

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-K

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

For the fiscal year ended September 27, 1996

OR

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

For the transition period from to

Commission file number 0-16255

JOHNSON WORLDWIDE ASSOCIATES, INC.
(Exact name of Registrant as specified in its charter)

Wisconsin 39-1536083
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

1326 Willow Road, Sturtevant, Wisconsin 53177
(Address of principal executive offices)

(414) 884-1500
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

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

Class A Common Stock, \$.05 par value

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 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.

As of November 15, 1996, 6,901,885 shares of Class A and 1,228,053 shares of Class B common stock of the Registrant were outstanding. The aggregate market value of voting stock of the Registrant held by non-affiliates of the Registrant was approximately \$50,902,000 on November 15, 1996.

DOCUMENTS INCORPORATED BY REFERENCE

Document	Part and Item Number of Form 10-K into which Incorporated
1. Johnson Worldwide Associates, Inc. 1996 Annual Report	Part I, Items 1 and 2, and Part II, Items 5, 6, 7 and 8
2. Johnson Worldwide Associates, Inc. Notice of Annual Meeting of Shareholders and Proxy Statement for the Annual Meeting of Shareholders on January 22, 1997	Part III, Items 10, 11, 12 and 13

PART I

ITEM 1. BUSINESS

Johnson Worldwide Associates, Inc. and its subsidiaries (the "Company") are engaged in the manufacture and marketing of recreation products. Until the third quarter of fiscal 1994, the Company also manufactured and marketed marking systems products. In July 1993, the Company announced its intention to sell its marking systems businesses and, in accordance with this decision, the marking systems businesses are presented as a discontinued operation in the Company's Consolidated Financial Statements. Additional information regarding the marking systems businesses is set forth at Note 3 to the Consolidated Financial Statements on page 26 in the Company's 1996 Annual Report, which is incorporated herein by reference. Financial information for the foreign and domestic operations of the

Company's recreation products businesses is set forth at Note 13 to the Consolidated Financial Statements on page 30 in the Company's 1996 Annual Report, which is incorporated herein by reference.

The Company's primary focus is on marketing and product innovation and design to maintain its strong brand names and consumer recognition. Research and development activities for each of the Company's principal businesses emphasize new products and innovations to differentiate the Company's products from those of its competitors.

The Company is controlled by Samuel C. Johnson, members of his family and related entities.

Fishing and Marine Products

The Company's fishing products include Minn Kota electric fishing motors and accessories, Mitchell reels and rods, Johnson reels, Beetle Spin soft body lures, Johnson spoons and Deckhand electric boat anchor systems. In 1995, the Company acquired the SpiderWire product line, giving it a leading brand in the "superline" segment of the fishing line market. In 1995, the Company also acquired the Neptune product line of electric motors and power accessories, which expands its range of such products.

The overall fishing and marine markets in which the Company competes have grown moderately in recent years. The Company believes it has been able to maintain its share of most markets primarily as a result of the Company's emphasis on marketing and product innovation. The Company controls a majority of the electric fishing motor market. Research and development emphasize new products and innovations to provide demonstrable product differentiation and expanded product lines. Consumer advertising and promotion include advertising on regional television and in outdoor, general interest and sports magazines and in-store displays. Packaging and point-of-purchase materials are used to increase consumer appeal and sales.

Electric Fishing Motors

The Company manufactures, under its Minn Kota and Neptune names, battery powered motors used on fishing boats and other boats for quiet trolling power or primary propulsion. The Company's Minn Kota and Neptune motors and related accessories are sold in the United States, Canada, Europe and the Pacific Basin through large retail store chains such as Wal Mart and K-Mart, catalogs, such as Bass Pro Shops and Cabelas, sporting goods specialty stores and marine dealers.

Fishing Line

The Company purchases, through a third-party manufacturer, its SpiderWire and SpiderWire Fusion products, which have performance characteristics superior to those of monofilament fishing line. SpiderWire competes in the "superline" segment of the fishing line category, while the recently introduced SpiderWire Fusion is positioned just above the high end of the monofilament market. These products are sold through large retail store chains, catalogs and specialty stores.

Rods and Reels

The Company markets Johnson fishing reels, which are primarily closed-face reels, as well as Mitchell reels, which are primarily open-faced spinning and bait casting reels. Reels are sold individually and in rod and reel combinations, primarily through large retail store chains, catalogs and specialty fishing shops in the United States, Canada, Europe and the Pacific Basin. The Company's closed-face reels compete in a segment of the U.S. fishing reel market which is dominated by larger manufacturers. Marketing support for the Company's reels is focused on building brand names, emphasizing product features and innovations and on developing specific segments of the reel market through advertising in national outdoor magazines and through trade and consumer support at retail. The Company's rods and reels are primarily produced by off-shore manufacturing sources.

Lure Products

The Company's artificial lure products consist of Beetle Spin soft body lures and Johnson spoons. These products are sold primarily through large retail store chains.

Marine Products

The Company is a leading supplier in Europe of marine products and accessories primarily for sailing, which are sold under the Plastimo name. Plastimo products and accessories include safety products (such as buoyancy vests and inflatable life rafts), mooring products (such as anchors, fenders and ladders), navigational equipment (such as cockpit instruments, automatic pilots and compasses) and jib reefing systems. Plastimo products are sold to a lesser extent in the United States and other markets worldwide.

The Company's line of Airguide marine, weather and automotive instruments is distributed primarily in the United States through large retail store chains and original equipment manufacturers.

Camping Products

The Company's camping products include Eureka! and Camp Trails tents and backpacks, Old Town canoes and kayaks, Carlisle paddles, Silva field compasses, and Jack Wolfskin tents, backpacks and outdoor clothing.

Tents and Backpacks

The Company's Eureka! and Camp Trails tents and backpacks compete primarily in the mid- to high-price range of their respective markets and are sold in the United States through independent sales representatives primarily to sporting goods stores, catalog and mail order houses and camping and backpacking specialty stores. Marketing of the Company's tents and backpacks is focused on building the Eureka! and Camp Trails brand names and establishing the Company as a leader in product design and innovation. The Company's tents and backpacks are produced by off-shore manufacturing sources.

The Company markets both Eureka! camping and commercial tents. The Company's camping tents have outside self-supporting aluminum frames allowing quicker and easier set-up, a design approach first introduced by the Company. Most of the Eureka! tents are made from breathable nylon. The Company's commercial tents include party tents and tents for fairs. Party tents are sold primarily to general rental stores while other commercial tents are sold directly to tent erectors. Commercial tents are manufactured by the Company in the United States.

Camp Trails backpacks consist primarily of internal and external frame backpacks for hiking and mountaineering. The Company's line of Camp Trails backpacks also includes soft back bags, day packs and travel packs. Jack Wolfskin, a German marketer of camping tents, backpacks and outdoor clothing, distributes its products primarily through camping and backpacking specialty stores in Germany with additional distribution in other European countries and the United States and, under license, in Japan. Certain of these stores sell Jack Wolfskin products exclusively.

Canoes and Kayaks

The Company's watercraft are sold under the Old Town name and consist of whitewater, tripping, touring and general recreational purpose canoes for the high quality and mid-price segments of the canoe market and recreational and higher performance kayaks. The Company has developed a proprietary roto-molding process for manufacturing polyethylene canoes to compete in the higher volume mid-priced range of the market. These canoes maintain many of the design and durability characteristics of higher priced canoes. The Company also manufactures canoes from fiberglass, Royalex (ABS) and wood. The Company's canoes are sold primarily to sporting goods stores, catalog and mail order houses such as L. L. Bean, canoe specialty stores and marine dealers in the United States and Europe. The United States market for canoes is relatively constant, but the Company believes, based on industry data, that it is the leading manufacturer of canoes in the United States in unit and dollar sales. Carlisle Paddles, a manufacturer of composite canoe paddles, supplies certain paddles that are sold with the Company's canoes as well as supplying paddles which are distributed through the same channels as the Company's watercraft.

Diving Products

The Company believes that it is one of the world's largest manufacturers and distributors of underwater diving products which it sells under the Scubapro and SnorkelPro names. The Company markets a full line of underwater diving and snorkeling equipment including regulators, stabilizing jackets, tanks, depth gauges, masks, fins, snorkels, diving electronics and other accessories. Scubapro products are marketed to the high quality, premium priced segment of the market. The Company maintains a marketing policy of limited distribution and sells primarily through independent specialty diving shops worldwide. These diving shops generally provide a wide range of services to divers, including instruction and repair service. Scubapro products are marketed primarily in Europe, the United States, Canada and the Pacific Basin.

The Company focuses on maintaining Scubapro as the market leader in innovations and new products. The Company maintains a research and development staff both in the United States and Italy and has obtained several patents on Scubapro products and features. Consumer advertising focuses on building the Scubapro brand name and position as the high quality and innovative leader in the industry. The Company advertises its Scubapro equipment in diving magazines and through in-store displays.

