

Net sales	$129,373	$167,608	$165,358
Interest expense	11,173	15,972	13,074
Income taxes	3,841	5,834	10,235

The Company signed a three-year non-compete agreement with Calpine Corporation. Under this agreement, McCormick received a 1996 payment of $4,500, which is included in "Other (income) expense - net" in the Consolidated Income Statement.

4. Investments:

The Company owns from 30% to 50% of its unconsolidated food products affiliates. Although the Company reports its share of net income from the affiliates, their financial statements are not consolidated with those of the Company. The Company's share of undistributed earnings of the affiliates was $30,845 at November 30, 1996.

Summarized year-end information from the financial statements of these companies representing 100% of the businesses follows:

Unconsolidated Affiliates

	1996	1995	1994
Current assets	$149,860	$113,486	$144,781
Noncurrent assets	79,566	70,670	80,087
Current liabilities	96,085	77,229	94,847
Noncurrent liabilities	45,988	42,362	43,157
Net sales	327,967	297,823	342,163
Gross profit	121,469	107,257	130,132
Net income	12,907	3,730	16,777

5. Financing Arrangements:

The Company's outstanding debt is as follows:

	1996	1995
Short-term borrowings		
Commercial paper	$ 59,282	$261,705
Other	39,168	23,256
	$ 98,450	$284,961
Weighted average interest rate at year end	6.54%	6.84%
Long-term debt		
8.95% note due 2001	$ 74,504	$ 74,420
9.00% and 9.75% installment notes due through 1999 and 2001	16,114	24,318
5.78% - 7.77% medium-term notes due 2004 to 2006	95,000	95,000
7.63% - 8.12% medium-term notes due 2024 with put option in 2004	55,000	55,000
9.34% pound sterling installment note due through 2001	17,252	16,447
10.00% Canadian dollar bond due 1999	7,400	7,352
3.13% yen note due 1999	2,953	4,993
9.74% Australian dollar note due 1999	9,792	8,918
Other	13,179	9,695
Total excluding non-recourse debt	291,194	296,143
11.68% non-recourse installment note due 2006	-	52,968
	$291,194	$349,111

The sale of GEC in 1996 necessitated prepayment of the 11.68% non-recourse installment note due 2006. The prepayment resulted in an extraordinary loss of $7,806, net of income tax benefits of $4,990.

The Company has available credit facilities with domestic and foreign banks for various purposes. The available credit facilities and the amounts outstanding under each category of facility (and included in debt above) are as follows:

	1996 Total Facility	1996 Amount Borrowed	1995 Total Facility	1995 Amount Borrowed
Available credit				
facilities In support of commercial paper issuance	$300,000	$ -	$380,000	$ -
For the benefit of foreign subsidiaries	90,577	39,168	83,185	23,109
Other	245,000	-	250,000	-
	$635,577	$ 39,168	$713,185	$ 23,109

The Company's long-term debt agreements contain various restrictive covenants, including limitations on the payment of cash dividends. Under the most restrictive covenants, $215,783 of retained earnings was available for dividends at November 30, 1996.

The holders of the medium-term notes due 2024 have a one-time option to require retirement of these notes during 2004. Maturities of long-term debt during the four years subsequent to November 30, 1997 are as follows:

1998 -	$15,524	2000 -	$ 7,566
1999 -	$28,173	2001 -	$87,179

Credit facilities in support of commercial paper issuance require a commitment fee of $225. All other credit facilities require no commitment fee. Credit facilities for other purposes are subject to the availability of funds.

At November 30, 1996, the Company had unconditionally guaranteed $17,035 of the debt of non-consolidated affiliates.

Interest paid in 1996, 1995 and 1994 was $47,330; $51,641 and $35,576 respectively.

Rental expense under operating leases was $12,428 in 1996; $11,616 in 1995 and $11,333 in 1994. Future annual fixed rental payments for the years ending November 30, are as follows:

1997 -	$10,163	2000 - $ 6,036
1998 -	$ 7,447	2001 - $ 5,399
1999 -	$ 6,244	Thereafter - $12,744

The Company has guaranteed the residual value of a leased distribution center at 85% of its original cost.

6. Employee Benefit Plans

The net periodic cost of the Company's employee benefit plans follows:

	1996	1995	1994
Pension plans			
Defined benefit plans			
Service cost	$ 5,741	$ 5,509	$ 7,124
Interest cost on projected benefit obligations	10,380	9,972	9,909
Actual return on plan assets	(10,284)	(14,067)	116
Net amortization and deferral	1,425	6,904	(6,808)
Net pension cost	7,262	8,318	10,341
Foreign and other retirement plans	3,072	2,957	2,013
Total pension expense	$10,334	$11,275	$12,354
Profit sharing plan expense	$ 3,175	$ 3,150	$ 6,250
Other postretirement benefits			
Service cost	$ 2,026	$ 1,829	$ 2,368
Interest cost	4,603	4,614	3,775
Amortization of prior service cost	(75)	(111)	-
Total other postretirement benefit expense	$ 6,554	$ 6,332	$ 6,143

Pension Plans

The Company has a non-contributory defined benefit plan (the principal plan) covering substantially all United States employees other than those covered under union-sponsored plans, and a non-contributory defined benefit plan (the supplemental plan) providing supplemental retirement benefits to certain officers. The benefits provided by both plans are generally based on the employee's years of service and compensation during the last five years of employment. The Company's funding policy is to comply with federal laws and regulations and to provide the principal plan with assets sufficient to meet future benefit payments. The plan assets for both plans consist principally of equity securities, fixed income securities and short-term money market investments. The principal plan and supplemental plan hold 426,894 and 44,877 shares, respectively, of the Company's stock at November 30, 1996.

The Company also contributed to union-sponsored, multi-employer pension plans and certain retirement plans of its foreign subsidiaries. The following table sets forth the principal and supplemental plans' funded status at September 30, the measurement date:

	1996	1995
Actuarial present value of benefit obligations:		
Vested benefit obligation	$117,077	$103,788
Accumulated benefit obligation	123,024	108,449
Projected benefit obligations for		

service rendered to date	$146,336	$132,063
Plan assets at fair value	117,448	101,331
Projected benefit obligations in excess of plan assets	28,888	30,732
Unrecognized net loss	(24,074)	(18,330)
Unrecognized transition asset and prior service cost	1,352	1,894
Pension liability included in the Consolidated Balance Sheet	$ 6,166	$14,296

	1996	1995
Significant assumptions:		
Discount rate	7.5%	8.0%
Salary scale	4.5%	5.0%
Expected return on plan assets	10.5%	10.5%

The conversion from a direct sales force to a broker sales force for certain regions in the United States, which was a component of the business restructuring in 1996, resulted in a curtailment in the principal plan. The curtailment increased pension liability by $2,520.

Profit Sharing Plan

The Company makes contributions to the McCormick Profit Sharing Plan in accordance with the Plan's provisions. The Profit Sharing Plan is available to substantially all United States employees other than those covered by union-sponsored benefit plans. The Profit Sharing Plan assets consist principally of equity securities, short-term money market investments and fixed income securities. The Profit Sharing Plan holds 3,059,420 shares of the Company's voting stock at November 30, 1996.

Other Postretirement Benefits

The Company provides health care and life insurance benefits to eligible retirees having at least 10 years of service. Health care benefits are also extended to eligible dependents of retirees as long as the retiree remains covered. Health care benefits are based on the retiree's age and service at retirement and require other cost-sharing features, such as deductibles and co-insurance. Life insurance protection is non-contributory. Other postretirement benefit plans are generally not funded.

The following table sets forth the amounts recognized in the Company's Consolidated Balance Sheet as of November 30, the measurement date:

	1996	1995
Accumulated other postretirement benefit obligation		
Retirees	$38,006	$34,961
Fully eligible active participants	3,150	5,887
Other active participants	21,138	18,519
	62,294	59,367
Unrecognized net (gain)/loss	(496)	(1,473)
Unrecognized prior service cost	967	1,616
Accrued other postretirement benefit liability included in the Consolidated Balance Sheet	$62,765	$59,510

The assumed annual rate of increase in the cost of covered health care benefits is 10.0% for 1997. It is assumed to decrease gradually to 4.5% in the year 2007 and remain at that level thereafter. Increasing this assumed health care cost trend rate by one percentage point in each year would increase the accumulated postretirement benefit obligation at November 30, 1996 by $6,711 and the aggregate of the service and interest cost components of net periodic other postretirement benefit cost for 1996 by $822.

The assumed weighted average discount rates were 7.5% for 1996 and 8.0% for 1995.

Stock Purchase and Option Plans

The Company has an Employee Stock Purchase Plan enabling substantially all United States employees to purchase the Company's common stock at the lower of the stock price on the grant date or the exercise date. Under this plan, a total of 2,507 employees had outstanding subscriptions for a total of 240,468 shares with a grant price of $22.00 per share at November 30, 1996. The last date for exercise of the outstanding subscriptions is May 31, 1997.

Under the Company's 1984 and 1990 Stock Option Plans and the McCormick (U.K.) Share Option Schemes, options to purchase shares of the Company's common stock have been or may be granted to employees. The option price for shares granted under these plans is the fair market value on the grant date. At November 30, 1996, the average exercise price of outstanding options was $22.79 per share, and the expiration dates range from March 17, 1997 to March 19, 2006. The changes in outstanding stock options and stock subscriptions during the past three years were:

	Common	Common Non-Voting	Price Range Per Share
	(shares in thousands)		
Outstanding December 1, 1993	1,208	1,816	$ 4.41 - $26.00
Granted to 415 employees under Stock Option Plans	384	130	$18.50 - $23.00
Exercised	(340)	(408)	$ 4.56 - $22.63
Cancelled or expired	(4)	(137)	$ 4.56 - $26.00
Outstanding November 30, 1994	1,248	1,401	$ 4.41 - $26.00
Granted to 412 employees under the Stock Option Plans and 3,146 employees in the Employee Stock Purchase Plan	376	604	$22.00
Exercised	(293)	(494)	$ 4.41 - $23.00
Cancelled or expired	(30)	(253)	$11.06 - $26.00
Outstanding November 30, 1995	1,301	1,258	$ 4.41 - $26.00
Granted to 372 employees under Stock Option Plans	534	179	$20.75 - $22.38
Exercised	(189)	(193)	$11.06 - $23.00
Cancelled or expired	(9)	(144)	$ 4.41 - $23.00
Outstanding November 30, 1996	1,637	1,100	$ 4.66 - $26.00

Under all stock purchase and option plans, there were 1,927,751 shares reserved for future grants and 1,779,837 exercisable at November 30, 1996 and 2,270,228 shares reserved for future grants and 1,784,544 exercisable at November 30, 1995.

7. Income Taxes:

For financial reporting purposes, sources of income from consolidated continuing operations before income taxes were:

	1996	1995	1994
Pretax income			
United States	$ 59,309	$104,270	$ 55,416
International	2,425	28,336	2,627
	$ 61,734	$132,606	$ 58,043

Significant components of income taxes were:

	1996	1995	1994
Current			
United States	$ 33,503	$ 17,793	$ 31,818
State	8,448	5,177	6,683
International	8,288	8,212	8,391
Total current	50,239	31,182	46,892
Deferred			
United States	(20,036)	13,891	(16,107)
State	(2,822)	2,183	(3,262)
International	(3,510)	610	(4,008)
Total deferred	(26,368)	16,684	(23,377)
	$ 23,871	$ 47,866	$ 23,515

Tax expense (benefits) allocated directly to equity components was as follows:

Relating to employee stock options	$(118)	$(439)	$(608)
Relating to foreign currency translation adjustment	-	-	(540)

Differences between income taxes computed at the United States federal statutory rate and actual income taxes are as follows:

	1996		1995		1994	
	Amount	Percent	Amount	Percent	Amount	Percent
Tax at United States statutory rate	$21,607	35.0%	$46,412	35.0%	$20,315	35.0%
State income taxes, net of United States benefits	2,648	4.3	5,689	4.3	2,490	4.3
(Lower)/higher effective income taxes on earnings in other countries	3,929	6.4	(423)	(.3)	1,940	3.3
Rehabilitation investment and other tax credits	(2,674)	(4.3)	(3,553)	(2.7)	(1,156)	(2.0)
Amended prior year tax return	(3,938)	(6.4)				
Other items	2,299	3.7	(259)	(.2)	(74)	(.1)
Income tax expense	$23,871	38.7%	$47,866	36.1%	$23,515	40.5%

[photo: Our new distribution center consolidates activities from numerous facilities.]

The tax effects of temporary differences that give rise to significant portions of deferred tax assets and liabilities consist of the following:

	1996	1995
Current deferred income tax assets		
Restructuring liability	$ 13,183	$ 9,207
Employee benefits	7,839	8,229
State income tax	5,677	4,987
Accrued liabilities	3,807	4,132
Inventory	2,951	6,535
Bad debt reserve	2,320	807
Prepaid and other assets	(2,214)	(816)
Other	199	899
Total current deferred income tax assets	$ 33,762	$ 33,980
Noncurrent deferred income tax assets		
Employee benefits	$ 27,744	$ -
Property, plant and equipment	(26,699)	-
Accrued liabilities	5,516	-
Intangible assets	(2,473)	-
Prepaid allowances	1,649	-
Other	350	-
Total noncurrent deferred income tax assets	$ 6,087	$ -
Noncurrent deferred income tax (liabilities)		
Property, plant and equipment	$ (4,937)	$(51,555)
Employee benefits	-	29,376
Accrued liabilities	-	3,291
Prepaid allowances	-	1,938
Intangible assets	-	(1,231)
Other	-	(7,255)
Total noncurrent deferred income tax (liabilities)	$ (4,937)	$(25,436)

In addition to the deferred tax assets shown in the table, the Company also has certain tax credit carryforwards of $4,888 in 1996 and $3,888 in 1995. These tax credit carryforwards have been fully reserved due to the restrictive provisions for their use in offsetting future taxes.

Deferred tax liabilities decreased significantly in 1996 primarily due to deferred tax liabilities of GEC, which was sold, causing these taxes to become currently payable. The remaining deferred tax assets are primarily in the United States. The Company has a history of having United States taxable income and anticipates future taxable income to realize these assets.

United States income taxes are not provided for unremitted earnings of international subsidiaries and affiliates. The Company's intention is to reinvest these earnings permanently or to repatriate the earnings only when it is tax effective to do so. Accordingly, the Company believes that any United States tax on repatriated earnings would be substantially offset by United States foreign tax credits. Unremitted earnings of such entities were $86,679 at November 30, 1996.

Income taxes paid in 1996, 1995 and 1994 were $44,875; $38,214 and $84,384 respectively.

8. Capital Stocks:

Holders of Common Stock have full voting rights except that (1) the voting rights of persons who are deemed to own beneficially 10% or more of the outstanding shares of voting Common Stock are limited to 10% of the votes entitled to be cast by all holders of shares of Common Stock regardless of how many shares in excess of 10% are held by such person; (2) the Company has the right to redeem any or all shares of stock owned by such person unless such person acquires more than 90% of the outstanding shares of each class of the Company's Common Stock; and (3) at such time as such person controls more than 50% of the vote entitled to be cast by the holders of outstanding shares of voting Common Stock, automatically, on a share-for-share basis, all shares of Common Stock Non-Voting will convert into shares of Common Stock.

