SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

Form 10-Q

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

For Quarter Ended FEBRUARY 28, 2002 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, P.O. BOX 6000, SPARKS, MD	21152-6000
(Address of principal executive offices)	(Zip Code)

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

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 filing requirements for the past 90 days. Yes X No

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

	Shares Outstanding February 28, 2002
Common Stock	15,933,818
Common Stock Non-Voting	123,280,360

PART I - FINANCIAL INFORMATION

ITEM 1 FINANCIAL STATEMENTS

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
(in thousands except per share amounts)

	Three Months Ended Feb. 28, 2002	Feb. 28, 2001
Net sales	$518,906	$499,447
Cost		

of goods sold
333,655
329,818 -----
--- --------
Gross profit
185,251
169,629
Selling,
general and
administrative
expense
132,786
124,690
Special
charges 367 -
-------- ----

Operating
income 52,098
44,939
Interest
expense
11,063 14,287
Other income,
net 1,047 973
-------- ----
---- Income
before income
taxes 42,082
31,625 Income
taxes 13,246
10,468 ------
-- --------
Net income
from
consolidated
operations
28,836 21,157
Income from
unconsolidated
operations
5,678 6,079
Minority
interest
(673) (650) -
-------- ----
----- Net
income $
33,841 $
26,586
========
========
Earnings per
common share
- Basic Net
income $0.24
$0.19
========
======== Net
income
excluding
goodwill
(note 7)
$0.24 $0.22
========
========
Earnings per
common share
- assuming
dilution Net
income $0.24
$0.19
========
======== Net
income
excluding
goodwill
(note 7)
$0.24 $0.21
========
======== Cash

dividends declared per common share $0.105 $0.10
========= ========
Basic and diluted earnings per common share and cash dividends declared per common share have been adjusted for the stock split that was effective April 8, 2002. See notes to condensed consolidated financial statements.
(1) McCORMICK & COMPANY, INCORPORATED CONDENSED CONSOLIDATED BALANCE SHEET (in thousands)
Feb. 28, Feb. 28, Nov. 30, 2002 2001 2001 -------- -------- -------- ASSETS (Unaudited) (Unaudited)
Current Assets Cash and cash equivalents $ 62,181 $ 31,292 $ 31,331
Accounts receivable, net 269,894 264,118 295,539
Inventories Raw materials and supplies 116,207 126,396 117,988
Finished products and work-in process 165,675 158,560 160,085 -------- --------- --------
281,882 284,956 278,073
Other current assets 31,282 20,672 30,857 ------- --------- --------
Total current assets 645,239 601,038

635,800 ------- ---------

Property, plant and equipment 917,309 802,266 887,318 Less: Accumulated depreciation (474,754) (420,500) (462,869) --------- --------- --------
Total property, plant and equipment, net 442,555 381,766 424,449 ------- ---------
----
Goodwill, net 450,659 467,407 458,800 Intangible assets, net 5,793 6,032 5,842 Prepaid allowances 125,348 116,260 99,263 Investments and other assets 149,091 116,623 147,870 ------- ---------
----
Total assets $1,818,685 $1,689,126 $1,772,024 ========== ========= ==========
LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities Short-term borrowings $295,142 $252,947 $209,843 Current portion of long-term debt 994 82,986 1,036 Trade accounts payable 184,269 162,242 183,974 Other accrued liabilities 259,579 236,668 318,990 ------- ---------
----

Total current liabilities	739,984	734,843	713,843
Long-term debt	454,135	454,022	454,068
Other long-term liabilities	136,433	102,115	128,095
Total liabilities	1,330,552	1,290,980	1,296,006
Minority Interest	11,145	12,480	13,003
Shareholders' Equity			
Common stock	68,887	55,119	60,364
Common stock non-voting	148,207	128,706	142,522
Retained earnings	358,873	270,904	344,068
Other comprehensive income	(98,979)	(69,063)	(83,939)
Total shareholders' equity	476,988	385,666	463,015
Total liabilities and shareholders' equity	$1,818,685	$1,689,126	$1,772,024

See notes to condensed consolidated financial statements.