The Company maintains manufacturing and assembly facilities in the United States, Mexico and Italy. The Company procures a number of its rubber and plastic products and components from offshore sources.

Sales by Category

The following table depicts net sales of continuing operations by major product category:

		Year Ended			
Sept. 27,		Sept. 29,		Sept. 30,	
1996	%	1995	%	1994	%
(thousands)					

Fishing and Marine	\$170,986	50%	\$176,665	51%	\$129,930	46%
Camping	96,387	28	96,095	28	87,529	31
Diving	77,000	22	74,430	21	66,884	23
	-----	----	-----	----	-----	----
	\$344,373	100%	\$347,190	100%	\$284,343	100%
	=====	====	=====	====	=====	====

Sales to Wal Mart Stores, Inc. and its affiliated entities totaled \$34,902,000 in 1995. No customer accounted for 10% or more of sales in 1996 or 1994.

International Operations

See Note 13 to the Consolidated Financial Statements on page 30 of the Company's 1996 Annual Report, which is incorporated herein by reference, for financial information comparing the Company's domestic and international operations.

Research and Development

The Company commits significant resources to research and new product development. The Company expenses research and development costs as incurred. The amounts expended by the Company in connection with research and development activities for each of the last three fiscal years are set forth in the Consolidated Statements of Operations on page 21 of the Company's 1996 Annual Report, which is incorporated herein by reference.

Competition

The markets for most of the Company's products are quite competitive. The Company believes its products compete favorably on the basis of product innovation, product performance and strong marketing support, and to a lesser extent, price.

Employees

At September 27, 1996, the Company had approximately 1,333 employees working in its businesses. The Company considers its employee relations to be excellent.

Backlog

The Company's businesses do not receive significant orders in advance of expected shipment dates.

Patents, Trademarks and Proprietary Rights

The Company owns no single patent which is material to its business as a whole. However, the Company holds several patents, principally for diving products and roto-molded canoes and has filed several applications for patents. The Company also has numerous trademarks and trade names which the Company considers important to its business.

Sources and Availability of Materials

The Company's products use materials that are generally in adequate supply. In 1995, however, the Company experienced shortages in the supply of magnets, which are key components used in its electric motors. The shortage of magnets hindered the Company's ability to meet customer demand for its electric motor products for several months in 1995.

Seasonality

The Company's business is seasonal. The following table shows total net sales and operating profit of the Company's continuing operations for each quarter, as a percentage of the total year. Inventory writedowns of \$11 million in 1996 and \$5.4 million in 1994 are included as components of the fourth quarter operating losses. Nonrecurring charges totaling \$6.8 million impacted operating results in the second, third and fourth quarters of 1996.

Quarter Ended	Year Ended					
	Sept. 27, 1996		Sept. 29, 1995		Sept. 30, 1994	
	Net Sales	Operating Profit(Loss)	Net Sales	Operating Profit(Loss)	Net Sales	Operating Profit(Loss)
December	16%	(26)%	15%	(8)%	16%	(8)%
March	32	169	31	50	30	61
June	32	141	34	66	33	78
September	20	(184)	20	(8)	21	(31)
	----	-----	----	----	----	----
	100%	100%	100%	100%	100%	100%
	====	====	====	====	====	====

Executive Officers of the Registrant

The following list sets forth certain information, as of November 15, 1996, regarding the executive officers of the Company.

Ronald C. Whitaker, age 49, became President and Chief Executive Officer of the Company in October 1996. From December 1995 to October 1996, Mr. Whitaker was President and Chief Executive Officer of EWI, Inc., a

supplier to the automotive industry. From 1992 to September 1995, Mr. Whitaker was Chairman, President and Chief Executive Officer of Colt's Manufacturing Company, Inc., a manufacturer of firearms, and, from 1988 to 1992, was President of Wheelabrator Corporation.

Philippe Blime, age 55, became a Vice President of the Company and President of JWA Europe in 1993. From 1982 until 1993, Mr. Blime was President and Directeur General of Mitchell Sports, S.A., a subsidiary of the Company since 1990.

Helen P. Johnson-Leipold, age 39, became Executive Vice President - North American Businesses of the Company in October 1995. From 1992 until October 1995, Ms. Johnson-Leipold was Vice President - Consumer Marketing Services - Worldwide of S.C. Johnson & Son, Inc. ("SCJ"), a manufacturer of household maintenance and industrial products, and, from 1988 to 1992, she was Director of Marketing Services of SCJ.

Michael E. Klockenga, age 46, became Vice President of Operations of JWA North America in July 1994. From 1991 until July 1994, Mr. Klockenga was a Plant Manager of Sundstrand Corporation ("Sundstrand"), a manufacturer of aerospace and industrial subsystems and components, and, from 1988 to 1991, he was a Manager of Operations of Sundstrand.

Carl G. Schmidt, age 40, became Senior Vice President of the Company in May 1995 and has been Chief Financial Officer, Secretary and Treasurer of the Company since July 1994. From July 1994 until May 1995, Mr. Schmidt was a Vice President of the Company. From 1988 to July 1994, he was a partner in the firm of KPMG Peat Marwick LLP.

There are no family relationships between the above executive officers.

ITEM 2. PROPERTIES

The Company maintains both leased and owned manufacturing, warehousing, distribution and office facilities throughout the world.

The Company's manufacturing processes are primarily assembly operations and the Company prefers to lease rather than own facilities to maintain operational flexibility and control the investment of financial resources in property. See Note 6 to the Consolidated Financial Statements on Page 27 of the Company's 1996 Annual Report, which is incorporated herein by reference, for a discussion of lease obligations.

The Company believes that its facilities are well maintained and have a capacity adequate to meet the Company's current needs.

The Company's principal manufacturing locations and distribution centers are:

Antibes, France	Grayling, Michigan	Old Town, Maine
Bad Sackingen, Germany	Henan, Sweden	Oslo, Norway
Barcelona, Spain	Henggart, Switzerland	Racine, Wisconsin
Basingstoke, Hampshire, England	Honolulu, Hawaii	Rancho Dominguez,
Binghamton, New York	Lorient, France	California
Bruxelles, Belgium	Mankato, Minnesota	Salzburg-Glasenbach,
Burlington, Ontario, Canada	Marignier, France	Austria
Eastly, Hampshire, England	Morfelden-Walldorf, Germany	Schoonhoven, Holland
Genoa, Italy	Nykoping, Sweden	Silverwater, Australia
Tokyo (Kawasaki), Japan		

The Company's corporate headquarters is located in Mount Pleasant, Wisconsin. The Company's mailing address is Sturtevant, Wisconsin.

ITEM 3. LEGAL PROCEEDINGS

The Company is subject to various legal actions and proceedings in the normal course of business, including those related to environmental matters. Although litigation is subject to many uncertainties and the ultimate exposure with respect to these matters cannot be ascertained, management does not believe the final outcome will have a significant effect on the Consolidated Financial Statements.

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

There were no matters submitted to a vote of security holders during the last quarter of the year ended September 27, 1996.

PART II

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

Information with respect to this item is included on pages 27, 29, 30 and 32 and the inside back cover of the Company's 1996 Annual Report, which is incorporated herein by reference.

There is no public market for the Registrant's Class B Common Stock. However, the Class B Common Stock is convertible at all times at the option of the holder into shares of Class A Common Stock on a share for

share basis. As of November 15, 1996, the Company had 791 holders of record of its Class A Common Stock and 71 holders of record of its Class B Common Stock.

The Company has never paid a dividend on its Common Stock.

ITEM 6. SELECTED FINANCIAL DATA

Information with respect to this item is included on page 32 of the Company's 1996 Annual Report, which is incorporated herein by reference.

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

Information with respect to this item is included on pages 17 to 19 of the Company's 1996 Annual Report, which is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The following consolidated financial statements and supplemental data of the Registrant and its subsidiaries, included on pages 20 through 32 of the Company's 1996 Annual Report, are incorporated herein by reference:

Consolidated Balance Sheets - September 27, 1996 and September 29, 1995

Consolidated Statements of Operations - Years ended September 27, 1996, September 29, 1995 and September 30, 1994

Consolidated Statements of Shareholders' Equity - Years ended September 27, 1996, September 29, 1995 and September 30, 1994

Consolidated Statements of Cash Flows - Years ended September 27, 1996, September 29, 1995 and September 30, 1994

Notes to Consolidated Financial Statements

Independent Auditors' Report

Quarterly Financial Summary

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

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information with respect to this item, except for certain information on the Executive Officers which appears at the end of Part I of this report, is included in the Company's January 22, 1997 Proxy Statement, which is incorporated herein by reference, under the headings "Election of Directors" and "Section 16(a) Beneficial Ownership Reporting Compliance."