Holders of Common Stock Non-Voting are entitled to vote on reverse mergers and statutory share exchanges where the capital stock of the Company is converted into other securities or property, dissolution of the Company and the sale of substantially all of the assets of the Company, as well as forward mergers and consolidation of the Company.

Holders of Common Stock Non-Voting will vote as a separate class on all matters on which the holders of Common Stock Non-Voting are entitled to vote.

9. Fair Value and Financial Instruments:

Cash and cash equivalents, trade receivables, short-term borrowings, accounts payable and accrued liabilities: The amounts reported in the Consolidated Balance Sheet approximate fair value.

Long-term debt: The fair value of long-term debt, based on a discounted cash flow analysis using the Company's current incremental borrowing rate for debt of similar maturities is as follows:

	1996		1995	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Long-term debt (including current portion)	$312,697	$301,671	$405,702	$361,463

Investments: Investments, consisting principally of investments in unconsolidated affiliates, are not readily marketable. Therefore, it is not practicable to estimate their fair value.

Forward exchange contracts for foreign currency: Forward exchange contracts at November 30, 1996 are summarized as follows:

	Nominal Value	Fair Value
Currency sold		
UK pound sterling	$ 7,255	$(398)
Canadian dollar	8,000	97
Other currencies	10,337	(219)

All contracts outstanding hedge foreign currency commitments and, accordingly, have no carrying amount on the balance sheet. The loss explicitly deferred is $581 and is expected to be realized in 1997 as these transactions are realized. Other currencies in the table above include the Swiss franc, South African rand, Australian dollar and Japanese yen.

The fair value of forward exchange contracts is estimated using quoted market prices for comparable instruments.

10. Business Segments and Geographic Areas:

Business Segments

The Company operates in two business segments, Food Products and Packaging Products. The Food Products segment manufactures, markets and distributes spices, seasonings, flavorings and other specialty food products and sells these products to the retail food market, the foodservice market and to industrial food processors throughout the world. The Food Products segment represents the majority of the Company and, accordingly, all Corporate items and eliminations have been included in this segment. The Packaging Products segment manufactures and markets plastic packaging products for the food, cosmetic and health care industry, predominantly in the United States.

	Food Products	Packaging Products	Consolidated
1996			
Net sales	$1,532,296	$200,210	$1,732,506
Operating income (loss)(F1)	99,169	(5,878)	93,291
Identifiable assets	1,196,514	130,095	1,326,609
Capital expenditures	63,526	11,128	74,654
Depreciation and amortization	51,758	12,030	63,788
1995			
Net sales	$1,501,763	$189,323	$1,691,086
Operating income	153,287	19,309	172,596
Identifiable assets	1,473,006	141,335	1,614,341
Capital expenditures	70,357	11,783	82,140
Depreciation and amortization	51,083	12,615	63,698
1994			
Net sales	$1,355,180	$174,234	$1,529,414

Operating income(F2)	64,216	21,826	86,042
Identifiable assets	1,434,251	134,450	1,568,701
Capital expenditures	67,986	19,690	87,676
Depreciation and amortization	49,122	13,418	62,540

(F1) Includes restructuring charges of $41,085 for Food Products and $17,010 for Packaging Products.
(F2) Includes restructuring charges of $70,445 for Food Products and $0 for Packaging Products.

Packaging net sales include sales to the Food Products segment of $30,186 in 1996; $34,527 in 1995 and $32,542 in 1994.

Geographic Areas

	North America	Europe	Other Countries	Total
1996				
Net sales	$1,311,292	$325,683	$95,531	$1,732,506
Net income (loss) - continuing operations(F1)	52,197	84	(8,806)	43,475
Assets	984,676	254,576	87,357	1,326,609
1995				
Net sales	$1,276,066	$325,019	$90,001	$1,691,086
Net income - continuing operations	74,090	10,016	2,702	86,808
Assets	1,332,342	223,718	58,281	1,614,341
1994				
Net sales	$1,236,179	$239,353	$53,882	$1,529,414
Net income (loss) - continuing operations(F2)	50,486	(6,286)	(1,743)	42,457
Assets	1,324,474	202,612	41,615	1,568,701

(F1) Includes net restructuring charges of $19,614 for North America, $10,195 for Europe and $9,773 for Other Countries.
(F2) Includes net restructuring charges of $34,162 for North America and $12,133 for Europe.

Prior year amounts have been restated to conform to the restated Consolidated Income Statement.

11. Supplemental Financial Statement Data:

	1996	1995
Inventories:		
Finished products and work-in-process	$125,849	$250,865
Raw materials and supplies	119,240	132,357
Inventories	$245,089	$383,222
Property, plant and equipment:		
Land and improvements	$ 27,260	$ 30,645
Buildings	179,599	211,859
Machinery and equipment	432,525	595,682
Construction in progress	54,410	59,207
Accumulated depreciation	(293,400)	(372,586)
Property, plant and equipment - net	$400,394	$524,807
Other accrued liabilities:		
Payroll and employee benefits	$ 42,031	$ 41,935
Restructuring	42,332	18,918
Sales allowances	37,036	36,516
Income taxes	8,734	11,025
Other	106,658	94,486
Other accrued liabilities	$236,791	$202,880
Goodwill:		
Cost	$211,035	$216,140
Accumulated amortization	(45,969)	(35,389)
Goodwill - net	$165,066	$180,751

	1996	1995	1994
Income statement:			
Depreciation	$49,222	$45,064	$46,329
Research and development	12,216	12,015	11,162

Average shares outstanding	80,641	81,181	81,240

[photo: Our Guangzhou facility opened with a Chinese celebration.]

12. Quarterly Data (Unaudited):

	1996 Quarters				
	1st	2nd	3rd	4th	Year
Net sales	$ 395,799	$ 393,828	$ 405,451	$ 537,428	$1,732,506
Cost of goods sold	262,507	273,333	269,115	323,077	1,128,032
Gross profit	133,292	120,495	136,336	214,351	604,474
Selling, general and administrative expense	110,828	98,563	103,184	140,513	453,088
Restructuring charge	-	-	57,538	557	58,095
Operating income	22,464	21,932	(24,386)	73,281	93,291
Interest expense	8,773	7,952	8,082	9,004	33,811
Other (income) expense - net	(1,186)	818	524	(2,410)	(2,254)
Income from consolidated continuing operations before income taxes	14,877	13,162	(32,992)	66,687	61,734
Income taxes	5,361	4,695	(9,871)	23,686	23,871
Net income from consolidated continuing operations	9,516	8,467	(23,121)	43,001	37,863
Income from unconsolidated operations	296	929	1,557	2,830	5,612
Net income from continuing operations	9,812	9,396	(21,564)	45,831	43,475
Income from discontinued operations, net of income taxes	(462)	1,599	5,112	-	6,249
Net income before extraordinary item	9,350	10,995	(16,452)	45,831	49,724
Extraordinary loss from early extinguishment of debt, net of income tax benefit	-	-	(7,806)	-	(7,806)
Net income	$ 9,350	$ 10,995	$(24,258)	$ 45,831	$ 41,918
Earnings per share					
Continuing operations	$.12	$.12	$(.26)	$.58	$.54
Discontinued operations	-	.02	.06	-	.08
Extraordinary loss from early extinguishment of debt	-	-	(.10)	-	(.10)
Earnings per share	$.12	$.14	$(.30)	$.58	$.52

	1995 Quarters				
	1st	2nd	3rd	4th	Year
Net sales	$392,233	$408,504	$384,008	$506,341	$1,691,086
Cost of goods sold	261,850	270,940	260,621	313,524	1,106,935
Gross profit	130,383	137,564	123,387	192,817	584,151
Selling, general and administrative expense	94,751	103,839	92,246	124,623	415,459
Restructuring charge (credit)	(3,904)	-	-	-	(3,904)
Operating income	39,536	33,725	31,141	68,194	172,596
Interest expense	9,692	9,471	9,655	10,480	39,298
Other (income) expense - net	(1,831)	1,270	459	794	692
Income from consolidated continuing operations before income taxes	31,675	22,984	21,027	56,920	132,606
Income taxes	11,910	8,342	7,109	20,505	47,866
Net income from consolidated continuing operations	19,765	14,642	13,918	36,415	84,740
Income from unconsolidated operations	(796)	466	706	1,692	2,068
Net income from continuing operations	18,969	15,108	14,624	38,107	86,808
Income from discontinued operations, net of income taxes	377	934	5,291	4,111	10,713
Net income	$ 19,346	$ 16,042	$ 19,915	$ 42,218	$ 97,521

Earnings per share					
Continuing operations	$.24	$.19	$.18	$.47	$1.07
Discontinued operations	-	.01	.07	.05	.13
Earnings per share	$.24	$.20	$.25	$.52	$1.20

During the third quarter of 1996, the Company sold Gilroy Foods, Inc. and Gilroy Energy Company and reported these businesses as discontinued operations.

Changes in previously reported quarterly results are due to the reclassification of discontinued operations using the accounting methods described in Note 3.

Management's Responsibility for Financial Statements

The consolidated financial statements of McCormick & Company, Incorporated and subsidiaries have been prepared by the Company in accordance with generally accepted accounting principles. Management has primary responsibility for the financial information presented and has applied judgment to the information available, made estimates and given due consideration to materiality in preparing the financial information in this annual report.

The financial statements, in the opinion of management, present fairly the consolidated financial position, results of operations and cash flows of the Company and subsidiaries for the stated dates and periods in conformity with generally accepted accounting principles. The financial statements in this report have been audited by the Company's independent auditors, Ernst & Young LLP. The independent auditors review and evaluate control systems and perform such tests of the accounting information and records as they consider necessary to reach their opinion on the Company's consolidated financial statements. In addition, McCormick's Internal Audit function performs audits of accounting records, reviews accounting systems and internal controls, and recommends improvements when appropriate.

The Audit Committee of the Board of Directors is composed of outside directors. The committee meets periodically with the Internal Audit staff, with members of management and with the independent auditors in order to review annual audit plans, financial information and the Company's internal accounting and management controls.

The Company believes that it maintains accounting systems and related controls, and communicates policies and procedures, which provide reasonable assurance that the financial records are reliable, while providing appropriate information for management of the business and maintaining accountability for assets.

/s/Robert J. Lawless
Robert J. Lawless
President & Chief Executive Officer

/s/Robert G. Davey
Robert G. Davey
Executive Vice President & Chief Financial Officer

/s/J. Allan Anderson
J. Allan Anderson Vice President & Controller, Chief Accounting Officer

Report of Independent Auditors

To the Shareholders
McCormick & Company, Incorporated

We have audited the accompanying consolidated balance sheets of McCormick & Company, Incorporated and subsidiaries as of November 30, 1996 and 1995 and the related consolidated statements of income, cash flows and shareholders' equity for each of the three years in the period ended November 30, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of McCormick & Company, Incorporated and subsidiaries at November 30, 1996 and 1995 and the consolidated results of their operations and their cash flows for each of the three years in the period ended November 30, 1996 in conformity with generally accepted accounting principles.

/s/Ernst & Young LLP
Baltimore, Maryland
January 16, 1997

Management's Discussion and Analysis

Overview

For 1996, the Company reported net income of $41.9 million or $.52 per share compared to $97.5 million or $1.20 per share last year. During 1996, the Company recorded a business restructuring charge, reported discontinued operations for the sale of both Gilroy Foods, Incorporated and Gilroy Energy Company, Inc. and recorded an extraordinary loss on prepayment of debt associated with Gilroy Energy. Excluding these transactions, net income on a comparable basis was $83.1 million or $1.03 per share compared to $84.5 million or $1.04 per share last year.

Comparable earnings (excluding restructuring, discontinued operations and the extraordinary item) for the first half of the year were less than the same period in 1995. However, the second half of 1996 showed improved comparable earnings over the same period in 1995.

[Graph]
Net Sales
(Continuing Operations)

1992	1993	1994	1995	1996
(dollars in millions)				
$1,324	$1,401	$1,529	$1,691	$1,733

Business Restructuring

Over the past several years, the Company has experienced a significantly increased global competitive environment. Additionally, there have been several changes in management of the Company. These two factors have been the primary drivers in a reassessment of the global strategic direction and focus of the Company. As a result, the Company conducted a portfolio review of its businesses with the intent of increasing focus on core businesses. Additionally, the Company is continually evaluating methods of improving its cost structure as it responds to the competitive environment.

As a result of both the portfolio review and the cost structure improvement process, the Company began implementation of a restructuring plan and recorded a restructuring charge of $58.1 million in 1996. This charge reduced net income by $39.6 million or $.49 per share. In addition, there are approximately $1.9 million of additional charges ($.02 per share) directly related to the restructuring plan which could not be accrued but will be expensed as the plan is implemented.

Specific actions under this plan include: the divestiture of certain small non-core businesses; the divestiture of Giza National Dehydration Company (Giza) of Egypt, which is consistent with the Company's sale of Gilroy Foods, Giza's parent company; closing the Brooklyn, New York packaging plant; the exit from certain minor, non-core product lines; the rationalization of certain overseas manufacturing facilities; and in our consumer business, the conversion from a direct sales force to a broker sales force for certain regions in the U.S.

Major components of the restructuring charge include: severance and personnel costs of $10.0 million; a $44.6 million write-down to net realizable value of assets and businesses identified for disposal, and other exit costs of $3.6 million. The $1.9 million of additional charges which will be expensed during the implementation are principally costs to move equipment and personnel.

These actions are expected to be completed in 1997 and will require net cash outflows of approximately $12.0 million. Net sales of the small non-core businesses and Giza, which are being divested by these actions, were approximately 7% of consolidated net sales.

The Company believes that the benefits from these actions will be twofold. First, the Company will be strategically aligned to concentrate on its core businesses. Second, the Company anticipates savings as a result of these actions. These savings will be used to invest in the Company's brands through product development and consumer promotional activity, to maintain low-cost producer status in our core businesses and to support our global expansion strategy.

The Company believes that this restructuring will enhance its ability to achieve its financial objectives. Realization of the savings from these actions, however, is dependent on the timing and effectiveness of the execution of these actions and the response of our competitors and customers.

As of November 30, 1996, the Brooklyn, New York packaging plant has been closed with production transferred to another U.S. plant. Also, the conversion to a broker sales force and exit from certain minor non-core product lines is complete. In December 1996, the Company entered into agreements to sell the Minipack business in the United Kingdom and Giza in Egypt.

Discontinued Operations

On August 29, 1996, the Company sold substantially all of the assets of Gilroy Foods, Incorporated (GFI) and Gilroy Energy Company, Inc. (GEC) to ConAgra, Inc. and Calpine Corporation, respectively, for $263.3 million. GFI manufactures and sells dehydrated onion, garlic, capsicum and vegetable products. GEC operates an energy cogeneration facility.

The sale of GFI and GEC resulted in a $.5 million loss ($.3 million after tax) and has been included in the caption, "Income from discontinued operations, net of income taxes" in the Consolidated Income Statement.

The operating results of GFI and GEC have been reclassified on the Consolidated Income Statement to the caption, "Income from discontinued operations, net of income taxes," for all periods presented.

The sale of Gilroy Energy Company necessitated prepayment of the 11.68% non-recourse installment note. The prepayment resulted in an extraordinary net loss of $7.8 million. The Company used the proceeds of the business sales net of the debt prepayment to pay down short-term borrowings.