McCORMICK & COMPANY, INCORPORATED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

(in thousands)

Three Months
Ended Feb.
28, Feb. 28,
2002 2001 ---
----- -------
- Operating
activities
Net income
$33,841
$26,586
Adjustments
to reconcile
net income to
net cash
(used in)
provided by
operating
activities
Depreciation
and
amortization
14,906 17,285
Income from
unconsolidated
operations
(5,678)
(6,079)
Changes in
operating
assets and
liabilities
(60,238)
(83,718)
Dividends
from
unconsolidated
affiliates
2,250 6,662
Other 105 17
------- -----
-- Net cash
used in
operating
activities
(14,814)
(39,247) ----
--- -------
Investing
activities
Capital
expenditures
(35,817)
(21,148)
Other 587 399
------- -----
-- Net cash
used in
investing
activities
(35,230)
(20,749) ----
--- -------
Financing
activities
Short-term
borrowings,
net 85,309
(220,175)
Long-term
debt
borrowings 0
297,987 Long-
term debt
repayments 67
0 Common
stock issued
14,966 9,394
Common stock
acquired by

purchase	(5,257)	(6,168)
Dividends paid	(14,536)	(13,693)
	-------	-------
Net cash provided by financing activities	80,549	67,345
	-------	-------
Effect of exchange rate changes on cash and cash equivalents	345	53
	-------	-------
Increase in cash and cash equivalents	30,850	7,402
Cash and cash equivalents at beginning of period	31,331	23,890
	-------	-------
Cash and cash equivalents at end of period	$62,181	$31,292
	=======	=======

See notes to condensed consolidated financial statements.

McCORMICK & COMPANY, INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying condensed consolidated financial statements contain all adjustments necessary to present fairly the financial position and the results of operations for the interim periods.

The results of consolidated operations for the three-month period ended February 28, 2002 are not necessarily indicative of the results to be expected for the full year. Historically, the Company's consolidated sales and net income are lower in the first half of the fiscal year and increase in the second half. The increase in sales and earnings in the second half of the year is mainly due to the U.S. consumer business, where customers purchase for the fourth quarter holiday season.

For further information, refer to the consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended November 30, 2001.

ACCOUNTING AND DISCLOSURE CHANGES

In November 2001, the Emerging Issues Task Force (EITF) issued EITF 01-09, "Accounting for Consideration Given by a Vendor to a Customer or a Reseller of the Vendor's Products." This required the Company to reclassify certain marketing expenses as a reduction of sales in the first quarter of 2002.

Concurrent with the adoption of EITF 01-09, the Company also reclassified certain expenses from selling, general, and administrative expense to cost of goods sold. Prior periods were also reclassified. The effect of these reclassifications on the first quarter of 2001 was a decrease to sales of $34.1 million, an increase in cost of goods sold of $4.8 million, and a decrease in selling, general and administrative expenses of $38.9 million. These reclassifications decreased gross profit margin as a percentage of sales from 39.1% to 34.0% and increased operating income as a percentage of sales from 8.4% to 9.0%. These reclassifications do not impact net income.

In June 2001, the Financial Accounting Standards Board (FASB) issued SFAS No. 141, "Business Combinations," and No. 142, "Goodwill and Other Intangible Assets." SFAS No. 141 applies to all business combinations with a closing date after June 30, 2001. This statement eliminates the pooling-of-interest method of accounting, and further clarifies the criteria for recognition of intangible assets separately from goodwill. Under SFAS No. 142, goodwill and indefinite lived intangible assets will no longer be amortized but will be subject to annual impairment tests in accordance with the new standard. Separable intangible assets that have finite lives will continue to be amortized over their useful lives. The Company has adopted SFAS No. 141 and No. 142 as of December 1, 2001. Refer to Note 7 for further information.

2. SPECIAL CHARGES

During the fourth quarter of 2001, the Company adopted a plan to further streamline its operations. This plan included the consolidation of several distribution and manufacturing locations, the reduction of administrative and manufacturing positions, and the reorganization of several joint ventures. The total plan will cost approximately $32.6 million ($25.6 million after tax) and will be completed by 2003. Total cash expenditures in connection with these costs will approximate $13.7 million, which will be funded through internally generated funds. Once fully implemented, annualized savings are expected to be approximately $8.0 million ($5.3 million after tax). These savings will be used for investment spending on initiatives such as brand support and supply chain management. The aforementioned savings and administrative expenses are expected to be included within the cost of goods sold and selling, general, and administrative expenses in the consolidated statement of income.