ITEM 11. EXECUTIVE COMPENSATION

Information with respect to this item is included in the Company's January 22, 1997 Proxy Statement, which is incorporated herein by reference, under the heading "Executive Compensation," provided, however, that the subsection entitled "Executive Compensation-Compensation Committee Report on Executive Compensation" shall not be deemed to be incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information with respect to this item is included in the Company's January 22, 1997 Proxy Statement, which is incorporated herein by reference, under the heading "Stock Ownership of Management and Others."

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information with respect to this item is included in the Company's January 22, 1997 Proxy Statement, which is incorporated herein by reference, under the heading "Certain Transactions."

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 10-K:

1. Financial Statements:

Included in Item 8 of Part II of this Form 10-K are the following Consolidated Financial Statements, related notes thereto, and independent auditors' report which are incorporated herein by reference from the 1996 Annual Report:

Consolidated Balance Sheets - September 27, 1996 and September 29, 1995

Consolidated Statements of Operations - Years ended September 27, 1996, September 29, 1995 and September 30, 1994

Consolidated Statements of Shareholders' Equity - Years ended September 27, 1996, September 29, 1995 and September 30, 1994

Consolidated Statements of Cash Flows - Years ended September 27, 1996, September 29, 1995 and September 30, 1994

Notes to Consolidated Financial Statements

Independent Auditors' Report

2. Financial Statement Schedules and Independent Auditors' Report:

Included in Part IV of this Form 10-K is the following financial statement schedule and independent auditors' report:

Independent Auditors' Report
Schedule II - Valuation and Qualifying Accounts

All other schedules are omitted because they are not applicable, are not required or equivalent information has been included in the Consolidated Financial Statements or notes thereto.

3. Exhibits

See Exhibit Index.

(b) Reports on Form 8-K:

None.

INDEPENDENT AUDITORS' REPORT

Shareholders and Board of Directors
Johnson Worldwide Associates, Inc.:

Under date of November 8, 1996, we reported on the consolidated balance sheets of Johnson Worldwide Associates, Inc. and subsidiaries as of September 27, 1996 and September 29, 1995, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the years in the three-year period ended September 27, 1996, as contained in the 1996 Annual Report. These consolidated financial statements and our report thereon are incorporated by reference in the Annual Report on Form 10-K for the fiscal year 1996. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related consolidated financial statement schedule as listed in Item 14(a). This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits.

In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

KPMG Peat Marwick LLP

Milwaukee, Wisconsin
November 8, 1996

Johnson WORLDWIDE ASSOCIATES, Inc. AND SUBSIDIARIES

SCHEDULE II -- VALUATION AND QUALIFYING ACCOUNTS

(thousands)

	Balance at Beginning of Year	Additions Charged to Costs and Expenses	Deductions (1)	Balance at End of Year
Year ended September 27, 1996:				
Allowance for doubtful accounts	\$2,610	\$ 1,662	\$2,037	\$ 2,235
Inventory reserves	5,118	12,202	3,655	13,665
Year ended September 29, 1995:				
Allowance for doubtful accounts	2,317	1,567	1,274	2,610
Inventory reserves	7,554	1,561	3,997	5,118
Year ended September 30, 1994:				
Allowance for doubtful accounts	1,606	1,421	710	2,317
Inventory reserves	1,751	6,318	515	7,554

(1) Includes the impact of foreign currency fluctuations on this balance sheet account.

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 to be signed on its behalf by the undersigned, thereunto duly authorized, in the Town of Mount Pleasant and State of Wisconsin, on the 12th day of December, 1996.

JOHNSON WORLDWIDE ASSOCIATES, INC.
(Registrant)

By /s/ Ronald C. Whitaker
Ronald C. Whitaker

Pursuant to the requirements of the Securities Exchange Act of 1934, the report has been signed by the following persons in the capacities indicated on the 12th day of December, 1996.

/s/ Samuel C. Johnson Chairman of the Board and Director
(Samuel C. Johnson)

/s/ Ronald C. Whitaker President and Chief Executive Officer
(Ronald C. Whitaker) and Director
(Principal Executive Officer)

/s/ Donald W. Brinckman Director
(Donald W. Brinckman)

/s/ Raymond F. Farley Director
(Raymond F. Farley)

/s/ Helen P. Johnson-Leipold Executive Vice President -
(Helen P. Johnson-Leipold) North American
Businesses and Director

/s/ Thomas F. Pyle, Jr. Director
(Thomas F. Pyle, Jr.)

/s/ Carl G. Schmidt Senior Vice President and Chief Financial
(Carl G. Schmidt) Officer, Secretary and Treasurer
(Principal Financial and Accounting Officer)

JOHNSON WORLDWIDE ASSOCIATES, INC.

EXHIBIT INDEX

Exhibits	Title	Page No.
3.1	Articles of Incorporation of the Company. (Filed as Exhibit 3.1 to the Company's Form S-1 Registration Statement No. 33-16998, and incorporated herein by reference.)	*
3.2	Amendments to Bylaws of the Company, dated June 24, 1996.	--
3.3	Bylaws of the Company as amended through June 24, 1996.	--
4.1	Note Agreement dated May 1, 1991. (Filed as Exhibit 4 to the Company's Form 10-Q for the quarter ended June 28, 1991 and incorporated herein by reference).	*
4.2	Letter Amendment No. 1 dated September 30, 1993 to Note Agreement dated May 1, 1991. (Filed as Exhibit 4.5 to the Company's Form 10-K for the year ended October 1, 1993 and incorporated herein by reference).	*
4.3	Note Agreement dated May 1, 1993. (Filed as Exhibit 4 to the Company's Form 10-Q for the quarter ended July 2, 1993 and incorporated herein by reference.)	*
4.4	Letter Amendment dated September 30, 1993 to Note Agreement dated May 1, 1993. (Filed as Exhibit 4.8 to the Company's Form 10-K for the year ended October 1, 1993 and incorporated herein by reference).	*
4.5	Note Agreement dated October 1, 1995. (Filed as Exhibit 4.1 to the Company's Form 10-Q for the quarter ended December 29, 1995 and incorporated herein by reference.)	*
4.6	Credit Agreement dated November 29, 1995. (Filed as Exhibit 4.2 to the Company's Form 10-Q for the quarter ended December 29, 1995 and incorporated herein by reference.)	*
4.7	Amendment No. 1 dated July 1, 1996 to Credit Agreement dated November 29, 1995.	--
9.	Johnson Worldwide Associates, Inc. Class B Common Stock Voting Trust Agreement, dated December 30, 1993 (Filed as Exhibit 9 to the Company's Form 10-Q for the quarter ended December 31, 1993 and incorporated herein by reference.)	*
10.1	Asset Purchase Agreement between Johnson Worldwide Associates, Inc. and Safari Land Ltd., Inc. dated as of March 31, 1995 (Filed as Exhibit 2 to the Company's Form 10-Q for the quarter ended March 31, 1995 and incorporated herein by reference.)	*
10.2+	Discretionary Bonus Option Plan. (Filed as Exhibit 10-2 to the Company's Form S-1 Registration Statement No. 33-16998, and incorporated herein by reference.)	*
10.3+	Johnson Worldwide Associates, Inc. Amended and Restated 1986 Stock Option Plan. (Filed as Exhibit 10 to the Company's Form 10-Q for the quarter ended July 2, 1993 and incorporated herein by reference.)	*
10.4	Registration Rights Agreement regarding Johnson Worldwide Associates, Inc. Common Stock issued to the Johnson family prior to the acquisition of Johnson Diversified, Inc. (Filed as Exhibit 10.6 to the Company's Form S-1 Registration Statement No. 33-16998, and incorporated herein by reference.)	*
10.5	Registration Rights Agreement regarding Johnson Worldwide Associate, Inc. Class A Common Stock held by Mr. Samuel C. Johnson. (Filed as Exhibit 28 to the Company's Form 10-Q for the quarter ended March 29, 1991 and incorporated herein by reference.)	*
10.6+	Form of Restricted Stock Agreement. (Filed as Exhibit 10.8 to the Company's Form S-1 Registration Statement No. 33-23299, and incorporated herein by reference.)	*
10.7+	Form of Supplemental Retirement Agreement of Johnson Diversified, Inc. (Filed as Exhibit 10.9 to the	