Results of Operations
1996 compared to 1995

The charts that follow set forth the changes in net sales from continuing operations when compared to the prior years. Sales from continuing operations increased 2.4% to $1.7 billion. The sales comparison is impacted by a number of non-recurring factors. First, in 1995, the Company changed the year-end reporting period for foreign subsidiaries from October 31 to November 30 to provide uniform reporting worldwide, which had the effect of an additional month of sales for the foreign units in 1995. Also in 1995, the Company sold its frozen food business at the end of the first quarter. Thus, one quarter's sales for this divested business is included in 1995 sales. In 1996, the Cake Mate brand was transferred to a joint venture to form Signature Brands, the sales of which are no longer accounted for in the Company's consolidated results. These changes had the effect of reducing sales by 4.2% versus 1995. On a comparable basis, after adjusting for these factors, sales increased 6.6%.

Sales were up due to both volume and price increases, partially offset by unfavorable foreign exchange translations. Retail growth in the Americas Zone was due to price increases and volume gains in a number of heavily promoted product lines. Sales increases for the European Zone were masked by the change in fiscal year mentioned above and unfavorable currency exchange translations. Sales continue to grow strongly in the Asia/Pacific Zone as we expand into new markets and introduce new products.

Sales of unconsolidated operations increased 10.1% in 1996 due principally to the sales of Signature Brands, a new joint venture in 1996. Foreign exchange translations, primarily due to a weaker Japanese yen and Mexican peso, had a negative effect on unconsolidated sales.

Operating income, excluding restructuring, as a percentage of net sales decreased from 10.0% in 1995 to 8.7% in 1996.

Gross profit as a percentage of sales increased from 34.5% in 1995 to 34.9% in 1996. Gross margin percentages increased in both our U.S. retail and industrial businesses as compared to last year. These were partially offset by a slightly reduced gross margin percentage in our European business and a more significant reduction in our U.S. packaging business. In the U.S. retail business, gross margins improved during the year due to stronger sales in our higher margin core businesses, particularly in the second half of the year. The decreased gross margin percentage in packaging products is due to competitive pricing pressures, a write-off of inventory for products that have been discontinued and manufacturing inefficiencies.

Selling, general and administrative expenses were higher than last year on both a dollar basis and as a percentage of sales. The increase is mainly due to additional advertising and promotion spending as the Company continues to market the McCormick brand name more aggressively, the adjustment of certain employee benefit accruals in both years and increased information systems spending to allow the Company's systems to cope with the change to the year 2000.

Interest expense decreased $5.5 million in 1996 as compared to 1995. This decrease is due to both declines in borrowing levels and lower borrowing rates. In reclassifying the Statement of Income for discontinued operations, interest expense was allocated to discontinued operations. See Notes to Consolidated Financial Statements for the amounts and methods of allocation used.

Other (income) expense - net includes $4.5 million of income from the non-compete agreement relating to the GEC sale.

The Company recorded income tax expense on Income from Continuing Operations at an effective rate of 38.7% in 1996 as compared to a rate of 36.1% in 1995. The increased rate is due to certain restructuring charges which are not tax deductible and the mix of tax rates from differing tax jurisdictions. Excluding the effects of the restructuring, the Company's effective tax rate is approximately 35.5% for 1996. This tax rate is lower in 1996 than what can be expected in the future due to the favorable effect of refunds of certain U.S. tax credits from prior years. In reclassifying the Statement of Income for discontinued operations, income taxes were allocated to discontinued operations. See Notes to Consolidated Financial Statements for the amounts and methods of allocation used.

Deferred tax liabilities decreased significantly in 1996 primarily due to deferred tax liabilities of GEC which was sold, causing these taxes to become currently payable. The remaining deferred tax assets are primarily in the United States. The Company has a history of having United States taxable income and anticipates future taxable income to realize these assets.

Income from unconsolidated operations improved in 1996 as compared to 1995 mainly due to improved results of our Mexican joint venture and the results of the Company's new joint venture, Signature Brands.

In the first quarter of fiscal 1995, the Company changed the end of the reporting period for foreign subsidiaries from October 31 to November 30 to provide uniform reporting on a worldwide basis. Accordingly, an additional month of operation results for those subsidiaries is included in the first quarter 1995 results, which increased net income by $1.4 million.

Results of Operations
1995 compared to 1994

Sales from continuing operations grew 10.6% in 1995 to $1.7 billion. The substantial growth in sales was primarily the result of volume gains across all operating units with particularly strong performance from the industrial, European and Asia/Pacific operations.

Sales from businesses acquired in 1994 contributed to the increase over prior year sales. Additionally, in the first quarter of fiscal 1995, the Company changed the end of the reporting period for foreign subsidiaries from October 31 to November 30 to provide uniform reporting on a worldwide basis. Net sales before acquisitions, divestitures and the change for foreign susidiaries grew 8.1% over 1994.

Sales of unconsolidated operations in 1995 were $297.8 million, a decrease of 13.0% versus the prior year. The decrease was primarily due to the devaluation of the peso and resulting economic problems in Mexico. The Mexican peso was devalued approximately 52% in 1995. While we maintained a high market share for our Mexican mayonnaise products, unit volumes declined 10% as a result of the economic conditions that weakened consumer purchasing power.

Sales from Continuing Operations

	1996	1995	1994
		(in millions)	
Americas			
Retail	$615,719	$ 600,606	$ 582,751
Industrial & foodservice	549,739	547,415	523,885
Europe			
Retail	223,327	228,097	186,074
Industrial	97,698	94,262	55,567
Asia/Pacific			
Retail	41,944	34,166	18,258
Industrial & foodservice	34,055	31,744	21,187
Packaging	170,024	154,796	141,692
Total	$1,732,506	$1,691,086	$1,529,414

Sales from Continuing Operations

	1996	1995	1994

	(percentage increase)		
Americas			
Retail	2.5%	3.1%	2.2%
Industrial & foodservice	0.4	4.5	10.7
Europe			
Retail	(2.1)	22.6	13.3
Industrial & foodservice	3.6	69.6	45.1
Asia/Pacific			
Retail	22.8	87.1	20.5
Industrial & foodservice	7.3	49.8	42.8
Packaging	9.8	9.2	13.4
Total	2.4%	10.6%	9.2%

Sales Increase Analysis

	1996	1995	1995
Volume change	2.6%	4.6%	5.1%
Price and mix change	4.8	3.2	1.4
Foreign currency change	(0.8)	0.3	(0.0)
Other Changes (F1)	(4.2)	2.5	2.7
Total change from continuing operations	2.4%	10.6%	9.2%

Other changes include the disposal of businesses which are not accounted for as discounted operations, business acquisitions and the effect of the change in reporting period for foreign subsidiaries.

The Company's gross profit margin decreased to 34.5% versus 36.5% for the same period last year. The overall decline was a result of higher raw material costs and higher mix of lower margin industrial sales. Multiple cost increases in plastic resins and corrugated packaging negatively impacted margins in our food and plastics businesses. Additionally, increases in pepper costs had an adverse impact on all of our food businesses. Gross margins improved as expected in our industrial flavor and seasoning business. Competitive intensity in most of the markets in which we do business increased in 1995.

Operating income increased to 10.2% of sales from 5.6% in 1994. Excluding the restructuring charge and credit, operating profit margins declined in 1995 to 10.0% from 10.2% in the prior year. Cost savings, mainly in the administrative functions, partially offset weakened gross profit margins. These savings are the result of the Company's restructuring program.

Interest expense increased to $39.3 million in 1995 versus $25.6 million in 1994. The higher financing costs were caused by higher debt levels. Debt was used to finance acquisitions made in the previous year, higher levels of prepaid allowances and higher working capital levels. Increases in working capital were partially caused by temporary inventory buildup as we consolidated plants identified for closing in our restructuring program. We also made strategic purchases of certain commodities which were expected to rise in cost and/or be in short supply.

Unconsolidated income from joint ventures decreased to $2.1 million in 1995, down from $7.9 million in 1994. As mentioned previously, the decline was primarily the result of weakness in our Mexican operations brought on by the devaluation of the Mexican peso.

The Company's effective income tax rate for the year was 36.1%, 4.4 percentage points lower than the comparable rate for 1994. Factors contributing to the favorable rate were lower effective international income tax rates and higher United States income tax credits.

Earnings per share for 1995 were $1.20, up 60% over $.75 in 1994. Excluding the restructuring charge in 1994 of $.57 and the restructuring credit of $.03 in 1995, earnings per share in 1995 were down 11% versus the prior year. Net income was $97.5 million in 1995, up 59% over 1994. Excluding the restructuring charge and credit in 1994 and 1995 respectively, net income was down 11%.

Income from discontinued operations decreased mainly due to lower crop yields for Gilroy Foods garlic.

Restructuring - 1994

In the fourth quarter of 1994, the Company recorded a charge of $70.4 million for restructuring its business operations. At November 30, 1996, the remaining restructuring liability is $14.9 million principally for realignment of some of our operations in the United Kingdom which will be completed in early 1997. The Company has reduced its work force by approximately 540 positions, an industrial products plant has been closed, a frozen food business has been sold and a number of administrative activities have been consolidated. A foodservice products plant was closed in the second quarter of 1996, and production was transferred to another facility. A consolidated distribution facility was also completed in the second quarter of 1996.

Foreign Currency Management

The Company is subject to foreign currency translation risks at all of its subsidiaries and affiliates located outside the United States, principally in the United Kingdom, Canada, Australia and Mexico. Increases or decreases in the value of the applicable foreign currency relative to the U.S. dollar can increase or decrease the reported net assets of foreign subsidiaries and reported net investments in foreign affiliates. During 1995, the Mexican peso devaluation reduced the Company's equity by $17.9 million. Generally, the Company's foreign subsidiaries utilize local borrowings to limit their net asset exposure. Additionally, management periodically enters into hedge contracts to further reduce translation exposure. At year end, the Company did not have any hedges in place to cover net asset exposures.

The Mexican economy has experienced increased inflation over the past three years. This situation will cause the Company to consider Mexico as highly inflationary for accounting purposes. Starting January 1, 1997, all translation gains or losses for our Mexican operations will be recorded in the income statement rather than the translation component of equity.

The Company is also exposed to foreign exchange risk for transactions that are denominated in other than the applicable local currency. The Company assesses its risk to foreign currency fluctuation along with other business risks and opportunities that are caused by fluctuations in foreign currencies. To reduce these risks, the Company may, from time to time, enter into hedging contracts. The amount of hedge contracts outstanding and their fair market value are summarized in the Notes to Consolidated Financial Statements.

Financial Condition

In the Consolidated Statement of Cash Flows, cash flow from operating activities increased from $59.4 million in 1995 to $201.7 million in 1996.

Net income for 1996 was significantly below 1995.However, after adding back the non-cash charges and credits for restructuring, 1996 was slightly improved as compared to last year. The principal reason for the increased operating cash flow is the Company's focus on asset management. All working capital accounts showed improvement to last year and, in total, contributed significantly to the increased cash flow. The decline in prepaid allowances also contributed to increased operating cash flow. Investing activities generated cash of $187.9 million in 1996 as compared to a cash outflow of $78.5 million last year. The significant change is mainly due to cash proceeds received on the sale of GFI and GEC. An additional $12 million is still due in the form of a note receivable on these sales. Capital expenditures are lower than last year as the Company focuses its efforts on more effective capital spending. The proceeds from the sale of assets include the sale of certain assets to a joint venture which is now operating the Cake Mate business and the sale of property no longer used in the business.

[Graph in chart form]

Capital Expenditures

	1992	1993	1994	1995	1996
		(dollars in millions)			
Capital Expenditures	$79.3	$76.1	$87.7	$82.1	$74.7
Depreciation	40.0	47.0	56.8	56.3	57.9

Cash flow from financing activities was a significant use of funds in 1996 as the proceeds from the sale of GFI and GEC were used to reduce both short-term and long-term debt.

[Graph in chart form]
Cash Flows
From Operations

1992	1993	1994	1995	1996
	(dollars in millions)			
$117.3	$80.6	$72.5	$59.4	$201.7

In August 1996, the Company announced a new repurchase program to buy back up to 10 million shares of the Company's outstanding stock from time to time in the open market. The Company's prior repurchase program (2 million shares) is complete.

The Company's ratio of debt to total capital was 47.1% as of November 30, 1996, down significantly from 55.5% at November 30, 1995. The improvement in the debt to capital ratio was the result of the sale of GFI and GEC and working capital improvement programs.

Management believes that internally generated funds and its existing sources of liquidity are sufficient to meet current and anticipated financing requirements over the next 12 months.

Over the last 10 years, dividends have increased 14 times and have risen at a compounded annual rate of 17% since 1987. Total dividends paid during fiscal 1996 were $45.3 million versus $42.2 million in 1995 and $39.0 million in 1994. The quarterly dividends paid during the past three years are summarized below:

	1996	1995	1994
First Quarter	$ .14	$ .13	$ .12
Second Quarter	.14	.13	.12
Third Quarter	.14	.13	.12
Fourth Quarter	.14	.13	.12
Total	$ .56	$ .52	$ .48

In December 1996, the Board of Directors approved a 7% increase in the quarterly dividend from $.14 to $.15 per share.

The high and low closing prices of common stock during fiscal quarters as reported on the NASDAQ national market follow:

	1996		1995	
Quarter ended	High	Low	High	Low
February 28	$24.25	$21.25	$22.63	$18.13
May 31	23.13	21.88	23.25	20.44
August 31	22.38	19.25	23.25	20.75
November 30	25.00	20.75	26.50	21.50

[Bar graph]

Debt to Total Capital

1992	1993	1994	1995	1996
42.5%	48.0%	54.6%	55.5%	47.1%

[Bar graph]

Dividends Paid Per Share

1992 - $.38

1993 - $.44

1994 - $.48

1995 - $.52

1996 - $.56

Directors and Officers

Board of Directors

Executive Committee
- Charles P. McCormick, Jr.
- Robert J. Lawless
- Robert G. Davey
- Carroll D. Nordhoff

James J. Albrecht

James S. Cook +/
Executive in Residence
College of Business Administration
Northeastern University

Dr. Freeman A. Hrabowski, III
President
University of Maryland Baltimore County

George W. Koch +/
Of Counsel
Kirkpatrick & Lockhart

George V. McGowan /

Chairman of the Executive Committee
Baltimore Gas and Electric Company

Robert W. Schroeder
Vice President & General Manager
McCormick/Schilling Division

Richard W. Single, Sr.

William E. Stevens +/
Senior Vice President
Mills & Partners

Karen D. Weatherholtz

\+ Audit Committee Member
/ Compensation Committee Member

Corporate Officers

Charles P. McCormick, Jr.
Chairman of the Board

Robert J. Lawless
President, Chief Executive Officer

Susan L. Abbott
Vice President - Quality Assurance

James J. Albrecht
Vice President -
Science & Technology

J. Allan Anderson
Vice President & Controller

Allen M. Barrett, Jr.
Vice President - Corporate
Communications

Robert G. Davey
Executive Vice President &
Chief Financial Officer

Randall B. Jensen
Vice President -
Operations Resources

Christopher J. Kurtzman
Vice President & Treasurer

C. Robert Miller, II
Vice President - Management
Information Systems

Marshall J. Myers
Vice President - Research &
Technical Development

Carroll D. Nordhoff
Executive Vice President

Robert C. Singer
Vice President -
Acquisitions &
Financial Planning

Richard W. Single, Sr.
Vice President - Government Affairs
& Secretary

Robert W. Skelton
Vice President, General Counsel &
Assistant Secretary

Karen D. Weatherholtz
Vice President -
Human Relations

W. Geoffrey Carpenter
Assistant Secretary &
Associate General Counsel

David P. Smith
Assistant Treasurer

Gordon M. Stetz, Jr.
Assistant Treasurer -
Financial Services

[photo: The Board of Directors: left to right, seated: Koch, McGowan, Weatherholtz, Single, Nordhoff, Lawless, McCormick; standing: Stevens, Cook, Albrecht, Hrabowski, Schroeder, Davey.]