In the fourth quarter of 2001, the Company recorded charges of $11.7 million ($7.7 million after tax) under this plan. Of this amount $10.8 million was classified as special charges and $0.9 million as cost of goods sold in the consolidated statement of income. Additional amounts under the plan were not recorded since they were either incremental costs directly related to the implementation of the plan, or the plans were not sufficiently detailed to allow for accounting accrual.

The costs recorded in the fourth quarter of 2001 related to the consolidation of manufacturing in Canada, a distribution center consolidation in the U.S., a product line elimination and a realignment of our sales operations in the U.K., and a workforce reduction of 275 positions which encompasses plans in all segments and across all geographic areas. As of February 28, 2002, 140 of the 275 position reductions had been realized.

During the first quarter of 2002, the Company recorded special charges of $0.4 million ($0.2 million after tax). The costs recorded in the first quarter of 2002 primarily related to a realignment of our sales and marketing operations in the U.S. These expenses were classified as special charges in the consolidated statement of income.

The major components of the special charges and the remaining accrual balance as of February 28, 2002 follow:

Severance
and
personnel
Asset
Other
costs
write-
downs
exit
costs
Total --

-- -----
------ -

- -----
2001
Special
charges
$6.3
$1.6
$3.8
$11.7
Amounts
utilized
(.5)
(1.6) -
(2.1) --
--- ----
- -----

November
30, 2001
$5.8 $ -
$3.8
$9.6
2002
Special
charges
$ - $.1
$.3 $.4
Amounts
utilized
(.3)
(.1)
(.4)
(.8) ---
-- -----
----- --

February
28, 2002
$5.5 $-
$3.7
$9.2
=====
=====
=====
=====

3. EARNINGS PER SHARE

The following table sets forth the reconciliation of shares outstanding:

Three
Months
Ended Feb.
28, Feb.
28, 2002
2001 ----
---- (in
thousands)
Average
shares
outstanding
- basic
138,671
137,010
Effect of
dilutive
securities:
Stock
options
and
Employee
stock
purchase
plan 2,672
1,510 ----

Average shares outstanding - assuming dilution	141,343	138,520

Basic and diluted earnings per common share have been adjusted for the stock split that was effective April 8, 2002.

4. COMPREHENSIVE INCOME

The following table sets forth the components of comprehensive income:

	Three Months Ended Feb. 28, 2002	Feb. 28, 2001
	(in thousands)	
Net income	$ 33,841	$ 26,586
Other comprehensive income:		
Minimum pension liability adjustment	(5,692)	-
Net unrealized gain on pension assets	997	-
Foreign currency translation adjustments	(11,180)	19,212
Derivative financial instruments	835	(9,010)
Comprehensive income	$18,801	$ 36,788

5. BUSINESS SEGMENTS

The Company operates in three business segments: consumer, industrial and packaging. The consumer and industrial segments manufacture, market and distribute spices, seasonings, flavorings and other specialty food products throughout the world. The consumer segment sells consumer spices, herbs, extracts, proprietary seasoning blends, sauces and marinades to the consumer food market under a variety of brands, including the McCormick brand in the U.S., Ducros in continental Europe, Club House in Canada, and Schwartz in the U.K. The industrial segment sells to food processors, restaurant chains, distributors, warehouse clubs and institutional operations. The packaging segment manufactures and markets plastic packaging products for food, personal care and other industries, predominantly in the U.S. Tubes and bottles are also produced for the Company's food segments.

In each of its segments, the Company produces and sells many individual products that are similar in composition and nature. It is impractical to segregate and identify profits for each of these individual product lines.

The Company measures segment performance based on operating income. Although the segments are managed separately due to their distinct distribution channels and marketing strategies, manufacturing and warehousing is often integrated across the food segments to maximize cost efficiencies. Corporate and eliminations include general corporate expenses, intercompany eliminations and other charges not directly attributable to the segments.