	Company's Form S-1 Registration Statement No. 33-16998, and incorporated herein by reference.)	*
10.8+	Johnson Worldwide Associates Retirement and Savings Plan. (Filed as Exhibit 10.9 to the Company's Form 10-K for the year ended September 29, 1989 and incorporated herein by reference.)	*
10.9+	Form of Agreement of Indemnity and Exoneration with Directors and Officers. (Filed as Exhibit 10.11 to the Company's Form S-1 Registration Statement No. 33-16998, and incorporated herein by reference.)	*
10.10	Consulting and administrative agreements with S. C. Johnson & Son, Inc. (Filed as Exhibit 10.12 to the Company's Form S-1 Registration Statement No. 33-16998, and incorporated herein by reference.)	*
10.11+	Johnson Worldwide Associates, Inc. Stock Option Plan for Non-Employee Directors. (Filed as Exhibit 4.2 to the Company's Form S-8 Registration Statement No. 33-19805 and incorporated herein by reference.)	*
10.12+	Johnson Worldwide Associates, Inc. 1994 Long-Term Stock Incentive Plan (Filed as Exhibit 4 to the Company's S-8 Registration Statement No. 33-52073 and incorporated herein by reference.)	*
10.13+	Separation agreement, dated July 18, 1996, between the Company and John D. Crabb.	--
11.	Statement regarding computation of per share earnings. (Incorporated by reference to Note 14 to the Consolidated Financial Statements on page 30 of the Company's 1996 Annual Report.)	*
13.	Portions of the Johnson Worldwide Associates, Inc. 1996 Annual Report that are incorporated herein by reference.	--
21.	Subsidiaries of the Company as of September 27, 1996.	--
23.	Consent of KPMG Peat Marwick LLP.	--
27.	Financial Data Schedule	--
99.	Definitive Proxy Statement for the 1996 Annual Meeting of Shareholders (Previously filed via the EDGAR system and incorporated herein by reference). Except to the extent incorporated herein by reference, the Proxy Statement for the 1996 Annual Meeting of Shareholders shall not be deemed to be filed with the Securities and Exchange Commission as part of this Annual Report on Form 10-K.	*

* Incorporated herein by reference.

+ A management contract or compensatory plan or arrangement.

AMENDMENTS TO THE BY-LAWS
OF JOHNSON WORLDWIDE ASSOCIATES, INC.

(Amended as of June 24, 1996)

The following sections were amended in their entirety to provide as follows:

ARTICLE THREE

Directors

* * *

3.02. Number of Directorship Positions; Chairman of the Board.

(a) Number of Directors. Except as otherwise provided in paragraph (c) of this Section 3.02, the number of directors of the corporation shall be six (6), or such other specific number as from time to time by resolution of the Board of Directors.

* * *

(d) Chairman of the Board. The Board of Directors may elect a director as the Chairman of the Board. The Chairman of the Board shall, when present, preside at all meetings of the shareholders and of the Board of Directors, may call meetings of the shareholders and the Board of Directors, shall be the Chairman of the Executive Committee, shall advise and counsel with the President, and shall perform such other duties as set forth in these bylaws and as determined by the Board of Directors. Except as provided in this paragraph (d), the Chairman shall be neither an officer nor an employee of the corporation (by virtue of his election and service as Chairman of the Board) and may use the title Chairman or Chairman of the Board interchangeably. During the absence or disability of the President, or while that office is vacant, the Chairman shall exercise all of the powers and discharge all of the duties of the President.

* * *

ARTICLE FIVE

Officers

* * *

5.07. The President. The President shall be the chief executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, in the absence of the Chairman of the Board, if any, preside at all meetings of the shareholders. In general he shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time. During the absence or disability of the President, or while that office is vacant, the Chairman of the Board shall exercise all of the powers and discharge all of the duties of the President. The Board of Directors may authorize the Chairman of the Board to appoint one or more officers or assistant officers to perform the duties of the President during the absence or disability of the President, or while that office is vacant.

* * *

BYLAWS
OF
JOHNSON WORLDWIDE ASSOCIATES, INC.
(A Wisconsin Corporation)

(As amended through June 24, 1996)

ARTICLE ONE

Offices

1.01. Principal and Business Office. The corporation may have such principal and other business offices, either within or without the State of Wisconsin, as the Board of Directors may from time to time determine or as the business of the corporation may require from time to time.

1.02. Registered Office. The registered office of the corporation required by the Wisconsin Business Corporation Law to be maintained in the State of Wisconsin may be, but need not be, identical with the principal office in the State of Wisconsin, and the address of the registered office may be changed from time to time by the Board of Directors or by the registered agent. The business office of the registered agent of the corporation shall be identical to such registered office.

ARTICLE TWO

Meetings of the Shareholders

2.01. Annual Meetings. An annual meeting of the shareholders shall be held at such time and date as may be fixed by or under the authority of the Board of Directors and as designated in the notice thereof, for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

2.02. Special Meetings.

(a) Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Chairman of the Board, if any, the President or the Board of Directors of the corporation. The Chairman of the Board, if any, or the President shall call a special meeting of the shareholders upon demand, in accordance with this Section 2.02, of the holders of at least ten percent (10%) of all of the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting.

(b) In order that the corporation may determine the shareholders entitled to demand a special meeting, the Board of Directors may fix a record date to determine the shareholders entitled to make such a demand (the "Demand Record Date"). The Demand Record Date shall not precede the date upon which the resolution fixing the Demand Record Date is adopted by the Board of Directors and shall not be more than 10 days after the date upon which the resolution fixing the Demand Record Date is adopted by the Board of Directors. Any shareholder of record seeking to have shareholders demand a special meeting shall, by sending written notice to the Secretary of the corporation by hand or by certified or registered mail, return receipt requested, request the Board of Directors to fix a Demand Record Date. The Board of Directors shall promptly, but in all events within 10 days after the date on which a valid request to fix a Demand Record Date is received, adopt a resolution fixing the Demand Record Date and shall make a public announcement of such Demand Record Date. If no Demand Record Date has been fixed by the Board of Directors within 10 days after the date on which such request is received by the Secretary, the Demand Record Date shall be the 10th day after the first date on which a valid written request to set a Demand Record Date is received by the Secretary. To be valid, such written request shall set forth the purpose or purposes for which the special meeting is to be held, shall be signed by one or more shareholders of record (or their duly authorized proxies or other representatives), shall bear the date of signature of each such shareholder (or proxy or other representative) and shall set forth all information about each such shareholder and about the beneficial owner or owners, if any, on whose behalf the request is made that would be required to be set forth in a shareholder's notice described in paragraph (a) (ii) of Section 2.12 of these bylaws.

(c) In order for a shareholder or shareholders to demand a special meeting, a written demand or demands for a special meeting by the holders of record as of the Demand Record Date of shares representing at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the special meeting must be delivered to the corporation. To be valid, each written demand by a shareholder for a special meeting shall set forth the specific purpose or purposes for which the special meeting is to be held (which purpose or purposes shall be limited to the purpose or purposes set forth in the written request to set a Demand Record Date received by the corporation pursuant to paragraph (b) of this

Section 2.02), shall be signed by one or more persons who as of the Demand Record Date are shareholders of record (or their duly authorized proxies or other representatives), shall bear the date of signature of each such shareholder (or proxy or other representative), and shall set forth the name and address, as they appear in the corporation's books, of each shareholder signing such demand and the class and number of shares of the corporation which are owned of record and beneficially by each such shareholder, shall be sent to the Secretary by hand or by certified or registered mail, return receipt requested, and shall be received by the Secretary within 70 days after the Demand Record Date.

(d) The corporation shall not be required to call a special meeting upon shareholder demand unless, in addition to the documents required by paragraph (c) of this Section 2.02, the Secretary receives a written agreement signed by each Soliciting Shareholder (as defined below), pursuant to which each Soliciting Shareholder, jointly and severally, agrees to pay the corporation's costs of holding the special meeting, including the costs of preparing and mailing proxy materials for the corporation's own solicitation, provided that if each of the resolutions introduced by any Soliciting Shareholder at such meeting is adopted, and each of the individuals nominated by or on behalf of any Soliciting Shareholder for election as a director at such meeting is elected, then the Soliciting Shareholders shall not be required to pay such costs. For purposes of this paragraph (d), the following terms shall have the meanings set forth below:

(i) "Affiliate" of any Person (as defined herein) shall mean any Person controlling, controlled by or under common control with such first Person.

(ii) "Participant" shall have the meaning assigned to such term in Rule 14a-11 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

(iii) "Person" shall mean any individual, firm, corporation, partnership, joint venture, association, trust, unincorporated organization or other entity.

(iv) "Proxy" shall have the meaning assigned to such term in Rule 14a-1 promulgated under the Exchange Act.

(v) "Solicitation" shall have the meaning assigned to such term in Rule 14a-11 promulgated under the Exchange Act.

(vi) "Soliciting Shareholder" shall mean, with respect to any Special Meeting demanded by a shareholder or shareholders, any of the following Persons:

(A) if the number of shareholders signing the demand or demands of meeting delivered to the corporation pursuant to paragraph (c) of this Section 2.02 is 10 or fewer, each shareholder signing any such demand;

(B) if the number of shareholders signing the demand or demands of meeting delivered to the corporation pursuant to paragraph (c) of this Section 2.02 is more than 10, each Person who either (I) was a Participant in any Solicitation of such demand or demands or (II) at the time of the delivery to the corporation of the documents described in paragraph (c) of this Section 2.02 had engaged or intended to engage in any Solicitation of Proxies for use at such Special Meeting (other than a Solicitation of Proxies on behalf of the corporation); or

(C) any Affiliate of a Soliciting Shareholder, if a majority of the directors then in office determine, reasonably and in good faith, that such Affiliate should be required to sign the written notice described in paragraph (c) of this Section 2.02 and/or the written agreement described in this paragraph (d) in order to prevent the purposes of this Section 2.02 from being evaded.