McCormick Worldwide

The Americas Market Zone

Consolidated Operating Units

McCormick/Schilling Division
Hunt Valley, Maryland
Robert W. Schroeder
Vice President & General Manager

Food Service Division
Hunt Valley, Maryland
F. Christopher Cruger
Vice President & General Manager

McCormick Canada, Inc.
London, Ontario, Canada
Gerald W. Snowden
President

McCormick de Centro America, S.A. de C.V.
San Salvador, El Salvador
Arduino Bianchi
Managing Director

McCormick de Venezuela, C.A.
Caracas, Venezuela
Alberto Diaz
Managing Director

Affiliates

McCormick de Mexico, S.A. de C.V. (50%)
Mexico City, Mexico

Signature Brands, L.L.C. (50%)
Ocala, Florida

European Market Zone

John C. Molan
Group Vice President - Europe

Consolidated Operating Units

Global Food Ingredients Europe
Buckinghamshire, England
Cameron D. F. Savage
Managing Director

McCormick U.K. plc
Buckinghamshire, England
John C. Molan
Managing Director

McCormick Glentham (Pty) Limited
Midrand, South Africa
John C. Eales
Managing Director

McCormick S.A.
Regensdorf Z.H., Switzerland
Ernest Abouchar
Managing Director

Oy McCormick Ab
Helsinki, Finland
Risto T. Heiskanen
Managing Director

Asia/Pacific Market Zone

Gary W. Zimmerman
Group Vice President - Asia/Pacific

Consolidated Operating Units

Bruce S. Galanter
Vice President & Managing Director -
Australia/Indonesia

McCormick Foods Australia Pty. Ltd.
Clayton, Victoria, Australia

McCormick (Guangzhou) Food Company, Ltd.
Guangzhou, China
Hector Veloso
General Manager

McCormick Ingredients Southeast Asia Private Limited
Jurong, Republic of Singapore
K. K. Foo
Operations Director

Shanghai McCormick Seasoning & Foodstuffs Co., Ltd. (90%)
Shanghai, People's Republic of China
Victor K. Sy
President

Affiliates

McCormick-Lion Limited (49%)
Tokyo, Japan

McCormick Philippines, Inc. (50%)
Manila, Philippines

P.T. Kimballmas Sejati (50%)
Jakarta, Indonesia

P.T. McCormick Indonesia (50%)
Jakarta, Indonesia

Stange (Japan) K.K. (50%)
Tokyo, Japan

McCormick Flavor Group

Consolidated Operating Units

McCormick Flavor Division-U.S.A.
Hunt Valley, Maryland
Howard W. Kympton, III
Vice President & General Manager

McCormick Ingredients
Hunt Valley, Maryland
Thomas A. Barry
Vice President & General Manager

McCormick Pesa, S.A. de C.V.
Mexico City, Mexico
Robert E. HornPresident

Affiliates

AVT-McCormick Ingredients Limited (50%)
Cochin, India

P.T. Sumatera Tropical Spices (30%)
Padang, Sumatera, Indonesia

Supherb Farms (50%)
Turlock, California

Vaessen Shoemaker de Mexico, S.A. de C.V. (50%)
Mexico City, Mexico

Packaging Group

Consolidated Operating Units

Setco, Inc.
Anaheim, California
Donald E. Parodi

President

Tubed Products, Inc.
Easthampton, Massachusetts
Alan D. Wilson, President

[Inside back cover]

Corporate Address

McCormick & Company, Incorporated
18 Loveton Circle
Sparks, MD 21152-6000
USA
(410) 771-7301

Common Stock

Traded Over-the-Counter,
NASDAQ National Market List
Symbol: MCCRK

Common Stock Dividend
Dates - 1997

Record Date	Payment Date
3/31/97	4/10/97
6/30/97	7/11/97
10/2/97	10/13/97
12/31/97	1/23/98

Shareholder/Investor Relations

For inquiries concerning shareholder records, stock certificates, dividends or dividend reinvestment, please contact Shareholder Relations at the Corporate address or telephone:
(800) 424-5855 or
(410) 771-7537

To obtain without cost a copy of the annual report filed with the Securities & Exchange Commission (SEC) on Form 10-K, contact the Treasurer's Office at the Corporate address or contact the SEC web site:
http://www.sec.gov

For general questions about McCormick or information in the annual or quarterly reports, contact the Treasurer's Office at the Corporate address or telephone:

Report Ordering: (800) 424-5855 or
(410) 771-7537
Analysts' Inquiries: (410) 771-7244

Another source of McCormick information is located on the Internet. Our web site is:

http://www.mccormick.com

Missing or Destroyed Certificates or Checks

Shareholders whose stock certificates or dividend checks are missing or destroyed should notify Shareholder Relations immediately so that a "stop" can be placed on the old certificate or check, and a new certificate or check can be issued.

Address Change

Shareholders should advise Shareholder Relations immediately of any change in address. Please include the old address and the new address. All changes of address must be submitted in writing.

Transfer Agent and Registrar

Contact Shareholder Relations at the Corporate address or telephone:
(800) 424-5855 or
(410) 771-7786

Multiple Dividend Checks and Duplicate Mailings

Some shareholders hold their stock in different but similar names (for example, as John Q. Doe and J.Q. Doe). When this occurs, it is necessary to create a separate account for each name. Even though the mailing addresses are the same, we are required to mail separate dividend checks and annual and quarterly reports for each account.

We encourage shareholders to eliminate multiple dividend checks and mailings by contacting Shareholder Relations and requesting an account consolidation.

Shareholders who want to eliminate duplicate mailings but still receive multiple dividend checks and proxy material may do so by contacting Shareholder Relations.

Dividend Reinvestment Plan

Shareholders may automatically reinvest their dividends and make optional cash purchases of stock through the Company's Dividend Reinvestment Plan, subject to limitations set forth in the Plan prospectus. A Plan prospectus and enrollment form may be obtained by contacting Shareholder Relations at:
(800) 424-5855 or
(410) 771-7537

Trademarks

Use of the (r within a circle) or "tm" in this annual report indicates owned or used by McCormick & Conpany, Inc. and its subsidiaries.

This report is printed on recycled paper.

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant [x]

Filed by a Party other than the Registrant [ ]

Check the appropriate box:

[ ] Preliminary Proxy Statement

[x] Definitive Proxy Statement

[ ] Definitive Additional Materials

[ ] Soliciting Material Pursuant to Section 240.14a-11 (c) or Section 240.14a-12

McCORMICK & COMPANY, INCORPORATED

(Name of Registrant as specified in its Charter)

The Board of Directors of McCormick & Company, Incorporated

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

[ ] $125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(j)(2)

[ ] $500 per each party to the controversy pursuant to Exchange Act Rule 14a-6(i)(3)

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

[X] No filing fee.

1) Title of each class of securities to which transaction applies:

____

2) Aggregate number of securities to which transaction applies:

____

3) Per unit price or other underlying value of transaction computed

pursuant to Exchange Act Rule 0-11:

____

4) Proposed maximum aggregate value of transaction:

____

[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form of Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule of Registration Statement No.:

3) Filing Party:

4) Date Filed:

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

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS TO BE HELD MARCH 19, 1997

The Annual Meeting of the Stockholders of McCormick & Company, Incorporated will be held at the Hunt Valley Inn, Hunt Valley, Maryland at 10:00 a.m., March 19, 1997, for the purpose of considering and acting upon:

(a) the election of directors to act until the next Annual Meeting of Stockholders or until their respective successors are duly elected and qualified;

(b) the approval of the 1997 Employees Stock Purchase Plan, which Plan, as set forth in Exhibit A to the Proxy Statement, has been adopted by the Board of Directors subject to the approval of the stockholders;

(c) the approval of the 1997 Stock Option Plan, which Plan, as set forth in Exhibit B to the Proxy Statement, has been adopted by the Board of Directors subject to the approval of the stockholders;

(d) the ratification of the appointment of Ernst & Young LLP as independent auditors of the Company to serve for the 1997 fiscal year; and

(e) any other matters that may properly come before such meeting or any adjournments thereof.

The Board of Directors has fixed the close of business on December 31, 1996 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Meeting or any adjournments thereof. Only holders of Common Stock shall be entitled to vote. Holders of Common Stock Non-Voting are welcome to attend and participate in this meeting.

IF YOU ARE A HOLDER OF COMMON STOCK, A PROXY CARD IS ENCLOSED. PLEASE SIGN THE PROXY CARD PROMPTLY AND RETURN IT IN THE ENCLOSED SELF-ADDRESSED ENVELOPE IN ORDER THAT YOUR STOCK MAY BE VOTED AT THIS MEETING. THE PROXY MAY BE REVOKED BY YOU AT ANY TIME BEFORE IT IS VOTED.

February 19, 1997 Richard W. Single, Sr.
Secretary

PROXY STATEMENT

GENERAL INFORMATION

This Proxy Statement is furnished on or about February 19, 1997 to the holders of Common Stock in connection with the solicitation by the Board of Directors of the Company of proxies to be voted at the Annual Meeting of Stockholders or any adjournments thereof. Any proxy given may be revoked at any time insofar as it has not been exercised. Such right of revocation is not limited or subject to compliance with any formal procedure. The shares represented by all proxies received will be voted in accordance with instructions contained in the respective proxies. The cost of the solicitation of proxies will be borne by the Company. In addition to the solicitation of proxies by use of the mails, officers and regular employees of the Company may solicit proxies by telephone, telegraph, or personal interview. The Company also may request brokers and other custodians, nominees, and fiduciaries to forward proxy soliciting material to the beneficial owners of shares held of record by such persons, and the Company may reimburse them for their expenses in so doing.

At the close of business on December 31, 1996, there were outstanding 11,494,557 shares of Common Stock which represent all of the outstanding voting securities of the Company. Except for certain voting limitations imposed by the Company's Charter on beneficial owners of ten percent or more of the outstanding Common Stock, each of said shares of Common Stock is entitled to one vote. Only holders of record of Common Stock at the close of business on December 31, 1996 will be entitled to vote at the meeting or any adjournments thereof.

PRINCIPAL STOCKHOLDERS

On December 31, 1996, the assets of The McCormick Profit Sharing Plan and PAYSOP (the "Plan") included 2,964,165 shares of the Company's Common Stock, which represented 25.8% of the outstanding shares of Common Stock. The address for the Plan is 18 Loveton Circle, Sparks, Maryland 21152. The Plan is not the beneficial owner of the Common Stock for purposes of the voting limitations described in the Company's Charter. Each Plan participant has the right to vote all shares of Common Stock allocated to such participant's Plan account. The Plan's Investment Committee possesses investment discretion over the shares, except that, in the event of a tender offer, each participant of the Plan is entitled to instruct the Investment Committee as to whether to tender Common Stock allocated to such participant's account. Membership on the Investment Committee consists of three directors, Robert G. Davey, Carroll D. Nordhoff, and Karen D. Weatherholtz, and the Company's Vice President & Controller, J. Allan Anderson, and the Company's Vice President & Treasurer, Christopher J. Kurtzman. Mary D. McCormick, whose address is 830 West 40th Street, Baltimore, Maryland 21211, held 609,012 shares of Common Stock as of December 31, 1996, representing 5.3% of the outstanding shares of Common Stock. Harry K. Wells and his wife Lois L.Wells, whose address is P. O. Box 409, Riderwood, Maryland 21139, held in two trusts 586,623 shares of Common Stock as of December 31, 1996, representing 5.1% of the outstanding shares of Common Stock.

ELECTION OF DIRECTORS

On March 19, 1997, Mr. George W. Koch will retire as a member of the Board of Directors of the Company. The Company is grateful to Mr. Koch for his contributions during his years of service.

On December 16, 1996, Mr. Robert W. Schroeder was elected as a member of the Board of Directors. Dr. Freeman A. Hrabowski, III was elected as a member of the Board of Directors effective January 16, 1997. Neither has previously stood for election to the Board at an Annual Meeting of Stockholders.

The persons listed in the following table have been nominated for election as directors to serve until the next Annual Meeting of Stockholders or until their respective successors are duly elected and qualified. Management has no reason to believe that any of the nominees will be unavailable for election. In the event a vacancy should occur, the proxy holders reserve the right to reduce the total number of nominations for election. There is no family relationship between any of the nominees. No nominee has a substantial interest in any matter to be acted upon at the Annual Meeting.

The following table shows, as of December 31, 1996, the names and ages of all nominees, the principal occupation and business experience of each nominee during the last five years, the year in which each nominee was first elected to the Board of Directors, the amount of securities beneficially owned by each nominee, and directors and executive officers as a group, and the nature of such ownership. Except as otherwise noted, no nominee owns more than one percent of either class of the Company's common stock.

REQUIRED VOTE OF STOCKHOLDERS. The favorable vote of at least a majority of the shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present is required for the election of each nominee.

The Board of Directors recommends that stockholders vote FOR each of the nominees listed below.