(in millions)	Consumer	Industrial	Total Food	Packaging	Corporate & Eliminations	Total
THREE MONTHS ENDED FEB. 28, 2002						
Net sales	$237.3	$244.5	$481.8	$37.1	$ -	$518.9
Intersegment sales	-	2.9	2.9	10.1	(13.0)	-
Operating income	35.2	23.3	58.5	2.9	(9.3)	52.1
Operating income excluding special charges and goodwill amortization	35.6	23.3	58.9	2.9	(9.3)	52.5
Income from unconsolidated operations	5.4	0.3	5.7	-	-	5.7
THREE MONTHS ENDED FEB. 28, 2001						
Net sales	$228.2	$226.2	$454.4	$45.0	$ -	$499.4
Intersegment sales	-	2.6	2.6	9.2	(11.8)	-
Operating income	27.0	19.4	46.4	5.3	(6.8)	44.9
Operating income excluding special charges and goodwill amortization	29.9	19.6	49.5	5.4	(6.7)	48.2
Income from unconsolidated operations						

5.8 0.3 6.1 -
- 6.1

6. LONG-TERM DEBT

During the first quarter of 2001 the Company issued a total of $300 million in medium-term notes under a $375 million shelf registration statement filed with the Securities and Exchange Commission (SEC) in January 2001. The primary purpose of these notes was to finance the acquisition of Ducros, which was completed in August 2000, and replace substantially all of the existing commercial paper notes that were used to temporarily finance the acquisition. Medium-term notes in the amount of $150 million were issued in January 2001 and mature in 2006, with interest paid semi-annually at the rate of 6.4%. Additional medium-term notes in the amount of $150 million were issued in January 2001 and mature in 2008, with interest paid semi-annually at the rate of 6.8%.

In September 2000 the Company entered into forward starting interest rate swaps to manage the interest rate risk associated with the anticipated issuance of fixed-rate medium-term notes. These forward starting swaps were settled in the first quarter of 2001, concurrent with the issuance of the medium-term notes. The settlement costs on these swaps in the first quarter of 2001 included in other comprehensive income was $14.7 million. The notes were issued at a discount of $2.2 million and $1.1 million of debt origination fees were incurred. The discount, swap settlement and debt issuance costs are being amortized over the life of the medium-term notes and included as a component of interest expense. With these costs considered, the effective interest rate on the medium-term notes is 7.62%.

In July 2001 the Company retired $75.0 million of 8.95% fixed-rate notes with commercial paper. The variable interest on the commercial paper is being hedged by interest rate swaps from 2001 through 2011. Net interest payments will be fixed at 6.35% over that period. The interest rate swaps settle at six month intervals. The first settlement in January 2002 was $.9 million. Hedge ineffectiveness was not material.

7. GOODWILL AND INTANGIBLE ASSETS

Effective December 1, 2001, the Company adopted SFAS No. 142, "Goodwill and Other Intangible Assets," which establishes financial accounting and reporting for acquired goodwill and other intangible assets. Under SFAS No. 142, goodwill and indefinite-lived intangible assets are no longer amortized but are reviewed at least annually for impairment. Separable intangible assets that have finite useful lives will continue to be amortized over their useful lives.

SFAS No. 142 required that goodwill be tested for impairment at the reporting unit level at adoption and at least annually thereafter, utilizing a two-step methodology. The initial step required the Company to determine the fair value of each reporting unit and compare it to the carrying value, including goodwill, of such unit. If the fair value exceeded the carrying value, no impairment loss was recognized. However, if the carrying value of the reporting unit exceeded its fair value, the goodwill of this unit might have been impaired. The amount, if any, of the impairment would then be measured in the second step.

In connection with adopting this standard as of December 1, 2001, the Company completed step one of the test for impairment, which indicated that the fair values of the reporting units exceeded their carrying values, as determined utilizing a discounted cash flow model; therefore no impairment has been recognized.

In the condensed consolidated statement of income, the Company has presented "Net income excluding goodwill." This represents a pro-forma restatement of 2001 as if SFAS No. 141 and No. 142 had been adopted at the beginning of the year and accordingly goodwill amortization has been eliminated. The impact on net income, and basic and diluted earnings per share for the quarter ended February 28, 2001 is set forth below:

Reported
net income
$26,586
Adjustment
for
amortization
of goodwill

	3,041
	=======
Adjusted net income	$29,627
	=======
Reported basic earnings per share	$0.19
Adjustment for amortization of goodwill	0.03

Adjusted basic earnings per share	$0.22
	=======
Reported diluted earnings per share	$0.19
Adjustment for amortization of goodwill	0.02

Adjusted diluted earnings per share	$0.21
	=======

The following table displays the intangible assets that continue to be subject to amortization and intangible assets not subject to amortization as of February 28, 2002(in thousands):

	Gross Carrying Amount	Accumulated Amortization
	---------	-----------
Amortized intangible assets	$150	$65
Unamortized intangible assets:		
Goodwill	$517,568	$66,909
Other Intangibles	6,240	532
	--------	--------
	$523,808	$67,441
	$523,958	$67,506
	========	=======

8. STOCK SPLIT

On February 19, 2002, the Company's Board of Directors announced a two-for-one stock split of both classes of common stock, effective April 8, 2002. As a result of the stock split, the Company's shareholders have received an additional common share for each share held. All per share amounts and numbers of shares outstanding in this report have been restated for the stock split for all periods presented.

ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

For the quarter ended February 28, 2002, the Company reported net income of $33.8 million versus $26.6 million in the first quarter last year. Excluding goodwill amortization, net income was $33.8 million for the quarter ended February 28, 2002 versus $29.6 million for the comparable period last year.

Diluted earnings per share were $.24 for the first quarter of 2002 compared to $.19 last year. Excluding goodwill amortization, diluted earnings per share were $.24 for the first quarter of 2002 compared to $.21 last year, an increase of 14.3%. Special charges did not have a significant impact on either period. The primary drivers of the first quarter earnings improvement were $.02 from operations and $.02 from interest rates, partially offset by lower income from unconsolidated operations and the effect of more shares outstanding.

The Company adopted SFAS No. 141 and No. 142 effective December 1, 2001. Items referred to as "excluding goodwill amortization" are provided in order to make the years presented comparable. Gross profit margin, operating income and net income "excluding special charges" presents the applicable measure excluding the impact of items identified in the consolidated financial statements as special charges.

RESULTS OF OPERATIONS

Net sales for the quarter ended February 28, 2002 increased 3.9% versus the first quarter of 2001. Excluding the impact of foreign exchange, sales increased 5.0% in 2002. Unit volume increased 7.3% as compared to last year, while the combined effects of price and product mix had a negative impact of 2.3% on sales. The negative impact of foreign currency exchange rates was attributable to Europe, Canada, and Australia.

(in millions)	Three months ended Feb. 28, 2002	Feb. 28, 2001
NET SALES		
Consumer	$237.3	$228.2
Industrial	244.5	226.2
Packaging	37.1	45.0
	$518.9	$499.4

Consumer sales for the first quarter of 2002 increased 4.0% over the comparable period last year. Excluding the impact of foreign exchange, sales rose 5.7%. In local currency, consumer sales rose 10.3% in the Americas. Sales benefited from core category growth, new products, recent new business gains, and from customer purchases in advance of a price increase. In Europe, sales in local currency declined 0.8% mainly due to changes in the competitive environment and a decline in our brokerage business in the U.K. In Asia/Pacific, sales in local currency rose 8.3% due to strong sales volumes in China.

Industrial sales increased 8.1% in the first quarter of 2002 versus the same quarter last year. Excluding the effect of foreign exchange, sales increased 8.8%. In local currency, sales in the Americas increased 11.7%. The increase was attributable to sales to restaurant customers and warehouse clubs, and sales of snack seasonings were particularly strong. In Europe, sales in local currency declined 5.9%. The decline occurred primarily in lower-margin ingredient sales. In Asia/Pacific, sales in local currency increased 13.0% mainly due to favorable volumes in China.

Packaging sales decreased 17.5% versus the prior year due to a decline in demand for products supplied to the health and personal care industry.

Gross profit margin for the quarter was 35.7% compared to 34.0% in the first quarter last year. In our consumer business, gross profit margin improvement was mainly due to lower black pepper costs and higher volumes. In our industrial business, gross profit margin improvement was mainly due to a continued shift in sales to higher-margin, more value-added products. Global procurement initiatives and efforts to improve efficiencies benefited both the consumer and industrial businesses.

Selling, general and administrative expenses increased in the first quarter as compared to last year in both dollar terms and as a percentage of net sales. These increases were primarily due to increased distribution expenses, higher employee benefits, pension, insurance costs, and a higher investment for the Beyond 2000 (B2K) program. The increase in employee benefits is mainly due to higher earnings, while pension expense increased due to a reduced discount rate assumption and reduced investment income. The Company's insurance costs have increased concurrent with an industry wide trend. These increases were partially offset by the elimination of goodwill amortization expense due to the implementation of SFAS No. 142 "Goodwill and Other Intangible Assets".