(e) Except as provided in the following sentence, any special meeting shall be held at such hour and day as may be designated by whichever of the Chairman of the Board, if any, the President or the Board of Directors shall have called such meeting. In the case of any special meeting called by the Chairman of the Board, if any, or the President upon the demand of shareholders (a "Demand Special Meeting"), such meeting shall be held at such hour and day as may be designated by the Board of Directors; provided, however, that the date of any Demand Special Meeting shall be not more than 70 days after the record date for the meeting (as established in Section 2.05 hereof); and provided further that in the event that the directors then in office fail to designate an hour and date for a Demand Special Meeting within 10 days after the date that valid written demands for such meeting by the holders of record as of the Demand Record Date of shares representing at least 10% of all the votes entitled to be cast on each issue proposed to be considered at the special meeting are delivered to the corporation (the "Delivery Date"), then such meeting shall be held at 2:00 P.M. local time on the 100th day after the Delivery Date or, if such 100th day is not a Business Day (as defined below), on the first preceding Business Day. In fixing a meeting date for any special meeting, the Chairman of the Board, if any, the President or the Board of Directors may consider such factors as he or it deems relevant

within the good faith exercise of his or its business judgment, including, without limitation, the nature of the action proposed to be taken, the facts and circumstances surrounding any demand for such meeting, and any plan of the Board of Directors to call an annual meeting or a special meeting for the conduct of related business.

(f) The corporation may engage regionally or nationally recognized independent inspectors of elections to act as an agent of the corporation for the purpose of promptly performing a ministerial review of the validity of any purported written demand or demands for a special meeting received by the Secretary. For the purpose of permitting the inspectors to perform such review, no purported demand shall be deemed to have been delivered to the corporation until the earlier of (i) 5 Business Days following receipt by the Secretary of such purported demand and (ii) such date as the independent inspectors certify to the corporation that the valid demands received by the Secretary represent at least 10% of all the votes entitled to be cast on each issue proposed to be considered at the special meeting. Nothing contained in this paragraph (f) shall in any way be construed to suggest or imply that the Board of Directors or any shareholder shall not be entitled to contest the validity of any demand, whether during or after such 5 Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto).

(g) For purposes of these bylaws, "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of Wisconsin are authorized or obligated by law or executive order to close.

2.03. Place of Meeting. The Board of Directors, the Chairman of the Board, if any, or the President may designate any place, either within or without the State of Wisconsin, as the place of meeting for any annual or special meeting of the shareholders. If no designation is made, the place of meeting shall be the principal business office of the corporation in the State of Wisconsin. Any meeting may be adjourned to reconvene at any place designated by the Board of Directors, the Chairman of the Board, if any, or the President.

2.04. Notice. Written or printed notice of every annual or special meeting of the shareholders, stating the place, date and time of such meeting shall be delivered not less than ten nor more than sixty days before the date of the meeting (unless a different period is required by the Wisconsin Business Corporation Law or the Articles of Incorporation), either personally or by mail, by or at the direction of the Board of Directors, the Chairman of the Board, if any, the President or Secretary, to each shareholder of record entitled to vote at such meeting and to other shareholders as may be required by the Wisconsin Business Corporation Law. In the event of any Demand Special Meeting, such notice of meeting shall be sent not more than 30 days after the Delivery Date. Notices which are mailed shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his or her address as it appears on the stock record books of the corporation, with postage thereon prepaid. Unless otherwise required by the Wisconsin Business Corporation Law or the articles of incorporation of the corporation, a notice of an annual meeting need not include a description of the purpose for which the meeting is called. In the case of any special meeting, (a) the notice of meeting shall describe any business that the Board of Directors shall have theretofore determined to bring before the meeting and (b) in the case of a Demand Special Meeting, the notice of meeting (i) shall describe any business set forth in the statement of purpose of the demands received by the corporation in accordance with Section 2.02 of these bylaws and (ii) shall contain all of the information required in the notice received by the corporation in accordance with Section 2.12(b) of these bylaws. If an annual or special meeting of the shareholders is adjourned to a different place, date or time, the corporation shall not be required to give notice of the new place, date or time if the new place, date or time is announced at the meeting before adjournment; provided, however, that if a new record date for an adjourned meeting is or must be fixed, the corporation shall give notice of the adjourned meeting to persons who are shareholders as of the new record date.

2.05. Fixing of Record Date. The Board of Directors may fix in advance a date not less than ten days and not more than seventy days prior to the date of any annual or special meeting of the shareholders as the record date for the purpose of determining shareholders entitled to notice of and to vote at such meeting. In the case of any Demand Special Meeting, (i) the meeting record date shall be not later than the 30th day after the Delivery Date and (ii) if the Board of Directors fails to fix the meeting record date within 30 days after the Delivery Date, then the close of business on such 30th day shall be the meeting record date. If no record date is fixed by the Board of Directors or by the Wisconsin Business Corporation Law for the determination of the shareholders entitled to notice of and to vote at a meeting of shareholders, the record date shall be the close of business on the day before the first notice is given to shareholders. The Board of Directors may also fix in advance a date as the record date for the purpose of determining shareholders entitled to demand a special meeting as contemplated by Section 2.02 of these bylaws, shareholders to take any other action or shareholders for any other purposes. Such record date shall not be more than seventy days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If no record date is fixed by the Board of Directors or by the Wisconsin Business Corporation Law for the determination of shareholders entitled to demand a special meeting as

contemplated in Section 2.02 of these bylaws, the record date shall be the date that the first shareholder signs the demand. The record date for determining shareholders entitled to a distribution (other than a distribution involving a purchase, redemption or other acquisition of the corporation's shares) or a share dividend is the date on which the Board of Directors authorized the distribution or share dividend, as the case may be, unless the Board of Directors fixes a different record date. Except as provided by the Wisconsin Business Corporation Law for a court-ordered adjournment, a determination of shareholders entitled to notice of and to vote at a meeting of the shareholders is effective for any adjournment of such meeting unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

2.06. Shareholder Lists. After a record date for a special or annual meeting of the shareholders has been fixed, the corporation shall prepare a list of the names of all of the shareholders entitled to notice of the meeting. The list shall be arranged by class or series of shares, if any, and show the address of and number of shares held by each shareholder. Such list shall be available for inspection by any shareholder, beginning two business days after notice of the meeting is given for which the list was prepared and continuing to the date of the meeting, at the corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held. A shareholder or his agent may, on written demand, inspect and, subject to the limitations imposed by the Wisconsin Business Corporation Law, copy the list, during regular business hours and at his or her expense, during the period that it is available for inspection pursuant to this Section 2.06. The corporation shall make the shareholders' list available at the meeting and any shareholder or his or her agent or attorney may inspect the list at any time during the meeting or any adjournment thereof. Refusal or failure to prepare or make available the shareholders' list shall not affect the validity of any action taken at a meeting of the shareholders.

2.07. Quorum and Voting Requirements; Postponements; Adjournments.

(a) Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. If at any time the corporation has only one class of common stock outstanding, such class shall constitute a separate voting group for purposes of this Section 2.07. Except as otherwise provided in the Articles of Incorporation, any bylaw adopted under authority granted in the Articles of Incorporation or by the Wisconsin Business Corporation Law, a majority of the votes entitled to be cast on the matter shall constitute a quorum of the voting group for action on that matter. Once a share is represented for any purpose at a meeting, other than for the purpose of objecting to holding the meeting or transacting business at the meeting, it is considered present for purposes of determining whether a quorum exists for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for the adjourned meeting. If a quorum exists, except in the case of the election of directors, action on a matter shall be approved if the votes cast within the voting group favoring the action exceed the votes cast within the voting group opposing the action, unless the Articles of Incorporation, any bylaw adopted under authority granted in the Articles of Incorporation or the Wisconsin Business Corporation Law requires a greater number of affirmative votes. Unless otherwise provided in the Articles of Incorporation, directors shall be elected by a plurality of the votes cast within the voting group entitled to vote in the election of such directors at a meeting at which a quorum is present. For purposes of this Section 2.08, "plurality" means that the individuals who receive the largest number of votes cast, within the voting group entitled to vote in the election of such directors, are elected as directors up to the maximum number of directors to be chosen at the meeting by such voting group.