Name	Age	Principal Occupation & Business Experience	Year First Elected Director	Amount and Natureof Beneficial Ownership	
				Common	Common Non-Voting
James J. Albrecht	64	Vice President - Science & Technology (1996 to Present); Group Vice President -- Asia/Pacific (1993 to 1996); Vice President & Managing Director - International Group (1989 to 1993)	1987	81,530	49,256
James S. Cook	68	Executive in Residence, Northeastern University (1986 to Present)	1982	1,750	3,710
Robert G. Davey	47	Executive Vice President & Chief Financial Officer (1996 to Present); Vice President & Chief Financial Officer (1994 to 1996); President, McCormick Canada, Inc., a subsidiary of the Company (1991 to 1994)	1994	22,945	4,614
Freeman A. Hrabowski, III	46	President, University of Maryland Baltimore County (1992 to Present); Executive Vice President, University of Maryland Baltimore County (1987 to 1992)	1997	- 0 -	- 0 -
Robert J. Lawless	50	President (1996 to Present), Chief Executive Officer (1997 to Present) & Chief Operating Officer (1995 to Present), Executive Vice President (1995 to 1996); Senior Vice President - The Americas (1994 to 1995); Group Vice President - Europe (1993 to 1994); Vice President & Deputy Managing Director, International Group (1991 to 1993)	1994	23,453	22,725
Charles P. McCormick, Jr.	68	Chairman of the Board (1995 to Present), Chief Executive Officer (1996 to 1997); Chairman Emeritus (1993 to 1994); Chairman of the Board (1988 to 1993), Chief Executive Officer (1987 to 1992)	1955	264,787 (2.3%)	19,167
George V. McGowan	68	Chairman of the Executive Committee, Baltimore Gas and Electric Company (1993 to Present); Chairman of the Board & Chief Executive Officer, Baltimore Gas and Electric Company (1988 to 1992)	1983	2,253	2,782
Carroll D. Nordhoff	51	Executive Vice President (1994 to Present); Executive Vice President -The Americas (1993 to 1994); Executive Vice President - Corporate Operations Staff (1992 to 1993)	1991	46,559	17,940
Robert W. Schroeder	51	Vice President & General	1996	11,919	8,009

		Manager, McCormick/Schilling Division (1995 - Present); Vice President - Sales & Marketing, McCormick/Schilling Division (1994 - 1995); Vice President - Packaging Group (1991 - 1994)			
Richard W. Single, Sr.	58	Vice President - Government Affairs & Secretary/Counsel to the Board of Directors (1996 - Present); Vice President (1987 to 1996); Secretary and General Counsel (1986 to 1996)	1988	80,139	19,407
William E. Stevens	54	Senior Vice President, Mills & Partners, (1996 to Present) President and Chief Executive Officer, United Industries Corp. (1989 to 1996)	1988	2,750	7,950
Karen D. Weatherholtz	46	Vice President -Human Relations (1988 to Present)	1992	22,868	11,099
Directors and Executive Officers as a Group (14 persons)...				613,456 (5.4%)	179,689

Includes shares of Common Stock and Common Stock Non-Voting known to be beneficially owned by directors and executive officers alone or jointly with spouses, minor children and relatives (if any) who have the same home as the director or executive officer. Also includes the following numbers of shares which could be acquired within 60 days of December 31, 1996 pursuant to the exercise of stock options: Dr. Albrecht - 4,910 shares of Common Stock, 4,911 shares of Common Stock Non-Voting; Mr. Cook - 1,750 shares of Common Stock, 1,750 shares of Common Stock Non-Voting; Mr. Davey - 7,840 shares of Common Stock, 4,614 shares of Common Stock Non-Voting; Mr.Lawless - 8,127 shares of Common Stock, 4,709 shares of Common Stock Non-Voting; Mr. McCormick - 9,625 shares of Common Stock, 8,375 shares of Common Stock Non-Voting; Mr. McGowan - - 1,750 shares of Common Stock, 1,750 shares of Common Stock Non-Voting; Mr. Nordhoff - 11,875 shares of Common Stock, 8,656 of Common Stock Non-Voting; Mr. Schroeder - 8,127 shares of Common Stock, 4,709 of Common Stock Non-Voting; Mr. Single - 5,829 shares of Common Stock, 5,276 shares of Common Stock Non-Voting; Mr. Stevens - 1,750 shares of Common Stock, 1,750 shares of Common Stock Non-Voting; Ms. Weatherholtz - 8,354 shares of Common Stock, 6,116 shares of Common Stock Non-Voting; and directors and executive officers as a group - 80,099 shares of Common Stock, 58,604 shares of Common Stock Non-Voting. Also includes shares of Common Stock which are beneficially owned by certain directors and officers by virtue of their participation in the McCormick Profit Sharing Plan and PAYSOP: Dr. Albrecht - 8,230 shares; Mr. Davey - 1,564 shares; Mr. Lawless - 1,509 shares; Mr. Nordhoff - 7,392 shares; Mr. Schroeder - 0 shares; Mr. Single - 16,289 shares; Ms. Weatherholtz - 8,347 shares; and directors and executive officers as a group - 52,703 shares.

Includes 2,702 shares of Common Stock owned by Mr. McCormick's wife. Mr. McCormick disclaims beneficial ownership of said shares.

Includes 687 shares of Common Stock Non-Voting owned by Mr. Single's son. Mr. Single disclaims beneficial ownership of said shares.

BOARD COMMITTEES

The Board of Directors has established the following committees to perform certain specific functions. There is no Nominating Committee of the Board of Directors. Board Committee membership as of February 19, 1997 is listed below.

AUDIT COMMITTEE. This Committee reviews the plan for and the results of the independent audit and internal audit, reviews the Company's financial information and internal accounting and management controls, and performs other related duties. The following directors are currently members of the Committee and serve at the pleasure of the Board of Directors: Messrs. Cook, Koch and Stevens. The Audit Committee held 6 meetings during the last fiscal year.

COMPENSATION COMMITTEE. This Committee establishes and oversees executive compensation policy; makes decisions about base pay, incentive pay and any supplemental benefits for the Chief Executive Officer, other members of the Executive Committee, and any other executives listed in the proxy statement as one of the five highest paid executives; and approves the grant of stock options, the timing of the grants, the price at which the options are to be offered, and the amount of the options to be granted to employee directors and officers. The following directors are members of the Committee and serve at the pleasure of the Board of Directors: Messrs. Cook, Koch, McGowan and Stevens. None of the Committee members are employees of the Company or are eligible to participate in the Company's stock option programs which are administered by the Committee. The Compensation Committee held 3 meetings during the last fiscal year.

EXECUTIVE COMMITTEE. This Committee possesses authority to exercise all of the powers of the Board of Directors in the management and direction of the affairs of the Company between meetings of the Board of Directors, subject to specific limitations and directions of the Board of Directors and subject to limitations of Maryland law. This Committee also reviews and approves all benefits and salaries of a limited group of senior executives and reviews and approves individual awards under approved stock option plans for all persons except directors and officers (see Compensation Committee). The following directors are currently members of the Committee and serve at the pleasure of the Board of Directors: Messrs. Davey, Lawless, McCormick, and Nordhoff. The Executive Committee held 18 meetings during the last fiscal year.

ATTENDANCE AT MEETINGS

During the last fiscal year, there were 11 meetings of the Board of Directors. All of the Directors were able to attend at least 90% of the total number of meetings of the Board and the Board Committees on which they served.

OTHER DIRECTORSHIPS

Certain individuals nominated for election to the Board of Directors hold directorships in other companies. Dr. Hrabowski is a director of Baltimore Gas and Electric Company, the Baltimore Equitable Society, Mercantile Shareholders Corporation and UNC, Incorporated. Mr. McGowan is a director of Baltimore Gas and Electric Company, Baltimore Life Insurance Company, Life of Maryland, Inc., NationsBank, N.A., Organization Resources Counselors, Inc., and UNC, Incorporated.

REPORT ON EXECUTIVE COMPENSATION

Compensation Policy

The Company's executive compensation philosophy is to align the interests of senior executive management with shareholder interests through compensation linked to growth in profitability and stock price performance. The principal elements of executive compensation for the Company are base salary, annual management incentive bonus, and stock options. Salary levels, annual bonus targets, and stock option grant levels are established in part on the basis of median levels of compensation expected to be paid during the fiscal year to senior executive management of companies in the manufacturing and food industries of a size comparable to that of the Company. The Company makes these determinations on the basis of, among other things, published surveys and periodic special studies conducted by independent compensation consultants. The most recent study was conducted by Sibson and Company, Inc.

Compensation Committee and Executive Committee Determinations

Salary levels of the Company's senior executive officers are reviewed annually and, where appropriate, are adjusted to reflect individual responsibilities and performance as well as the Company's competitive position within the food industry. The Compensation Committee sets base salaries by targeting midpoints of the marketplace average and adjusting each executive officer's salary to reflect individual performance, experience and contribution. The Compensation Committee considers salaries paid to senior executives at companies which are comparable to the Company (based on line of business or sales volume) in establishing base salaries for senior executive management of the Company. Those companies considered included most of the fifteen companies in the S&P Food Products Index and other manufacturing companies that are not included in that index but had similar sales volumes.

Annual Management Incentive Bonuses for members of the Executive Committee and any other executive officers identified in the Summary Compensation Table on page 11 are determined by the Compensation Committee. Bonuses for other senior management are determined by the Executive Committee. Target bonuses are established as a percentage of the midpoint of the salary range of the executive officer's grade level, and the amount of the target payable, if any, is based on the Company's financial performance. The amount of target bonuses payable to operating unit executives is based on a formula, weighted two thirds on the achievement of operating profit and working capital objectives of the executive's operating unit and one third on growth in the Company's EPS.

In 1996, the Company accomplished a complete portfolio review, including the sale of the Gilroy Foods businesses; balance sheet objectives were achieved; and the Company returned to growth in the second half of the year. As a result, the Compensation Committee approved a bonus in the amount of 60% of target to the corporate executives, since the accomplishments were consistent with goals to increase economic value added (EVA).

STOCK OPTIONS

Stock options are granted by the Compensation Committee to key management employees of the Company, including executive officers. The purpose of stock option grants is to aid the Company in securing and retaining capable employees by offering them an incentive, in the form of a proprietary interest in the Company, to join or continue in the service of the Company and to maximize their efforts to promote its economic performance. This incentive is created by granting options that have an exercise price of not less than 100% of the fair market value of the underlying stock on the date of grant, so that the employee may not profit from the option unless the Company's stock price increases. Options granted are designed to help the Company retain employees in that they are not fully exercisable in the early years and "vest" only if the employee remains with the Company. Accordingly, an employee must remain with the Company for a period of years in order to enjoy the full economic benefit of the option. The number of options granted is a function of the recipient's salary grade level.

1996 Compensation Actions - Chief Executive Officer

As a non-employee Chief Executive Officer, Mr. McCormick has a consulting agreement with the Company, which was approved by the Compensation Committee. His stipend was $47,583.33 per month during fiscal year 1996. In March 1996, Mr. McCormick was awarded stock options in the amount of 500 shares voting and 500 shares non-voting in accordance with the grants made to the other outside directors. In May 1996, he was awarded stock options in the amount of 18,750 shares voting and 6,250 shares non-voting.

At year end, the Compensation Committee approved an additional payment of $195,300 to Mr. McCormick based on the achievement of the Company's balance sheet objectives, accomplishment of a complete portfolio review, and the Company's return to growth in the second half of the year.

Mr. McCormick did not participate in the Compensation Committee's deliberations about his consulting agreement.

Due to Mr. Blattman's retirement one month after the start of the fiscal year, the Compensation Committee took no compensation actions with respect to Mr. Blattman during 1996. Mr. Blattman did, however, receive the same employee dividend payment that U. S. employees at all levels receive in the year when they retire. This payment was in the amount of $10,000 for Mr. Blattman.

1996 Compensation Actions - Other Executive Officers

Salary increases, bonuses and stock option grants for executive officers were granted in a manner consistent with those granted to other Company managers.

Submitted By:

COMPENSATION COMMITTEE	EXECUTIVE COMMITTEE
George V. McGowan, Chairman	Charles P. McCormick, Jr., Chairman
James S. Cook	Robert G. Davey
George W. Koch	Robert J. Lawless

William E. Stevens Carroll D. Nordhoff

Compensation Committee Interlocks and Insider Participation

During fiscal year 1996 the Compensation Committee was comprised of four independent outside directors. Members are James S. Cook, George W. Koch, George V. McGowan (Chairman) and William E. Stevens. No member of the Committee has any interlocking or insider relationship with the Company which is required to be reported under the applicable rules and regulations of the Securities and Exchange Commission.

At the close of fiscal year 1996, members of the Executive Committee were Robert G. Davey, Robert J. Lawless, Charles P. McCormick, Jr. (Chairman) and Carroll D. Nordhoff. All except Mr. McCormick are employees and executive officers of the Company. Mr. McCormick is a retired employee of the Company. The table beginning on page 4 of this Proxy Statement sets forth the business experience of each of the members.

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation paid by the Company and its subsidiaries for services rendered during each of the fiscal years ended November 30, 1996, 1995 and 1994 to the Chief Executive Officer of the Company and each of the four most highly compensated executive officers who were executive officers on the last day of the 1996 fiscal year, determined by reference to total annual salary and bonus for the 1996 fiscal year.

		Annual Compensation			Long Term Compensation	
Name and Principal Position	Fiscal Year	Salary ($)	Bonus ($)	Other Annual Compensation ($)	Awards Securities Underlying	All Other Compensation ($)
Charles P. McCormick, Jr.	1996	-	195,300	600,000	26,000	0
Chairman of the Board &	1995	-	6,690	226,800	1,000	0
H. Eugene Blattman	1996	33,333	10,000		0	1,539
President & Chief	1995	405,400	14,000		23,000	6,208
Executive Officer	1994	356,967	244,000		25,000	9,257
(1994 to January 1, 1996)						
James J. Albrecht	1996	259,103	34,000		13,200	3,359
Vice President -	1995	246,171	30,968		7,750	2,880
Science & Technology	1994	242,717	173,400		7,750	7,029
Robert G. Davey	1996	227,483	66,500		17,800	3,097
Executive Vice President &	1995	194,350	6,825		11,500	2,735
Chief Financial Officer	1994	134,495	60,000		4,000	2,986
Robert J. Lawless	1996	359,567	123,540		25,000	3,713
President & Chief	1995	239,567	40,031		12,250	2,736
Operating Officer	1994	192,358	150,000	38,290	4,800	6,490
Carroll D. Nordhoff	1996	255,594	63,300		21,000	3,430
Executive Vice President	1995	242,629	8,447		13,250	3,026
	1994	232,508	100,000		13,250	6,932

Includes Corporate Board of Directors Fees and Service Awards.

Amounts paid or accrued under the Company's Profit Sharing Plan for the accounts of such individuals. Figures for 1996 are estimates. The stated figure includes payments persons would have received under the Company's Profit Sharing Plan but for certain limits imposed by the Internal Revenue Code: (i) for 1996 for Messrs. Blattman, Albrecht, Davey, Lawless and Nordhoff in the amounts of $1,461, $581, $319, $935 and $652, respectively; (ii) for 1995 for Messrs. Blattman, Albrecht and Nordhoff, payments in the amounts of $3,472, $144 and $290, respectively; (iii) for 1994 for Messrs. Blattman, Albrecht and Nordhoff in the amounts of $2,439, $211 and $114, respectively.

Mr. McCormick is paid a consulting fee for services rendered to the Company. There is no amount of Other Annual Compensation that is required to be reported.

The Company paid Mr. Lawless $577 in 1994 toward the additional taxes payable by him from the inclusion in his income of travel expenses for his wife, which expenses were incurred by the Company in relocating Mr. Lawless to the United States in 1994, and in having Mr. Lawless's wife accompany him on business trips. The travel expenses of Mrs. Lawless were $23,770 in 1994.

COMPENSATION OF DIRECTORS

Corporate Board of Directors' fees were paid at the rate of $5,400 per year for each director who was an employee of the Company during the fiscal year ended November 30, 1996. Fees paid to each director who was not an employee of the Company presently consist of an annual retainer fee of $18,000 and $1,100 for each Board meeting attended and $900 for each Committee meeting attended.

On July 18, 1994, Mr. McCormick was elected as Chairman of the Board. Mr. McCormick's services in such capacity are consultative in nature. During 1996, the Company paid Mr. McCormick $47,583 per month for his services as Chief Executive Officer as well as Chairman of the Board. Mr. McCormick received an incentive payment of $195,300 for services rendered during fiscal year 1996.

PENSION PLAN TABLE

The following table shows the estimated annual benefits (on a single-life basis), including supplemental benefits, payable upon retirement (assuming retirement at age 65) to participants in the designated average compensation and years of service classifications:

Average			Years of Service		
Compensation	15 Years	20 Years	25 Years	30 Years	35 Years
$300,000	78,010	104,013	130,016	156,019	182,023
350,000	91,060	121,413	151,766	182,119	212,473
400,000	104,110	138,813	173,516	208,219	242,923
450,000	117,160	156,213	195,266	234,319	273,373
500,000	130,210	173,613	217,016	260,419	303,823
550,000	143,260	191,013	238,766	286,519	334,273
600,000	156,310	208,403	260,516	312,619	364,723

The Company's Pension Plan is non-contributory. A majority of the employees of the Company and participating subsidiaries are eligible to participate in the Plan upon completing one year of service and attaining age 21. The Plan provides benefits (which are reduced by an amount equal to 50% of the participant's Social Security benefit) based on an average of the participant's highest consecutive 60 months of compensation, excluding any cash bonuses, and length of service. In 1979, the Company adopted a supplement to its Pension Plan to provide a limited group of its senior executives with an inducement to retire before age 65. That group of senior executives will receive credit for additional service for employment after age 55. In 1983, the supplement was expanded to include a significant portion of the senior executives' bonuses in the calculation of pension benefits. The supplement was amended in 1996 to provide that if a senior executive with Company service outside the U.S. retires after serving at least his or her last three years in the U.S., all of the executive's years of Company service will be counted in calculating pension benefits. The group of senior executives includes those listed in the table on page 11.