Three months ended (in millions)	Feb. 28, 2002	Feb. 28, 2001
OPERATING INCOME		
Consumer	$35.2	$27.0
Industrial	23.3	19.4
Packaging	2.9	5.3
Combined segments (1)	$61.4	$51.7

(1)- Excludes impact of general corporate expenses included as Corporate & Eliminations. See Note 5 in the Notes to Condensed Consolidated Financial Statements.

Total operating income increased $7.2 million or 15.9% and operating income margin increased to 10.0% from 9.0% for the three months ended February 28, 2002 as compared to last year. Excluding special charges and

goodwill amortization, operating income increased $4.3 million or 8.9% and operating income margin increased to 10.1% from 9.6%. In the consumer segment, operating income excluding special charges and goodwill amortization increased 18.9% versus the prior period. On the same basis, operating income margin for the quarter was 15.0% compared to 13.1% last year as a result of higher sales, favorable raw material costs and increased efficiencies. Industrial operating income excluding special charges and goodwill amortization increased 18.5% compared to the same period last year. On the same basis, operating income margin improved to 9.5% from 8.7% last year, primarily from the shift in sales to more higher-margin, value-added products, higher volumes and effective cost reduction initiatives. Packaging operating income decreased $2.5 million, due to the decline in demand for products supplied to the health and personal care industry. Actions have been taken to adjust production activities, including a reduction in the workforce.

Interest expense for the first quarter of 2002 was $11.1 million versus $14.3 million for the comparable period last year. This decrease is attributable to lower average debt levels and favorable interest rates.

The effective tax rate for the first quarter of 2002 was 31.5% versus 33.1% in the first quarter of last year. The lower tax rate is primarily attributable to the elimination of goodwill amortization, which is generally a non-tax deductible expense.

Income from unconsolidated operations was $5.7 million in the first quarter of 2002 versus $6.1 million last year. Continued strong performance from the Signature Brands joint venture was offset slightly by diminished performance in the McCormick de Mexico joint venture. This decrease in performance is due to the competitive environment and increased spending on advertising to support the brand.

SPECIAL CHARGES

During the fourth quarter of 2001, the Company adopted a plan to further streamline its operations. This plan included the consolidation of several distribution and manufacturing locations, the reduction of administrative and manufacturing positions, and the reorganization of several joint ventures. The total plan will cost approximately $32.6 million ($25.6 million after tax) and will be completed by 2003. Total cash expenditures in connection with these costs will approximate $13.7 million, which will be funded through internally generated funds. Once fully implemented, annualized savings are expected to be approximately $8.0 million ($5.3 million after tax). These savings will be used for investment spending on initiatives such as brand support and supply chain management. The aforementioned savings and administrative expenses are expected to be included within the cost of goods sold and selling, general, and administrative expenses in the consolidated statement of income.

In the fourth quarter of 2001, the Company recorded charges of $11.7 million ($7.7 million after tax) under this plan. Of this amount $10.8 million was classified as special charges and $0.9 million as cost of goods sold in the consolidated statement of income. Additional amounts under the plan were not recorded since they were either incremental

costs directly related to the implementation of the plan, or the plans were not sufficiently detailed to allow for accounting accrual.

The costs recorded in the fourth quarter of 2001 related to the consolidation of manufacturing in Canada, a distribution center consolidation in the U.S., a product line elimination and a realignment of our sales operations in the U.K., and a workforce reduction of 275 positions which encompasses plans in all segments and across all geographic areas. As of February 28, 2002, 140 of the 275 position reductions had been realized.

During the first quarter of 2002, the Company recorded special charges of $0.4 million ($0.2 million after tax). The costs recorded in the first quarter of 2002 related to a realignment of our sales and marketing operations in the U.S., and certain costs associated with the aforementioned closures of a U.S. distribution center and a Canadian manufacturing facility. These expenses were classified as special charges in the consolidated statement of income.

MARKET RISK SENSITIVITY

FOREIGN EXCHANGE RISK

The fair value of the Company's portfolio of forward and option contracts was $0.9 million and $0.6 million as of February 28, 2002 and February 28, 2001, respectively.

INTEREST RATE RISK

The fair value of the Company's interest rate swaps was $(5.4) million and $(2.8) million as of February 28, 2002 and February 28, 2001, respectively. The Company intends to hold the interest rate swaps until maturity.

During the first quarter of 2001, the Company settled the forward starting interest rate swaps used to manage the interest rate risk associated with the medium-term notes issued during that quarter. See Note 6 of Notes to Condensed Consolidated Financial Statements for more details.