(b) The Board of Directors acting by resolution may postpone and reschedule any previously scheduled annual meeting or special meeting; provided, however, that a Demand Special Meeting shall not be postponed beyond the 100th day following the Delivery Date. Any annual meeting or special meeting may be adjourned from time to time, whether or not there is a quorum, (i) at any time, upon a resolution of shareholders if the votes cast in favor of such resolution by the holders of shares of each voting group entitled to vote on any matter theretofore properly brought before the meeting exceed the number of votes cast against such resolution by the holders of shares of each such voting group or (ii) at any time prior to the transaction of any business at such meeting, by the Chairman of the Board or the President or pursuant to a resolution of the Board of Directors. No notice of the time and place of adjourned meetings need be given except as required by the Wisconsin Business Corporation Law. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified, provided that no business shall be transacted at such adjourned meeting on which any class of stock is entitled to be voted which class shall not have been permitted to participate in the vote to adjourn the meeting.

2.08. Proxies. At all meetings of the shareholders, a shareholder entitled to vote may vote either in person or by proxy. A shareholder may appoint a proxy to vote or otherwise act for the shareholder by signing an appointment form, either personally or by his or

her attorney-in-fact. An appointment of a proxy is effective when received by the Secretary or other officer or agent of the corporation authorized to tabulate votes. An appointment is valid for eleven months from the date of its signing unless a different period is expressly provided in the appointment form. Unless otherwise conspicuously stated on the appointment form, a proxy may be revoked at any time before it is voted, either by written notice delivered to the Secretary or other officer or agent of the corporation authorized to tabulate votes or by oral notice given by the shareholder to the presiding person during the meeting. The Board of Directors shall have the power and authority to make rules establishing presumptions as to the validity and sufficiency of proxies.

2.09. Conduct of Meetings. The Chairman of the Board, if any, and in his absence the President, shall call the meeting of the shareholders to order, shall act as chairman of the meeting and shall otherwise preside at the meeting. In the absence of the Chairman of the Board, if any, and the President, a person designated by the Board of Directors shall preside. The person presiding at any meeting of the shareholders shall have the power to determine (i) whether and to what extent proxies presented at the meeting shall be recognized as valid, (ii) the procedure for tabulating votes at such meeting, (iii) procedures for the conduct of such meeting, and (iv) any questions which may be raised at such meeting. The person presiding at any meeting of the shareholders shall have the right to delegate any of the powers contemplated by this Section 2.09 to such other person or persons as the person presiding deems desirable. The Secretary of the corporation shall act as secretary of all meetings of shareholders, but, in the absence of the Secretary, the presiding person may appoint any other person to act as secretary of the meeting.

2.10. Acceptance of Instruments Showing Shareholder Action. If the name signed on a vote, consent, waiver or proxy appointment corresponds to the name of a shareholder, the corporation, if acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of a shareholder. If the name signed on a vote, consent, waiver or proxy appointment does not correspond to the name of a shareholder, the corporation, if acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder if any of the following apply:

(a) The shareholder is an entity and the name signed purports to be that of an officer or agent of the entity.

(b) The name purports to be that of a personal representative, administrator, executor, guardian or conservator representing the shareholder and, if the corporation requests, evidence of fiduciary status acceptable to the corporation is presented with respect to the vote, consent, waiver or proxy appointment.

(c) The name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the corporation requests, evidence of this status acceptable to the corporation is presented with respect to the vote, consent, waiver or proxy appointment.

(d) The name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and, if the corporation requests, evidence acceptable to the corporation of the signatory's authority to sign for the shareholder is presented with respect to the vote, consent, waiver or proxy appointment.

(e) Two or more persons are the shareholders as co-tenants or fiduciaries and the name signed purports to be the name of at least one of the co-owners and the person signing appears to be acting on behalf of all co-owners.

The corporation may reject a vote, consent, waiver or proxy appointment if the Secretary or other officer or agent of the corporation who is authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the shareholder.

2.11. Waiver of Notice by Shareholders. A shareholder may waive any notice required by the Wisconsin Business Corporation Law, the Articles of Incorporation or these bylaws before or after the date and time stated in the notice. The waiver shall be in writing and signed by the shareholder entitled to the notice, contain the same information that would have been required in the notice under applicable provisions of the Wisconsin Business Corporation Law (except that the time and place of the meeting need not be stated) and be delivered to the corporation for inclusion in the corporate records. A shareholder's attendance at a meeting, in person or by proxy, waives objection to all of the following: (a) lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting or promptly on arrival objects to holding the meeting or transaction business at the meeting; and (b) consideration of a particular matter at the meeting that is not within the purpose described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

2.12. Notice of Shareholder Business and Nomination of Directors.

(a) Annual Meetings.

(i) Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the shareholders may be made at an annual meeting (A) pursuant to the corporation's notice of meeting, (B) by or at the direction of the Board of Directors or (C) by any shareholder of the corporation who is a shareholder of record at the time of giving of notice provided for in this by-law and who is entitled to vote at the meeting and complies with the notice procedures set forth in this Section 2.12.

(ii) For nominations or other business to be properly brought before an annual meeting by a shareholder pursuant to clause (C) of paragraph (a)(i) of this Section 2.12, the shareholder must have given timely notice thereof in writing to the Secretary of the corporation. To be timely, a shareholder's notice shall be received by the Secretary of the corporation at the principal offices of the corporation not earlier than the 90th day prior to the date of such annual meeting and not later than the close of business on the later of (x) the 60th day prior to such annual meeting and (y) the 10th day following the day on which public announcement of the date of such meeting is first made. Such shareholder's notice shall be signed by the shareholder of record who intends to make the nomination or introduce the other business (or his duly authorized proxy or other representative), shall bear the date of signature of such shareholder (or proxy or other representative) and shall set forth: (A) the name and address, as they appear on this corporation's books, of such shareholder and the beneficial owner or owners, if any, on whose behalf the nomination or proposal is made; (B) the class and number of shares of the corporation which are beneficially owned by such shareholder or beneficial owner or owners; (C) a representation that such shareholder is a holder of record of shares of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to make the nomination or introduce the other business specified in the notice; (D) in the case of any proposed nomination for election or re-election as a director, (I) the name and residence address of the person or persons to be nominated, (II) a description of all arrangements or understandings between such shareholder or beneficial owner or owners and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination is to be made by such shareholder, (III) such other information regarding each nominee proposed by such shareholder as would be required to be disclosed in solicitations of proxies for elections of directors, or would be otherwise required to be disclosed, in each case pursuant to Regulation 14A under the Exchange Act, including any information that would be required to be included in a proxy statement filed pursuant to Regulation 14A had the nominee been nominated by the Board of Directors and (IV) the written consent of each nominee to be named in a proxy statement and to serve as a director of the corporation if so elected; and (E) in the case of any other business that such shareholder proposes to bring before the meeting, (I) a brief description of the business desired to be brought before the meeting and, if such business includes a proposal to amend these bylaws, the language of the proposed amendment, (II) such shareholder's and beneficial owner's or owners' reasons for conducting such business at the meeting and (III) any material interest in such business of such shareholder and beneficial owner or owners.

(iii) Notwithstanding anything in the second sentence of paragraph (a)(ii) of this Section 2.12 to the contrary, in the event that the number of directors to be elected to the Board of Directors of the corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the corporation at least 60 days prior to the annual meeting, a shareholder's notice required by this Section 2.12 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary at the principal offices of the corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the corporation.

(b) Special Meetings. Only such business shall be conducted at a special meeting as shall have been described in the notice of meeting sent to shareholders pursuant to Section 2.04 of these bylaws.

Nominations of persons for election to the Board of Directors may be made at a special meeting at which directors are to be elected pursuant to such notice of meeting (i) by or at the direction of the Board of Directors or (ii) by any shareholder of the corporation who (A) is a shareholder of record at the time of giving of such notice of meeting, (B) is entitled to vote at the meeting and (C) complies with the notice procedures set forth in this Section 2.12. Any shareholder desiring to nominate persons for election to the Board of Directors at such a special meeting shall cause a written notice to be received by the Secretary of the corporation at the principal offices of the corporation not earlier than 90 days prior to such special meeting and not later than the close of business on the later of (x) the 60th day prior to such special meeting and (y) the 10th day following the day on which public announcement is first made of the date of such special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. Such written notice shall be signed by the shareholder of record who intends to make the nomination (or his duly authorized proxy or other representative), shall bear the date of

signature of such shareholder (or proxy or other representative) and shall set forth: (A) the name and address, as they appear on the corporation's books, of such shareholder and the beneficial owner or owners, if any, on whose behalf the nomination is made; (B) the class and number of shares of the corporation which are beneficially owned by such shareholder or beneficial owner or owners; (C) a representation that such shareholder is a holder of record of shares of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to make the nomination specified in the notice; (D) the name and residence address of the person or persons to be nominated; (E) a description of all arrangements or understandings between such shareholder or beneficial owner or owners and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination is to be made by such shareholder; (F) such other information regarding each nominee proposed by such shareholder as would be required to be disclosed in solicitations of proxies for elections of directors, or would be otherwise required to be disclosed, in each case pursuant to Regulation 14A under the Exchange Act, including any information that would be required to be included in a proxy statement filed pursuant to Regulation 14A had the nominee been nominated by the Board of Directors; and (G) the written consent of each nominee to be named in a proxy statement and to serve as a director of the corporation if so elected.