For purposes of calculating the pension benefit, the average of the highest consecutive 60 months of compensation for Dr. Albrecht and Messrs. Blattman, Davey, Lawless, and Nordhoff as of November 30, 1996 was $421,138, $482,112, $251,923, $355,143 and $304,938, respectively. The years of credited service for Dr. Albrecht and Messrs. Blattman, Davey, Lawless, and Nordhoff as of the same date were 14, 7, 3, 6, and 26 years, respectively.

Mr. Lawless and Mr. Davey are also entitled to receive pension benefits under the registered pension plan ("RPP") offered to employees of McCormick Canada, Inc. Benefits under the RPP are based on the average of the participant's highest three consecutive years of earnings. Upon retirement the Company has agreed to pay Mr. Lawless and Mr. Davey a supplemental benefit equal to the excess, if any, of the benefit calculated under the RPP (assuming all their service at McCormick Canada and the Company had been under the RPP) over (i) the pension benefit accrued under RPP (based on his years of service with McCormick Canada) plus (ii) the benefit accrued under the Company's Pension Plan (based on years of service with the Company).

STOCK OPTIONS

During the last fiscal year, the Company has granted stock options to certain employees, including executive officers, pursuant to stock option plans approved by the Company's stockholders.

OPTION/SAR GRANTS IN LAST FISCAL YEAR

	Individual Grants				Potential Realizable Value At Assumed Annual Rates of Stock Price Appreciation For Option Term ($)		
Name	Number of Securities Underlying Options/SARs Granted (#)	% of Total Options/SARs Granted to Employees in Fiscal Year	Exercise or Base Price ($/Shares)	Expiration Date	0%	5%	10%
Charles P. McCormick, Jr.	26,000	3.6%	$22.3750	03/19/01	$0	$160,680	$355,160
H. Eugene Blattman	0	0.0%	$22.3750	03/19/01	$0	$0	$0
James J. Albrecht	13,200	1.8%	$22.3750	03/19/01	$0	$81,576	$180,312
Robert G. Davey	17,800	2.5%	$22.3750	03/19/01	$0	$110,004	$243,148
Robert J. Lawless	25,000	3.5%	$22.3750	03/19/01	$0	$154,500	$341,500
Carroll D. Nordhoff	21,000	2.9%	$22.3750	03/19/01	$0	$129,780	$286,860

In general, the stock options are exercisable cumulatively as follows: none of the shares granted during the first year of the option; not more than 50% of the shares granted during the second year of the option; and 100% of the shares granted, less any portion of such option previously exercised, at any time during the period between the end of the second year of the option and the expiration date. Approximately 372 employees of the Company were granted options under the Company's option plan during the last fiscal year.

The dollar amounts under these columns are the result of calculations at 0%, and at the 5% and 10% compounded annual rates set by the Securities and Exchange Commission, and therefore are not intended to forecast future appreciation, if any, in the price of the Company's common stock. The potential realizable values illustrated at 5% and 10% compound annual appreciation assume that the price of the Company's common stock increases $6.18 and $13.66 per share, respectively, over the 5-year term of the options. If the named executives realize these values, the Company's stockholders will realize aggregate appreciation in the price of the approximately 78 million shares of the Company's common stock outstanding as of December 31, 1996 of approximately $480 million and $1.06 billion, over the same period.

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FY-END OPTION/SAR VALUES

Name	Shares Acquired on Exercise (#)	Value Realized ($)	Number of Shares Underlying Unexercised Options/SARs at FY-End Exercisable/Unexercisable	Value of Unexercised In-the-Money Options/SARs at FY-End ($) Exercisable/Unexercisable

Charles P. McCormick, Jr.	0	$0	18,000/29,000	$11,500/$66,375
H. Eugene Blattman	17,000	$83,500	62,000/0	$115,625/$0
James J. Albrecht	10,000	$51,250	9,821/28,879	$9,642/$62,996
Robert G. Davey	0	$0	12,454/26,846	$18,942/$63,796
Robert J. Lawless	6,000	$30,750	12,836/35,214	$19,144/$83,062
Carroll D. Nordhoff	0	$0	20,531/42,969	$27,003/$92,560

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Mr. McGowan, a director of the Company, failed to file on a timely basis the Form 4 Report to the Securities and Exchange Commission to report the exercise on March 12, 1996 of an option for 1,000 shares of Common Stock and 1,000 shares of Common Stock Non-Voting of the Company and the sale of 1,500 shares of Common Stock on March 21, 1996. The transactions were reported on a Form 5 filed by Mr. McGowan on January 14, 1997.

Set forth below is a line graph comparing the yearly percent change in the Company's cumulative total shareholder return (stock price appreciation plus reinvestment of dividends) on the Company's common stock with (i) the cumulative total return of the Standard & Poor's 500 Stock Index, assuming reinvestment of dividends, and (ii) the cumulative total return of the Standard & Poor's Food Products Index, assuming reinvestment of dividends.

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN
AMONG McCORMICK & COMPANY, INCORPORATED,
S&P 500 STOCK INDEX & S&P FOOD PRODUCTS INDEX

	1991	1992	1993	1994	1995	1996
McCormick	100	140.29	116.51	97.36	124.00	132.44
S & P 500	100	118.47	130.44	131.80	180.54	230.84
S & P Food	100	115.73	106.99	112.58	144.69	183.30

Assumes $100 invested on December 1, 1991 in McCormick & Company common stock, S&P 500 Stock Index and S&P Food Products Index

Total Return Assumes Reinvestment of Dividends
Fiscal Year ending November 30

1997 EMPLOYEES STOCK PURCHASE PLAN

Since 1966 it has been the policy of the Company to make available to virtually all of its employees the opportunity to purchase shares of the Company's stock through employees stock purchase plans. Since the Board of Directors believes that these plans have been successful in achieving their purposes, a new employees stock purchase plan is being submitted to the stockholders at this time.

On January 16, 1997, the Board of Directors adopted the "1997 Employees Stock Purchase Plan," which is designed to meet the requirements of the Internal Revenue Code for employee stock purchase plans. The full text of the Plan is set forth in Exhibit A to this Proxy Statement and reference is made thereto for a complete statement of its terms and provisions. If the Plan is not approved by the required vote of stockholders, it will terminate. The Company intends to file a registration statement under the Securities Act of 1933 to register the shares subject to the Plan prior to the issuance of any securities subject to issuance under the Plan.

Participation in the Plan is limited to persons who on March 19, 1997 are employees of the Company or designated subsidiaries and, with stated exceptions, all such employees are eligible to participate. It is estimated that approximately 5,100 employees will be eligible to participate in the Plan.

Under the Plan, options are to be granted on March 19, 1997 to each eligible employee to purchase the maximum number of shares of Common Stock Non-Voting of the Company which, at the March 19, 1997 price can be purchased with approximately 10% of said employee's compensation for one year, as defined in the Plan. Payment for all shares purchased will be made through payroll deductions over a 24-month period, beginning June 1, 1997. After payroll deductions have begun, prepayment for the total shares purchasable is permitted at any time before May 31, 1999. Interest on all such amounts will accrue at the rate of 5% per year, and will be paid to the employees after completion of payment for their shares or upon prior withdrawal from the Plan. The purchase price per share is the NASDAQ National Market closing price of the Company's Common Stock Non-Voting in the over-the-counter market as reported in The Wall Street Journal for either March 19, 1997 or for the date of exercise, whichever price is lower. The closing price of the Common Stock Non-Voting as reported in The Wall Street Journal for February 3, 1997 was $24.875.

Subject to certain limitations set forth in the Plan, employees are permitted, at any time prior to May 31, 1999, to terminate or reduce their payroll deductions, to reduce their options to purchase, to exercise their options in whole or in part, or to withdraw all or part of the balance in their accounts, with interest.

The Plan also contains provisions governing the rights and privileges of employees or their representatives in the event of termination of employment, retirement, severance, lay-off, disability, death or other events.

Certificates for all shares of stock purchased under the Plan will be delivered as soon as practicable after May 31, 1999, or on such earlier date as full payment is made for all shares which the employee has elected to purchase. No employee or his or her legal representative will have any rights as a stockholder with respect to any shares to be purchased until completion of payments for all the shares and the issuance of the stock certificate.

The Plan contemplates that all funds contributed by employees will be under the control of the Company and may be used for any corporate purpose.

The Company has been advised by counsel that, under the U. S. Internal Revenue Code, if a participant who is subject to U.S. income taxation acquires stock upon the exercise of an option under the Plan, the participant will not recognize income, and the Company will not be allowed a deduction as a result of such exercise, if the following conditions are met: (i) the Plan is approved by the stockholders of the Company on or before January 15, 1998; (ii) at all times during the period beginning with the grant of the option and ending on the day three months before the date of such exercise, the participant was an employee of the Company or a subsidiary of the Company; and (iii) the participant makes no disposition of the stock within two years after the grant of the option or within one year after the transfer of the stock to the participant. In the event of a sale or other disposition of such stock by the participant after compliance with the applicable conditions set forth above, any gain realized over the price paid for the stock will be treated as long-term capital gain, and any loss will be treated as long-term capital loss, in the year of the sale. If the conditions stated in clauses (i) and (ii) are not met, the participant will recognize compensation income upon the exercise of the option. If the conditions in clauses (i) and (ii) are met, but the condition in clause (iii) is not met, the participant will recognize compensation income upon the early disposition of the stock. In either case the amount of compensation will be equal to the excess of the value of the stock on the date of exercise over the purchase price, except that in the case of a person subject to Section 16(b) of the Securities Exchange Act of 1934, the amount of compensation income will be determined based on the value of the stock on the date on which the Section 16(b) restriction lapses (and the inclusion in income of the compensation will be delayed until that time). In general, compensation income will be subject to income tax at regular income tax rates. If the participant is treated as having received compensation income, an equivalent deduction generally will be allowed to the Company or a subsidiary of the Company. For the purpose of the foregoing, an option is exercised on May 31, 1999 or such earlier date as the employee makes an irrevocable election to purchase stock. No income will result to participants upon the issuance of the options.

The Company has been further advised by counsel that the interest accrued on an employee's stock purchase account will be taxable income in the year paid or applied to the purchase of stock on behalf of such employee and an equivalent deduction will be allowed to the Company or a subsidiary of the Company.

The following table shows the estimated maximum number of shares of Common Stock Non-Voting that each listed person, and each listed group, will be entitled to acquire in accordance with the provisions of the 1997 Employees Stock Purchase Plan (based on the stock price in effect on February 3, 1997). The-Dollar Value equals the number of shares that can be acquired by each person or group multiplied by the February 3, 1997 stock price.

NEW PLAN BENEFITS

1997 Employee Stock Purchase Plan

Name and Position	Dollar Value ($)	Number of Units
James J. Albrecht Vice President - Science & Technology	$26,200	1,053
Robert G. Davey Executive Vice President & Chief Financial Officer	$27,000	1,085
Robert J. Lawless President, Chief Executive Officer & Chief Operating Officer	$47,000	1,889
Carroll D. Nordhoff Executive Vice President	$26,300	1,057
Executive Officer Group (10 persons)	$219,070	8,806
Outside Director Group (4 persons)	N/A	N/A
Non-Executive Officer/ Employee Group (approximately 5,100 persons)	$17,336,878	696,959

Messrs. Schroeder and Single and Ms. Weatherholtz, who are nominees to the Board of Directors in addition to the persons listed in the New Plan Benefits table, will receive options under the Plan to purchase the following number of shares of Common Stock Non-Voting: Mr. Schroeder, 964 shares, Mr. Single, 770 shares and Ms. Weatherholtz, 663 shares. Director nominees who are not employees of the Company are not eligible to participate in the Plan. No person will receive options for as much as 5% of the shares subject to the Plan.

The Plan contemplates that the Company will make available sufficient shares of its Common Stock Non-Voting to allow each eligible employee to elect to purchase the full number of shares covered by the options granted. On the basis of the closing price of the shares of the Company's Common Stock Non-Voting on February 3, 1997, it is estimated that a maximum of 705,766 shares will be required if each eligible employee elects to participate to the full extent of his or her option. The Plan provides for adjustments in the case of certain changes in the Company's capital structure.

REQUIRED VOTE OF STOCKHOLDERS. The favorable vote of at least a majority of the shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present is required for the approval of the Plan.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE APPROVAL OF THE PLAN.

1997 STOCK OPTION PLAN

The Company's stock option plans are designed to provide an incentive to officers and other key employees to enhance the identity of their interests with the interests of stockholders and to increase their stake in the future growth and prosperity of the Company. The plans are also intended to induce the continued employment of those employees and to enable the Company to attract and retain key executives. Since the Board of Directors believes that these plans have been successful in achieving their purposes, a new stock option plan is being submitted to the stockholders at this meeting.

On January 16, 1997, the Board of Directors of the Company adopted the "1997 Stock Option Plan" which permits the grant of "incentive stock options," which are designed to meet the requirements of the Internal Revenue Code, and other stock options. The full text of the Plan is set forth as Exhibit B to this Proxy Statement, and reference is made thereto for a complete statement of its terms and conditions. Adoption of the Plan by the Board of Directors is subject to the approval of the stockholders of the Company. If the Plan is not so approved by the required vote of stockholders, it will terminate, and all options granted thereunder will be canceled. On or about March 20, 1997, the Company intends to file a registration statement under the Securities Act of 1933 to register the shares of stock subject to the Plan.

A total of 3,750,000 shares of Common Stock and 1,250,000 shares of Common Stock Non-Voting may be issued under the terms of the Plan. No option may be granted under the Plan to any optionee for more than 350,000 shares of stock. The number of shares issuable under the Plan is subject to adjustment in the event of certain changes in the Company's capital structure.

The Board of Directors has the power to administer the Plan and select employees to receive options thereunder. The Board may delegate its powers and functions in these respects to a committee.

The Compensation Committee will review and approve the grant of options pursuant to the Company's stock option plans to the Company's directors and officers. The Executive Committee reviews and approves the grant of options to all other option plan participants. No option may be granted after January 15, 2007, although options may extend past that date.

The option price cannot be less than 100% of the market value of the optioned stock on the date the option is granted. In fixing market value, the Board uses the NASDAQ National Market closing price of the common stock as reported for the day of granting the option. The closing price for the stock as reported in The Wall Street Journal for February 3, 1997, was $24.875. Payment of the option price may be in cash or Company stock. The law currently provides, and on the date of adoption of the Plan the law provided, that to the extent that the aggregate fair market value of stock (determined at the time the option is granted) with respect to which incentive stock options are exercisable for the first time by any individual during any calendar year exceeds $100,000, such options shall be treated as options which are not incentive stock options. No option shall be granted for a period in excess of ten years. In the event of termination of employment for reasons other than retirement, disability or death, the options expire unless they are exercised within 30 days following such termination. Options are not transferable otherwise than by will or under the laws of descent and distribution. Recipients of options are required to remain in the employ of the Company for a period of time, not less than one year, as specified in the option agreements.