FINANCIAL CONDITION

In the condensed consolidated statement of cash flows, net cash used for operating activities was $14.8 million for the three months ended February 28, 2002 compared to $39.2 million used for the three months ended February 28, 2001. This increased cash flow is primarily caused by the fact that in the first quarter of 2001, there was a $14.7 million payment made in connection with our interest rate hedges on the medium-term notes issued as part of the Ducros acquisition financing, as well as increased earnings in the first quarter of 2002.

Cash flows related to investing activities used cash of $35.2 million in the first three months of 2002 versus $20.7 million in the comparable period of 2001. Increased capital expenditures versus the prior year

make up a majority of the increase in the cash used for investing activities. This increase is primarily related to spending for our B2K project.

Cash flows from financing activities provided cash of $80.5 million in the first quarter of 2002 compared to $67.3 million in the same period last year. The Company finalized its medium-term note program for the Ducros acquisition in the first quarter of 2001. See Note 6 of Notes to Condensed Consolidated Financial Statements. The common stock issued and common stock acquired by purchase generally relates to the Company's stock compensation plans.

The Company's ratio of debt-to-total capital was 60.6% as of February 28, 2002, down from 66.5% at February 28, 2001 and up from 58.3% at November 30, 2001. The increase since year-end was primarily due to seasonal increases in short-term borrowings for operating purposes and the decrease since February 28, 2001 was primarily due to lower average debt levels.

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.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing the financial statements in accordance with generally accepted accounting principles (GAAP), management is required to make estimates and assumptions that have an impact on the assets, liabilities, revenue, and expense amounts reported. These estimates can also affect supplemental information disclosures of the Company, including information about contingencies, risk, and financial condition. The Company believes, given current facts and circumstances, its estimates and assumptions are reasonable, adhere to generally accepted accounting principles, and are consistently applied. Inherent in the nature of an estimate or assumption is the fact that actual results may differ from estimates and estimates may vary as new facts and circumstances arise. The Company makes routine estimates and judgments in determining the net realizable value of accounts receivable, inventory, fixed assets, and prepaid allowances. Management believes the Company's most critical accounting estimates and assumptions are in the following areas:

Customer Contracts

In several of its major markets, the Consumer segment sells its products by entering into annual or multi-year contracts with its customers. These contracts include provisions for items such as sales discounts, marketing allowances and performance incentives. The discounts, allowances, and incentives are expensed based on certain estimated criteria such as sales volume of indirect customers, customers reaching anticipated volume thresholds, and marketing spending. The Company routinely reviews these criteria, and makes adjustments as facts and circumstances change.

Goodwill Valuation

The Company reviews the carrying value of goodwill annually utilizing a discounted cash flow model. Changes in estimates of future cash flows caused by items such as unforeseen events or changes in market conditions, could negatively affect the reporting unit's fair value and result in an impairment charge. However, the current fair values of our reporting units are significantly in excess of carrying values, and accordingly management believes that only significant changes in the cash flow assumptions would result in impairment.

Income Taxes

The Company files income tax returns and estimates income taxes in each of the taxing jurisdictions in which it operates. The Company is subject to a tax audit in each of these jurisdictions, which could result in changes to the estimated taxes. The amount of these changes would vary by jurisdiction and would be recorded when known. Management has recorded valuation allowances to reduce its deferred tax assets to the amount that is more likely than not to be realized. In doing so, management has considered future taxable income and ongoing tax planning strategies in assessing the need for the valuation allowance.

Pension and Post Retirement Benefits

Pension and other post-retirement plans' costs require the use of assumptions for discount rates, investment returns, projected salary increases and benefits, mortality rates, and health care cost trend rates. The actuarial assumptions used in the Company's pension reporting are reviewed annually and compared with external benchmarks to ensure that they accurately account for the Company's future pension obligations. See Notes 7 and 8 of the Company's Annual Report on Form 10-K for the year ended November 30, 2001, for a discussion of these assumptions and how a change in certain of these assumptions could affect the Company's earnings.