(c) General.

(i) Only persons who are nominated in accordance with the procedures set forth in this Section 2.12 shall be eligible to serve as directors. Only such business shall be conducted at an annual meeting or special meeting as shall have been brought before such meeting in accordance with the procedures set forth in this Section 2.12. The chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Section 2.12 and, if any proposed nomination or business is not in compliance with this Section 2.12, to declare that such defective proposal shall be disregarded.

(ii) For purposes of this Section 2.12, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(iii) Notwithstanding the foregoing provisions of this Section 2.12, a shareholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.12. Nothing in this Section 2.12 shall be deemed to limit the corporation's obligation to include shareholder proposals in its proxy statement if such inclusion is required by Rule 14a-8 under the Exchange Act.

ARTICLE THREE

Directors

3.01. General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the corporation's Board of Directors. In addition to the powers and authorities expressly conferred upon it by these bylaws, the Board of Directors may do all such lawful acts and things as are not by the Wisconsin Business Corporation Law, the Articles of Incorporation or these bylaws directed or required to be exercised or done by the shareholders.

3.02. Number of Directorship Positions; Chairman of the Board.

(a) Number of Directors. Except as otherwise provided in paragraph (c) of this Section 3.02, the number of directors of the corporation shall be six (6), or such other specific number as from time to time by resolution of the Board of Directors.

(b) Board of Directors' Power to Alter the Number of Directors. The Board of Directors shall have the power (subject to any limitations prescribed by the Articles of Incorporation) by a resolution adopted by not less than a majority of all directors serving on the Board of Directors at the time of such adoption to alter at any time and from time to time the number of total directorship positions on the Board of Directors. Upon the adoption of any resolution in the manner provided in the preceding sentence, the total number of directorship positions on the Board of Directors shall be equal to the number specified in such resolution. If the Board of Directors shall determine to reduce the number of directorship positions, then the term of each incumbent member shall end upon the election of directors at the next annual meeting of shareholders of the corporation and the persons elected to fill such reduced number of directorship positions shall be deemed to be the successors to all persons who shall have previously held such directorship positions.

(c) Default. In the event that the corporation is in Default (as defined in the Articles of Incorporation) in payment of dividends on

the 13% Senior Preferred Stock, \$1.00 par value per share, of the corporation (the "Senior Preferred Stock") or any stock on a parity with the Senior Preferred Stock as to dividends and the holders of such stock become entitled to elect two directors pursuant to Article Five, paragraph A(2) (a) (iii) of the Articles of Incorporation, the number of total directorship positions on the Board of Directors shall increase by two effective as of the time that the holders of such stock elect two directors pursuant to Article Five, paragraph A(2) (a) (iii) of the Articles of Incorporation. When the Default is "cured" (as defined in the Articles of Incorporation) or there is no longer any Senior Preferred Stock or any stock on a parity with the Senior Preferred Stock outstanding, whichever occurs earlier, the two directors elected pursuant to Article Five, paragraph A(2) (a) (iii) of the Articles of Incorporation shall resign and the total number of directorship positions shall be decreased by two effective as of the date of the last such resignation.

(d) Chairman of the Board. The Board of Directors may elect a director as the Chairman of the Board. The Chairman of the Board shall, when present, preside at all meetings of the shareholders and of the Board of Directors, may call meetings of the shareholders and the Board of Directors, shall be the Chairman of the Executive Committee, shall advise and counsel with the President, and shall perform such other duties as set forth in these bylaws and as determined by the Board of Directors. Except as provided in this paragraph (d), the Chairman shall be neither an officer nor an employee of the corporation (by virtue of his election and service as Chairman of the Board) and may use the title Chairman or Chairman of the Board interchangeably. During the absence or disability of the President, or while that office is vacant, the Chairman shall exercise all of the powers and discharge all of the duties of the President.

3.03. Tenure and Qualifications. Each director shall hold office until the next annual meeting of the shareholders and until his successor shall have been elected and, if necessary, qualified, or until his prior death, resignation or removal. A director may be removed by the shareholders only at a meeting of the shareholders called for the purpose of removing the director, and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is the removal of the director. A director may be removed from office with or without cause only by the voting group entitled to vote in the election of such director. A director shall be removed if the number of votes cast to remove the director exceeds the number of votes cast not to remove such director. A director may resign at any time by delivering written notice which complies with the Wisconsin Business Corporation Law to the Board of Directors, to the Chairman of the Board, if any, or to the corporation. A director's resignation is effective when the notice is delivered unless the notice specifies a later effective date. Directors need not be residents of the State of Wisconsin or shareholders of the corporation.

3.04. Regular Meetings. The Board of Directors shall provide, by resolution, the date, time and place, either within or without the State of Wisconsin, for the holding of regular meetings of the Board of Directors without other notice than such resolution.

3.05. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, if any, the President or any three directors. The Chairman of the Board, if any, or the President may fix the time, date and place, either within or without the State of Wisconsin, for holding any special meeting of the Board of Directors, and if no other place is fixed, the place of the meeting shall be the principal business office of the corporation in the State of Wisconsin.

3.06. Notice; Waiver. Notice of each special meeting of the Board of Directors shall be given (a) by oral notice delivered or communicated to the director by telephone or in person not less than twenty-four hours prior to the meeting or (b) by written notice delivered to the director in person, by telegram, teletype, facsimile or other form of wire or wireless communication, or by mail or private carrier, to each director at his business address or at such other address as the person sending such notice shall reasonably believe appropriate, in each case not less than forty-eight hours prior to the meeting. The notice need not prescribe the purpose of the special meeting of the Board of Directors or the business to be transacted at such meeting. If given by telegram, such notice shall be deemed to be effective when the telegram is delivered to the telegraph company. If given by teletype, facsimile or other wire or wireless communication, such notice shall be deemed to be effective when transmitted. If mailed, such notice shall be deemed to be effective when deposited in the United States mail so addressed, with postage thereon prepaid. If given by private carrier, such notice shall be deemed to be effective when delivered to the private carrier. Whenever any notice whatever is required to be given to any director of the corporation under the Articles of Incorporation or these bylaws or any provision of the Wisconsin Business Corporation Law, a waiver thereof in writing, signed at any time, whether before or after the date and time of meeting, by the director entitled to such notice shall be deemed equivalent to the timely giving of such notice. The corporation shall retain any such waiver as part of the permanent corporate records. A director's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless the director at the beginning of the meeting or promptly upon his or her arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

3.07. Quorum. Except as otherwise provided in the Articles of Incorporation or these bylaws or by the Wisconsin Business Corporation Law, directors holding a majority of the positions on the Board of Directors established pursuant to Section 3.02 of these bylaws shall constitute a quorum for transaction of business at any meeting of the Board of Directors. A majority of the directors present (though less than a quorum) may adjourn any meeting of the Board of Directors from time to time without further notice.

3.08. Manner of Acting. The affirmative vote of a majority of the directors present at a meeting of the Board of Directors at which a quorum is present shall be the act of the Board of Directors unless the Wisconsin Business Corporation Law, the Articles of Incorporation or these bylaws require the vote of a greater number of directors.

3.09. Presumption of Assent. A director who is present and is announced as present at a meeting of the Board of Directors or any committee thereof created in accordance with Article IV of these bylaws, when corporate action is taken on a particular matter, assents to the action taken unless any of the following occurs: (a) the director objects at the beginning of the meeting or promptly upon his or her arrival to holding the meeting or transacting business at the meeting; (b) the director dissents or abstains from an action taken and minutes of the meeting are prepared that show the director's dissent or abstention from the action taken; (c) the director delivers written notice that complies with the Wisconsin Business Corporation Law of his or her dissent or abstention from the action taken on the particular matter to the presiding person of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting; or (d) the director dissents or abstains from an action taken, minutes of the meeting are prepared that fail to show the director's dissent or abstention from the action taken, and the director delivers to the corporation a written notice of that failure that complies with the Wisconsin Business Corporation Law promptly after receiving the minutes. Such right of dissent or abstention shall not apply to a director who votes in favor of the action taken on the particular matter.