The Company has been advised by counsel that, under the U. S. Internal Revenue Code, if a holder of an incentive stock option who is subject to U. S. income taxation acquires stock upon the exercise of his option, no income will result to the option holder upon such exercise, and the Company will be allowed no deduction as a result of such exercise, if the following conditions are met: (i) the Plan is approved by the stockholders of the Company on or before January 15, 1998; (ii) the option holder, when the option is granted, does not own, actually or constructively, stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any subsidiary of the Company; (iii) at all times during the period beginning with the grant of the option and ending on the day three months (one year, if the option holder is totally and permanently disabled) before the date of such exercise, the option holder was an employee of the Company or of a subsidiary of the Company; and (iv) the option holder makes no disposition of the stock within two years after the grant of the option or within 12 months after the transfer of the stock to him. In the event of a sale of such stock by the option holder after compliance with the applicable conditions set forth above, any gain realized on the shares acquired through exercise of the option will be treated as long-term capital gain, and any loss will be treated as long-term capital loss, in the year of the sale. The excess of the value of the stock on the date of exercise over the option price may, under certain circumstances, be subject to the alternative minimum tax. If the option holder fails to comply with conditions (i), (ii) and (iii) above, he will be treated as having received compensation on the date of exercise equal to the excess of the value of the stock on that date over the option price; under certain conditions, a person subject to Section 16(b) of the Securities Exchange Act of 1934 will be treated as having received compensation on the date on which the Section 16(b) restriction lapses unless he elects, within 30 days of the date of exercise, to use the value on the date of exercise. If the option holder complies with conditions (i), (ii) and (iii) above, but fails to comply with condition (iv) above by disposing of the stock in an arms-length sale within either the two-year or twelve-month period referred to in condition (iv) the option holder will recognize compensation income in the year of the disposition equal to the excess of the value of the stock on the exercise date (or, if less, the amount realized in the sale) over the option price. If the amount realized on the sale exceeds the value of the stock on the exercise date, the option holder will recognize a capital gain equal to the amount realized on the sale less his tax basis (the option price plus the compensation realized as a result of exercising the option). If the option holder is treated as having received compensation, an equivalent deduction generally will be allowed to the Company or a subsidiary of the Company.

The Company has been further advised by counsel that, except as provided below for persons subject to Section 16(b) of the Securities Exchange Act of 1934, upon the exercise of an option other than an incentive stock option, the option holder is treated for U. S. federal income tax purposes as receiving compensation income at that time equal to the excess of the value of the stock on that date over the option price. In the case of a person subject to Section 16(b), however, under certain conditions, the option holder's compensation will be calculated based on the value of the stock on the date on which the Section 16(b) restriction lapses unless he elects, within 30 days of the date of exercise, to use the value on the date of exercise. A deduction equivalent to the compensation realized by the option holder generally will be allowed to the Company or a subsidiary of the Company. The optionee's basis in such stock will include his option price plus the amount of compensation income realized as a result of exercise. When the optionee sells the stock, he will recognize a long-term capital gain or loss if, at the time of the sale, he has held the stock for more than twelve months from the date of compensation recognition. If the optionee has held such stock for twelve months or less, his capital gain or loss will be short-term.

Section 162(m) of the Internal Revenue Code imposes a one million dollar limit on the compensation that the Company may deduct in any year with respect to its chief executive officer and with respect to each of its other four most highly-compensated officers. Performance-based compensation, however, is not subject to this limitation, and the Plan is designed to permit the grant of options that qualify as performance-based compensation.

The Board of Directors may terminate, suspend or amend the Plan in whole or in part from time to time. The Board of Directors may also separate the Plan into two plans, one for directors and officers (administered by the Compensation Committee) and one for all other Plan participants (administered by the Executive Committee). No action, however, shall be taken without the approval of the stockholders of the Company to increase the maximum number of shares to be offered for sale under options, change the option price, change the class of participants eligible to receive options or extend the term of the Plan. Section 15 of the Plan, set forth in Exhibit B, contains a complete description of how the Plan may be amended.

REQUIRED VOTE OF STOCKHOLDERS The favorable vote of at least a majority of shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present is required for approval of the Plan.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF THE PLAN.

RATIFICATION OF APPOINTMENT OF AUDITORS

The Board of Directors, upon recommendation of the Audit Committee, has appointed the accounting firm of Ernst & Young LLP to serve as the independent auditors of the Company for the current fiscal year subject to ratification by the stockholders of the Company. Ernst & Young LLP were first appointed to serve as independent auditors of the Company in 1982 and are considered by management of the Company to be well qualified.

Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting. They will have an opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

REQUIRED VOTE OF STOCKHOLDERS. The favorable vote of at least a majority of the shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present is required for ratification of the appointment of independent auditors.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR RATIFICATION.

OTHER MATTERS

Management knows of no other matters which may be presented for consideration at the meeting. However, if any other matters properly come before the meeting, it is the intention of the persons named in the proxy to vote such proxy in accordance with their judgment on such matters.

VOTING PROCEDURES

Each matter submitted to the stockholders for a vote is deemed approved if a majority of the shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present votes in favor of the matter. The presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at the meeting constitutes a quorum.

Stockholder votes are tabulated manually by the Company's Shareholder Relations Office. Broker non-votes are neither counted in establishing a quorum nor voted for or against matters presented for stockholder consideration; proxy cards which are executed and returned without any designated voting direction are voted in the manner stated on the proxy card. Abstentions and broker non-votes with respect to a proposal are not counted as favorable votes, and therefore have the same effect as a vote against the proposal.

STOCKHOLDER PROPOSALS FOR 1998 ANNUAL MEETING

Proposals of stockholders to be presented at the 1998 Annual Meeting must be received by the Secretary of the Company prior to October 18, 1997 to be considered for inclusion in the 1998 proxy material.

EXHIBIT A

McCORMICK & COMPANY, INCORPORATED

1997 EMPLOYEES STOCK PURCHASE PLAN

SECTION 1 - PURPOSE

The purpose of this Plan is to afford to employees of McCormick & Company, Incorporated and designated subsidiaries (namely, McCormick Canada, Inc., Mojave Foods Corporation, Setco, Inc., and Tubed Products, Inc.) (the "Corporations") an opportunity to acquire shares of Common Stock Non-Voting of McCormick & Company, Incorporated (the "Company") pursuant to options to purchase granted by this Plan to them.

SECTION 2 - NUMBER OF SHARES OFFERED

The offering pursuant to this Plan is for a number of shares of the Company's Common Stock Non-Voting sufficient to allow each employee to elect to purchase the full number of shares purchasable pursuant to the terms of Section 6 of this Plan.

SECTION 3 - ELIGIBLE EMPLOYEES

All persons who on March 19, 1997, are employees of the Corporations will be eligible to participate in this Plan, except for the following who shall not be eligible:

(a) Any employee whose customary employment as of March 19, 1997, was 16 hours or less per week or for not more than 4 months during the calendar year;

(b) Any employee who, immediately after March 19, 1997, would own (as defined in the Internal Revenue Code, Sections 423 and 424(d)) stock, and/or hold outstanding options to purchase stock, possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or of any subsidiary;

(c) Any employee whose grant of an option hereunder would permit his rights to purchase stock under this Plan and under all other employee stock purchase plans, if any, of the Company or its subsidiaries to accrue at a rate which exceeds $25,000 of the fair market value of such stock (determined at the time such option is granted) for each calendar year in which such option is outstanding at any time; and

(d) Any employee residing in a state where the offer or sale of the shares provided by this Plan is not authorized or permitted by applicable state law.

SECTION 4 - EFFECTIVE DATE

The options under this Plan are granted as of March 19, 1997, subject to approval of this Plan by the stockholders of the Company within 12 months of its adoption by the Board of Directors.

SECTION 5 - PURCHASE PRICE

The purchase price for all shares shall be the NASDAQ National Market closing price of the Company's Common Stock Non-Voting on the over-the-counter market as reported in The Wall Street Journal either:

(a) For March 19, 1997 (which is the date of the grant), or

(b) For the date such option is exercised, whichever price is lower.

SECTION 6 - NUMBER OF SHARES PURCHASABLE

Each eligible employee is, by the terms of this Plan, granted an option to purchase a maximum number of shares of Common Stock Non-Voting of the Company (increased by any fractional amount required to make a whole share) which, at the purchase price, as determined in accordance with Section 5(a), will most closely approximate 10% of his compensation for one year, as below defined. Notwithstanding any other provision of this Plan, no employee may elect to purchase less than five shares nor may any options be exercised for less than five shares.

Such compensation for one year shall be deemed to be the base wage paid to such employee by the Corporations. The base wage for such employee shall be computed as follows:

(a) The straight-line hourly base wage rate of such employee in effect on March 19, 1997, multiplied by 2080 hours (40 hours per week multiplied by 52 weeks), or by such number as the Company deems to constitute the number of hours in a normal work year for such employee; or

(b) The salary of such employee in effect on March 19, 1997, annualized.

SECECTION 7 - ELECTION TO PURCHASE AND PAYROLL DEDUCTION

No later than April 28, 1997, an eligible employee may elect to purchase all or part of the shares which he is entitled to purchase under Section 6. Such election shall be made by the execution and delivery to the Corporations of an approved written form authorizing uniform periodic payroll deductions over a two-year period beginning June 1, 1997, in such amounts as will in the aggregate (exclusive of interest which, it is contemplated, will be paid to the employee at the end of such period) equal the total option price for all of the shares covered by this election to purchase. If an employee fails to make such election by April 28, 1997, the option provided by this Plan shall terminate on that date. Except as otherwise provided in the Plan, after payroll deductions have begun, prepayment for the total shares purchasable will be permitted at any time prior to May 31, 1999. In the event an employee makes such prepayment, there shall be no payroll deductions under the Plan on behalf of said employee after such prepayment.

SECTION 8 - INTEREST ON PAYROLL DEDUCTIONS

The Company and participating subsidiaries will maintain a record of amounts credited to each employee authorizing a payroll deduction pursuant to Section 7. Interest will accrue on payroll deductions beginning June 1, 1997, on the average balance of such deductions during the period of this Plan at the rate of 5% per year. Such interest shall be payable to the employee on or about May 31, 1999, or at such time as said employee may for any reason terminate his election to purchase shares under this Plan, or at such time as said employee exercises his option to purchase stock under the Plan and provides or pays in full the sum necessary to purchase such shares.

SECTION 9 - CHANGES IN ELECTIONS TO PURCHASE

An employee may, at any time prior to May 31, 1999, by written notice to the Corporations, direct the Corporations to reduce or cease payroll deductions (or, if the payment for shares is being made through periodic cash payments, notify the Corporations that such payments will be reduced or terminated) or withdraw part or all of the money in his account and continue payroll deductions, in accordance with the following alternatives:

(a) Exercise his option to purchase the number of shares which may be purchased at the purchase price with all or any specified part of the amount (including interest) then credited to his account, and withdraw any amount (including interest) remaining in such account; or

(b) Reduce the amount of his subsequent payroll deductions (or periodic cash payments) and/or withdraw all or any specified part of the amount then credited to his account, in which event his option to purchase shall be reduced to the number of shares which may be purchased, at the March 19, 1997 price, with the amount, if any, remaining in his account (exclusive of interest) plus the aggregate amount of the authorized payroll deductions (or periodic cash payments) to be made thereafter; or

(c) Withdraw the amount (including interest) in his account and terminate his option to purchase

An employee may make only one withdrawal of all or part of his account and continue his payroll deductions. If the employee thereafter wishes to withdraw any funds from his account, he must withdraw the entire amount (including interest) in his account and terminate his option to purchase.

Any reduction made in the number of shares subject to an option to purchase is subject to the provisions of Section 6 and shall be permanent.

SECTION 10 - VOLUNTARY TERMINATION OF EMPLOYMENT OR DISCHARGE

In the event an employee voluntarily leaves the employ of the Corporations, otherwise than by retirement under a plan of the Corporations, or is discharged for cause prior to May 31, 1999, he can elect within 10 days after termination of his employment to:

(a) Exercise his option to purchase the number of shares which may be purchased at the purchase price with all or any specified part of the amount (including interest) then credited to his account, and withdraw any amount (including interest) remaining in such account; or

(b) Withdraw the amount (including interest) in his account and terminate his option to purchase; or

(c) Exercise his option up to the number of shares purchasable under this Plan (Section 6) with full payment for such shares.

If the employee fails to make an election within 10 days after termination of employment, he shall be deemed to have elected subsection 10(b) above.

SECTION 11 - RETIREMENT OR SEVERANCE

In the event an employee who has an option to purchase shares leaves the employ of the Corporations on or after March 19, 1997, because of retirement under a plan of the Corporations, or because of termination of his employment by the Corporations for any reason except discharge for cause, he may elect, within 10 days after the date of such retirement or termination, to:

(a) In the event of retirement only, continue his option to purchase shares by making periodic cash payments to the Corporations in amounts equal to the payroll deductions previously authorized; or

(b) Exercise his option for the number of shares which may be purchased at the purchase price with all or any specified part of the amount (including interest) then credited to his account, and withdraw any amount (including interest) remaining in such account; or

(c) Exercise his option up to the number of shares purchasable under this Plan (Section 6) with full payment for such shares within said 10 day period; or

(d) Withdraw the amount (including interest) in his account and terminate his option to purchase.

In the event the employee does not make an election within the aforesaid 10 day period, he will be deemed to have elected subsection 11(d) above.

SECTION 12 - LAY-OFF, AUTHORIZED LEAVE OF ABSENCE OR DISABILITY

Payroll deductions for shares for which an employee has an option to purchase may be suspended during any period of absence of the employee from work due to lay-off, authorized leave of absence or disability or, if the employee so elects, periodic payments for such shares may continue to be made in cash.

If such employee returns to active service prior to May 31, 1999, his payroll deductions will be resumed and if said employee did not make periodic cash payments during his period of absence, he shall, by written notice to his employing Corporation within 10 days after his return to active service, but not later than May 31, 1999, elect:

(a) To make up any deficiency in his account resulting from a suspension of payroll deductions by an immediate cash payment; or

(b) Not to make up such deficiency, in which event the number of shares to be purchased by him shall be reduced to the number of whole shares which may be purchased at the March 19, 1997 price, with the amount, if any, then credited to his account (including interest) plus the aggregate amount, if any, of all payroll deductions to be made thereafter; or

(c) Withdraw the amount (including interest) in his account and terminate his option to purchase.

An employee on lay-off, authorized leave of absence or disability on May 31, 1999, shall deliver written notice to his employing Corporation on or before May 31, 1999, electing one of the alternatives provided in the foregoing clauses (a), (b) and (c) of this Section 12. If any employee fails to deliver such written notice within 10 days after his return to active service or by May 31, 1999, whichever is earlier, he shall be deemed to have elected subsection 12(c) above.

If the period of an employee's lay-off, authorized leave of absence or disability shall terminate on or before May 31, 1999, and the employee shall not resume active employment with the Corporations, he shall make an election in accordance with the provisions of Section 10 of this Plan.