FORWARD-LOOKING INFORMATION

Certain statements contained in this report, including those related to the annualized savings from the Company's streamlining activities, the holding period and market risks associated with financial instruments, the impact of foreign exchange fluctuations and the adequacy of internally generated funds and existing sources of liquidity are "forward-looking statements" within the meaning of Section 21E of the Securities and Exchange Act of 1934. Forward-looking statements are based on management's current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Operating results may be materially affected by external factors such as: competitive conditions, customer relationships and financial condition, availability and cost of raw and packaging materials, governmental actions and political events, and economic conditions, including fluctuations in interest and exchange rates for foreign currency. The Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 3 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For information regarding the Company's exposure to certain market risks, see Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in the Company's Annual Report on Form 10-K for the year ended November 30, 2001. Except as described in the Management's Discussion and Analysis of Financial Condition and Results of Operations, there have been no significant changes in the Company's financial instrument portfolio or market risk exposures since year end.

PART II - OTHER INFORMATION

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits	See Exhibit Index on pages 17-19 of this Report on Form 10-Q.

(b) Reports on Form 8-K. The Registrant filed a report on Form 8-K on January 23, 2002 that reported certain accounting changes in its financial reporting for fiscal year 2002.

SIGNATURES

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

McCORMICK & COMPANY, INCORPORATED

Date: APRIL 11, 2002 By: /S/ FRANCIS A. CONTINO

Francis A. Contino
Executive Vice President & Chief
Financial Officer

Date: APRIL 11, 2002 By: /S/ KENNETH A. KELLY, JR.

Kenneth A. Kelly, Jr.
Vice President & Controller

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 by reference Incorporated dated April 16, 1990 from Registration Form S-8, Registration No. 33-39582 as filed with the Securities and Exchange Commission on March 25, 1991. Articles of Amendment to Charter of Incorporated by reference McCormick & Company, Incorporated from Registration Form dated April 1, 1992

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 by reference Incorporated- Restated and from Registrant's Form Amended as of June 17, 1996. 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 With respect to rights of security holders, including holders of equity indentures. securities, see Exhibit 3 (Restatement of Charter) and the Summary of Certain Exchange Rights, a copy of which was attached as Exhibit 4.1 of the Registrant's Form 10-Q for the quarter ended August 31, 2001 as filed with the Securities and Exchange Commission on October 12, 2001, which report is incorporated by reference. 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 instrument upon request of the Securities and Exchange Commission.

(10) Material Contracts

i) Registrant's supplemental pension plan for certain senior officers, as amended and restated effective June 19, 2001, is described in the McCormick Supplemental Executive Retirement Plan, a copy of which was attached as Exhibit 10.1 to the Registrant's Form 10-Q for the quarter ended August 31, 2001, as filed with the Securities and Exchange Commission on October 12, 2001, which report is incorporated by reference.

ii) Stock option plans, in which directors, officers and certain other management employees participate, are described in Registrant's S-8 Registration Statement No. 333-57590 as filed with the Securities and Exchange Commission on March 26, 2001, which statement is incorporated by reference.

iii) The 2002 McCormick Mid-Term Incentive Plan, which is provided to a limited number of senior executives, is described on pages 23 through 31 of the Registrant's definitive Proxy Statement dated February 15, 2002, as filed with the Commission on February 15, 2002, which pages are incorporated by reference.

iv) Directors' Non-Qualified Stock Option Plan provided to members of the Registrant's Board of Directors who are not also employees of the Registrant, is described in Registrant's S-8 Registration Statement No. 333-74963 as filed with the Securities and Exchange Commission on March 24, 1999, which statement is incorporated by reference.

v) The Deferred Compensation Plan, in which directors, officers and certain other management employees participate, is described in the Registrant's S-8 Registration Statement No. 333-93231 as filed with the Securities and Exchange Commission on December 21, 1999, which statement is incorporated by reference.

vi) Stock Purchase Agreement among the Registrant, Eridania Beghin-Say and Compagnie Francaise de Sucrerie - CFS, dated August 31, 2000, which agreement is incorporated by reference from Registrant's Report on Form 8-K, as filed with the Securities and Exchange

vii) Commission on September 15, 2000, as amended on Form 8-K/A filed with the Securities and Exchange Commission on November 14, 2000.

(11) Statement re computation of per-share earnings.	Not applicable.
(15) Letter re unaudited interim financial information.	Not applicable.
(18) Letter re change in accounting principles.	Not applicable.
(19) Report furnished to security holders.	Not applicable.
(22) Published report regarding matters submitted to vote of securities holders.	Not applicable.
(23) Consents of experts and counsel.	Not applicable.
(24) Power of attorney.	Not applicable.

(99) Additional exhibits.	None.