SECTION 13 - DEATH

In the event of the death of an employee while his option to purchase shares is in effect, the legal representatives of such employee may, within 90 days after his death (but not later than May 31, 1999) by written notice to the employing Corporation, elect to:

(a) Make up any deficiency in such employee's account occurring after his death or by reason of his prior illness and to continue to make periodic cash payments for the remainder of the period ending May 31,1999; or

(b) Withdraw the amount (including interest) in his account and terminate his option to purchase; or

(c) Exercise the employee's option for the number of shares which may be purchased at the purchase price with all or any specified part of the amount (including interest) then credited to his account, and withdraw any amount (including interest) remaining in such account; or

(d) Exercise his option up to the number of shares purchasable under this Plan (Section 6) with full payment for such shares.

In the event the legal representatives of such employee fail to deliver such written notice to the employing Corporation within the prescribed period, the election to purchase shares shall terminate and the amount, including interest, then credited to the employee's account shall be paid to such legal representatives.

SECTION 14 - FAILURE TO MAKE PERIODIC CASH PAYMENTS

Under any of the circumstances contemplated by this Plan, where the purchase of shares is to be made through periodic cash payments in lieu of payroll deductions, the failure to make any such payments shall reduce, to the extent of the deficiency in such payments, the number of shares purchasable under this Plan.

SECTION 15 - FUNDS IN STOCK OPTION ACCOUNTS

Amounts credited to the employee's account shall be under the control of the Company and may be used for any corporate purpose. Amounts credited to the accounts of employees of subsidiaries of the Company named in Section 1 of this Plan shall be remitted to the Company from time to time. The amount, exclusive of interest, credited to the account of each employee shall be applied to pay for shares purchased by such employee and any amount not used for this purpose shall be repaid to the employee by the Company.

SECTION 16 - RIGHTS AS STOCKHOLDER

No employee, former employee, or his representatives shall have any rights as a stockholder with respect to any shares of stock which any employee has elected to purchase under this Plan until full payment for all shares has been made and a certificate for such shares has been issued. Certificates for shares will be issued as soon as practicable after full payment for such shares has been made. However, certificates for shares will not be issued prior to approval of the Plan by the stockholders of the Company.

SECTION 17 - NON-ASSIGNABILITY

No assignment or transfer by any employee, former employee or his legal representatives of any option, election to purchase shares or any other interest under this Plan will be recognized; any purported assignment or transfer, whether voluntary or by operation of law (except by will or the laws of descent and distribution), shall have the effect of terminating such option, election to purchase or other interest. An employee's option and election to purchase shall be exercisable only by him during his lifetime and upon his death, by his legal representative in accordance with Section 13. If an election to purchase is terminated by reason of the provisions of this Section 17, the only right thereafter continuing shall be the right to have the amount then credited to the employee's account, including interest, paid to the employee or other person entitled thereto, as the case may be.

SECTION 18 - EFFECT OF CHANGES IN SHARES

In the event of any change in the capital stock of the Company through merger, consolidation or reorganization, or in the event of any dividend to holders of shares of the Common Stock Non-Voting of the Company payable in stock of the same class in an amount in excess of 2% in any year, or in the event of a stock split, or in the event of any other change in the capital structure of the Company, the Company will make such adjustments with respect to the shares of stock subject to this offering as it deems equitable to prevent dilution or enlargement of the rights of participating employees.

SECTION 19 - ADMINISTRATION; MISCELLANEOUS

(a) The Compensation Committee of the Company (the "Committee") or such employee or employees as they may designate, shall be responsible for the administration of this Plan, including the interpretation of its provisions, and the decision of the Committee or of such other employee or employees with respect to any question arising under the Plan shall be final and binding for all purposes.

(b) Uniform policies shall be pursued in the administration of this Plan and there shall be no discrimination between particular employees or groups of employees. The Committee, or such employee or employees as they may designate to administer this Plan, shall have the authority, which shall be exercised without discrimination, to make exceptions to the provisions of this Plan under unusual circumstances where strict adherence to such provisions would work undue hardship.

(c) The Company may allow a reasonable extension of the time within which an election to purchase shares under this Plan shall be made, if it shall determine there are circumstances warranting such action, in which event such extension shall be made available on a uniform basis to all employees similarly situated; provided that in no event shall the period for payroll deductions be extended beyond May 31, 1999.

SECTION 20 - AMENDMENT AND DISCONTINUANCE

The Board of Directors of the Company may alter, suspend or terminate the Plan; provided, however, that, except to conform the Plan from time to time to the requirements of the Internal Revenue Code with respect to employee stock purchase plans, no action of the Board shall increase the period during which this Plan shall remain in effect, or further limit the employees of the Corporations who are eligible to participate in the Plan, or increase the maximum period during which any option granted under the Plan may remain unexercised, or (other then as set forth in Section 18 above) increase the number of shares of stock to be optioned under the Plan or reduce the purchase price per share, with respect to the shares optioned or to be optioned under the Plan, or without the consent of the holder of the option, otherwise alter or impair any option granted under the

Plan.

EXHIBIT B

McCORMICK & COMPANY, INCORPORATED

1997 STOCK OPTION PLAN

SECTION 1 - ADMINISTRATION

(a) Subject to paragraph (b) of this Section, this Plan shall be administered by the Board of Directors at the principal office of the Company; provided that the Board of Directors, any or all of the powers conferred upon the Board of Directors under this Plan, except the approval of the total number of shares to be optioned at any one time and except any powers which under the applicable Maryland law may not be delegated by the Board of Directors. Except as limited by the Board of Directors, and subject to paragraph (b) of this Section, the Executive Committee is authorized to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it, and to make all other determinations necessary or advisable for its administration.

(b) The grant of options or shares of stock pursuant to the Company's stock option plans for the Company's directors and officers shall be administered by the Compensation Committee. All determinations with respect to which officers and directors may be awarded grants of options, the timing of the grants, and the amount of options to be granted to officers and directors, and other decisions arising out of the administration of the Plan with respect to directors and officers, shall be made by the Compensation Committee, and all references in this Plan document to the authority of the Board of Directors in these specified areas shall be deemed to refer to the Compensation Committee. The review and approval of individual awards under this Plan for all persons except directors and officers shall be made by the Executive Committee, or another committee designated by the Board of Directors. In the event the Board of Directors deems it necessary in the future to separate the Plan into two plans, one for directors and officers (administered by the Compensation Committee) and one for all other Plan participants (administered by the Executive Committee) then the Board of Directors shall have the authority to so act, without the need for further shareholder approval.

SECTION 2 - SHARES SUBJECT TO THE PLAN

The Board, from time to time, may provide for the option and sale in the aggregate of up to three million, seven hundred fifty thousand (3,750,000) shares of Common Stock and one million two hundred and fifty thousand (1,250,000) shares of Common Stock Non-Voting of this Corporation. If an option ceases to be exercisable in whole or in part by reason of expiration of the term of the option or upon or following termination of employment of the optionee, the shares which are subject to such option but as to which the option has not been exercised shall continue to be available under the Plan. Shares shall be made available from authorized and unissued stock.

SECTION 3 - TYPES OF OPTIONS

The Board may grant stock options which constitute "incentive stock options" ("ISOs") within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, or stock options which do not constitute ISOs ("NQSOs"). Each ISO shall be designated as an ISO in the agreement evidencing the option. If the agreement does not contain a designation that it is an ISO, it shall not be an ISO.

SECTION 4 - PARTICIPANTS

The Board shall determine and designate from time to time those key employees of this Corporation and its subsidiary companies (herein collectively referred to as the Company) to whom options shall be granted and who thereby become participants in the Plan and the number of shares to be covered by each option.

SECTION 5 - ALLOTMENT OF SHARES

The Board shall determine the number of shares to be offered from time to time to each participant pursuant to the options granted under this Plan. The law currently provides, and on the date of adoption of the Plan the law provided, that to the extent that the aggregate fair market value of stock (determined at the time the option is granted) with respect to which ISOs are exercisable for the first time by any individual during any calendar year (under all plans of the employer corporation and its parent and subsidiary corporations) exceeds $100,000, such options shall be treated as options which are not ISOs. Notwithstanding anything contained herein to the contrary, the maximum number of shares to be optioned to any participant under an ISO, NQSO, or any combination thereof, shall not exceed three hundred fifty thousand (350,000) shares of Common Stock and/or Common Stock Non-Voting in the aggregate. No option may be granted under the Plan after ten (10) years from the earlier of the date the Plan is approved by the Board or by the Corporation's stockholders.

SECTION 6 - OPTION PRICE

The option price per share for options granted hereunder shall be determined by the Board and shall in no instance be less than 100% of the fair market value on the date the options are granted.

SECTION 7 - OPTION PERIOD AND LIMITATIONS UPON EXERCISE OF OPTIONS

The period during which an option may be exercised shall be determined by the Board, except that no option shall be exercisable after the expiration of ten (10) years from the date of the granting thereof. Options granted under the Plan may be exercised regardless of whether previously granted options have been exercised in full or have expired by lapse of time. The Board shall specify a period of time during which the participant must be an employee of the Company, such period of time to be no less than one (1) year from the date the option is granted. An option may be exercised in full at any time, or from time to time in part, during the option period subject to such limitations and restrictions as may be included in the option, including provisions insuring compliance with all applicable laws and regulations pertaining to the sale of these securities.

SECTION 8 - EXERCISE OF OPTIONS AND PAYMENT FOR STOCK

The option may be exercised by sending a written notice to the Company to the attention of the Office of the Secretary together with payment in full for the stock. Payment for the stock may be in the form of stock of this Corporation, taken into account at its fair market value at the time of payment, or cash. Upon receipt of notice and payment, the Company shall be obligated to have the stock transferred to the optionee. A participant shall have none of the rights of a shareholder until shares are issued to him.

SECTION 9 - TERMINATION OF EMPLOYMENT

Subject to Sections 10, 11, and 12, the right to exercise an option shall terminate thirty (30) days after a participant ceases to be an employee.

SECTION 10 - RIGHTS IN THE EVENT OF RETIREMENT

If a participant retires prior to the expiration of his options without having fully exercised his options, he shall have the right to exercise his options up until their expiration date. If a participant dies after retirement, but before expiration of the option, Section 12 hereof shall be applicable.

SECTION 11 - RIGHTS IN THE EVENT OF DISABILITY

If a participant ceases to be an employee on account of total and permanent disability without having fully exercised his options, he shall have the right to exercise his options up until their expiration date. If a participant dies after becoming totally and permanently disabled, but before expiration of the option , Section 12 hereof shall be applicable.

SECTION 12 - RIGHTS IN THE EVENT OF DEATH

If a participant dies prior to termination of the right to exercise his option without having fully exercised his option, the executors, administrators or personal representatives or legatees or distributes of his estate shall have the right, prior to the expiration of the term of the option, to exercise such option in full at any time or from time to time in part.

SECTION 13 - EFFECT OF CHANGE IN STOCK SUBJECT TO THE PLAN

In the event there is any change in the Common Stock or Common Stock Non-Voting of the Corporation through the declaration of stock dividends, or through recapitalization resulting in stock splits or combinations or exchanges of shares, or otherwise, the number of shares available for option and the shares subject to any option and the option price shall be appropriately adjusted; provided, however, in such cases, fractional parts of shares will be disregarded.

SECTION 14 - NON-ASSIGNABILITY

Options shall not be transferable other than by will or by the laws of descent and distribution, and during a participant's lifetime are exercisable only by him.

SECTION 15 - AMENDMENT

The Board may terminate, suspend, or amend the Plan in whole or in part from time to time, including the adoption of amendments deemed necessary or desirable to qualify the options under the Internal Revenue Code and under rules and regulations promulgated by the Securities and Exchange Commission with respect to employees who are subject to the provisions of Section 16 of the Securities and Exchange Act of 1934, or to correct any defect or supply an omission or reconcile any inconsistency in the Plan or in any option granted thereunder, or to separate the Plan into two separate plans (in accordance with the provisions of Section 1) without the approval of the stockholders of the Company; provided, however; that no action shall be taken without the approval of the stockholders of the Company to increase the maximum number of shares to be offered for sale under options in the aggregate or to any individual employee (except in accordance with the provisions of Section 13), change the option price, change the class of participants eligible to receive such options under the Plan, or extend the term of the Plan. No amendment or termination or modification of the Plan shall in any manner affect any option theretofore granted without the consent of the optionee, except that the Board may amend or modify the Plan in a manner that does affect options theretofore granted upon a finding by the Board that such amendment or modification is in the best interest of the holder of outstanding options affected thereby.

SECTION 16 - EFFECTIVE

This Plan shall become effective immediately upon adoption of the Board of Directors; provided, however, that it will be subject to approval by the stockholders, which approval must be obtained within twelve months of the date of the Board of Directors' adoption of this Plan, and any options granted hereunder prior to such approval by the stockholders shall include a provision to the effect that no such option may be exercised prior to stockholders approval of this Plan.

PROXY CARD

McCORMICK & COMPANY, INCORPORATED
PROXY SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints Charles P. McCormick, Jr., Robert J. Lawless and Richard W. Single, Sr. and each of them, the proxies of the undersigned, with several power of substitution, to vote all shares of Common Stock which the undersigned is entitled to vote at the Annual Meeting of Stockholders to be held on March 19, 1997, and at any and all adjournments thereof, in accordance with the following ballot and in accordance with their best judgment in connection with such other business as may properly come before the Meeting:

1. ELECTION OF DIRECTORS

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE FOLLOWING NOMINEES:

J. J. Albrecht, J. S. Cook, R.G. Davey, F. A. Hrabowski, III, R.J. Lawless, C. P. McCormick, Jr., G. V. McGowan, C. D. Nordhoff, R.W. Schroeder, R. W. Single, Sr., W. E. Stevens, K. D. Weatherholtz

FOR all nominees listed above
WITHHELD for all nominees listed above
WITHHELD as to the following nominees only:________________

2. PROPOSAL TO APPROVE THE 1997 EMPLOYEES STOCK PURCHASE PLAN.
THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSAL.
FOR AGAINST ABSTAIN

3. PROPOSAL TO APPROVE THE 1997 STOCK OPTION PLAN.
THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSAL
FOR AGAINST ABSTAIN

4. RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITORS.
THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION.
FOR AGAINST ABSTAIN

5. IN THEIR DISCRETION, the proxies are authorized to vote on such other matters as may properly come before the Meeting.

IN THE ABSENCE OF SPECIFIC INSTRUCTIONS APPEARING ON THE PROXY, PROXIES WILL BE VOTED FOR THE ELECTION OF DIRECTORS, FOR THE APPROVAL OF THE PROPOSALS SET FORTH HEREIN, AND IN THE BEST DISCRETION OF THE PROXIES AS TO ANY OTHER MATTERS WHICH THE PROXIES DO NOT KNOW A REASONABLE TIME BEFORE THE SOLICITATION ARE TO BE PRESENTED AT THE MEETING, OR AS MAY OTHERWISE PROPERLY COME BEFORE THE MEETING.

Dated: ___________________, 1997
____

(Please sign as name(s) appear at left. Ifjoint account, both owners should sign)

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12-MOS
NOV-30-1996
NOV-30-1996
22,418
0
221,022
3,527
245,089
534,412
693,794
293,400
1,326,609
499,302
291,194
0
0
161,030
289,013
1,326,609
1,732,506
1,732,506
1,128,032
511,183
(2,254)
0
33,811
61,734
23,871
43,475
6,249
(7,806)
0
41,918
.52
.52