3.10. Action by Directors Without a Meeting. Any action required or permitted by the Articles of Incorporation, these bylaws or the Wisconsin Business Corporation Law to be taken at any meeting of the Board of Directors or any committee thereof created pursuant to Article IV of these bylaws may be taken without a meeting if the action is taken by all members of the Board of Directors or such committee, as the case may be. The action shall be evidenced by one or more written consents describing the action taken, signed by each director or committee member, as the case may be, and retained by the corporation. In the event one or more positions on the Board of Directors or any committee thereof shall be vacant at the time of the execution of any such consent, such consent shall nevertheless be effective if it shall be signed by all persons serving as members of the Board of Directors or of such committee, as the case may be, at such time and if the persons signing the consent would be able to take the action called for by the consent at a properly constituted meeting of the Board of Directors or such committee, as the case may be.

3.11. Compensation. The Board of Directors, irrespective of any personal interest of any of its members, may establish reasonable compensation of all directors for services to the corporation as directors or may delegate such authority to an appropriate committee of the Board of Directors. The Board of Directors also shall have authority to provide for or delegate authority to an appropriate committee of the Board of Directors to provide for reasonable pensions, disability or death benefits, and other benefits or payments, to directors, officers and employees and to their estates, families, dependents or beneficiaries on account of prior services rendered by such directors, officers and employees to the corporation.

3.12. Telephonic Meetings. Except as herein provided and notwithstanding any place set forth in the notice of the meeting or these bylaws, members of the Board of Directors (and any committees thereof created pursuant to Article IV hereof) may participate in regular or special meetings by, or through the use of, any means of communication by which (a) all participants may simultaneously hear each other, such as by conference telephone, or (b) all communication is immediately transmitted to each participant, and each participant can immediately send messages to all other participants. If a meeting is conducted by such means, then at the commencement of such meeting the presiding person shall inform the participating directors that a meeting is taking place at which official business may be transacted. Any participant in a meeting by such means shall be deemed present in person at such meeting. Notwithstanding the foregoing, no action may be taken at any meeting held by such means on any particular matter which the presiding person determines, in his or her sole discretion, to be inappropriate under the circumstances for action at a meeting held by such means. Such determination shall be made and announced in advance of such meeting.

3.13. Conduct of Meetings. The Chairman of the Board, if any, and in his or her absence, the President, and in their absence, any director chosen by the directors present, shall call meetings of the Board of Directors to order, shall act as chairman of the meeting and shall otherwise preside at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board of Directors but in the

absence of the Secretary, the presiding person may appoint any other person present to act as secretary of the meeting. Minutes of any regular or special meeting of the Board of Directors shall be prepared and distributed to each director.

ARTICLE FOUR

Committees of the Board of Directors

4.01. General.

(a) Establishment. The Board of Directors by resolution adopted by the affirmative vote of a majority of all of the directors then in office pursuant to Section 3.02 of these bylaws may establish one or more committees, each committee to consist of two or more directors of this corporation elected by the Board of Directors. The term "Board Committee" as used in these bylaws means any committee comprised exclusively of directors of the corporation which is identified as a "Board Committee" either in these bylaws or in any resolutions adopted by the Board of Directors.

(b) Membership. The Board of Directors by resolution adopted by the affirmative vote of a majority of all directors then in office shall have the power to: (i) establish the number of membership positions on each Board Committee from time to time and change the number of membership positions on such Committee from time to time; provided each Board Committee shall consist of at least two members; (ii) appoint any director to membership on any Board Committee who shall be willing to serve on such Committee; (iii) remove any person from membership on any Board Committee with or without cause; and (iv) appoint any director to membership on any Board Committee as an alternate member. A person's membership on any Board Committee shall automatically terminate when such person ceases to be a director of the corporation.

(c) Powers. Except as otherwise provided in Section 4.01(d) of these bylaws, each Board Committee shall have and may exercise all the powers and authority of the Board of Directors, when the Board of Directors is not in session, in the management of the business and affairs of the corporation to the extent (but only to the extent) such powers shall be expressly delegated to it by the Board of Directors or by these bylaws. Unless otherwise provided by the Board of Directors in creating the committee, a committee may employ counsel, accountants and other consultants to assist it in the exercise of its authority.

(d) Reserved Powers. No Board Committee shall have the right or power to do any of the following: (i) authorize distributions; (ii) approve or propose to shareholders action that the Wisconsin Business Corporation Law requires to be approved by shareholders; (iii) fill vacancies on the Board of Directors, or, unless the Board of Directors provides by resolution that vacancies on a committee shall be filled by the affirmative vote of a majority of the remaining committee members, on any Board Committee; (iv) amend the Articles of Incorporation; (v) adopt, amend or repeal these bylaws; (vi) approve a plan of merger not requiring shareholder approval; (vii) authorize or approve reacquisition of shares, except according to a formula or method prescribed by the Board of Directors; and (viii) authorize or approve the issuance or sale or contract for sale of shares, or determine the designation and relative rights, preferences and limitations of a class or series of shares, except that the Board of Directors may authorize a committee to do so within limits prescribed by the Board of Directors.

(e) Vote Required. Except as provided by the Wisconsin Business Corporation Law or in the Articles of Incorporation or these bylaws, the members holding at least a majority of the membership positions on any Board Committee shall constitute a quorum for purposes of any meeting of such committee. The affirmative vote of the majority of the members of a Board Committee present at any meeting of the Board Committee at which a quorum is present shall be necessary and sufficient to approve any action within the Board Committee's power, and any action so approved by such a majority shall be deemed to have been taken by the Board Committee and to be the act of such Board Committee.

(f) Governance. The Board of Directors may designate the person who is to serve as chairman of and preside over any Board Committee, and in the absence of any such designation by the Board of Directors, the members of the Board Committee may either designate one member of the Board Committee as its chairman to preside at any meeting or elect to operate without a chairman, except as otherwise required by these bylaws. Each Board Committee may appoint a secretary who need not be a member of the Committee or a member of the Board of Directors. Each Board Committee shall have the right to establish such rules and procedures governing its meetings and operations as such committee shall deem desirable provided such rules and procedures shall not be inconsistent with the Articles of Incorporation, these bylaws, or any direction to such committee issued by the Board of Directors.

(g) Alternate Committee Members. The Board of Directors may designate one or more directors as alternate members of any Board Committee, and any such director may replace any regular member of such Board Committee who for any reason is absent from a meeting of such Board Committee or is otherwise disqualified from serving on such Board Committee.

4.02. Executive Committee. The corporation shall have an Executive Committee. The Executive Committee shall be a Board Committee and shall be subject to the provisions of Section 4.01 of these bylaws. The Executive Committee shall assist the Board of Directors in developing and evaluating general corporate policies and objectives. The Executive Committee shall perform such specific assignments as shall be expressly delegated to it from time to time by the Board of Directors and shall (subject to the limitations specified in Section 4.01(d) of these bylaws or imposed by the Wisconsin Business Corporation Law) have the power to exercise, when the Board of Directors is not in session, the powers of the Board of Directors except to the extent expressly limited or precluded from exercising such powers in resolutions from time to time adopted by the Board of Directors. Meetings of the Executive Committee may be called at any time by any two members of the Committee. The time and place for each meeting shall be established by the members calling the meeting. The Chairman of the Board, when present, shall preside at all meetings of the Executive Committee.

4.03. Audit Committee. The corporation shall have an Audit Committee. The Audit Committee shall be a Board Committee and shall be subject to the provisions of Section 4.01 of these bylaws. The Audit Committee shall: (a) recommend to the Board of Directors annually a firm of independent public accountants to act as auditors of the corporation; (b) review with the auditors in advance the scope of their annual audit; (c) review with the auditors and the management, from time to time, the corporation's accounting principles, policies and practices and its reporting policies and practices; (d) review with the auditors annually the results of their audit; (e) review from time to time with the auditors and the corporation's financial personnel the adequacy of the corporation's accounting, financial and operating controls; (f) review transactions between the corporation or any subsidiary of the corporation and any shareholder who holds at least fifty percent of the total number of shares outstanding of the corporation's Class A Common Stock or Class B Common Stock (a "Controlling Shareholder") or any subsidiary of a Controlling Shareholder in accordance with policies adopted by the Board of Directors; and (g) perform such other duties as shall from time to time be delegated to the Committee by the Board of Directors. The membership of the Audit Committee shall always be such that a majority of the members of the Audit Committee shall not be full-time employees of any Controlling Shareholder, the corporation or any of their respective subsidiaries. Within the limitations prescribed in the preceding sentence, the membership on the Audit Committee shall be determined by the Board of Directors as provided in Section 4.01 of these bylaws.

4.04. Compensation Committee. The corporation shall have a Compensation Committee. The Compensation Committee shall be a Board Committee and shall be subject to the provisions of Section 4.01 of these bylaws. The Compensation Committee shall have the authority to establish the compensation and benefits for directors, officers and, at the option of the Compensation Committee, other managerial personnel of the corporation and its subsidiaries, including, without limitation, fixing the cash compensation of such persons, establishing and administering compensation and benefit plans for such persons and determining awards thereunder, and entering into (or amending existing) employment and compensation agreements with any such persons. The Compensation Committee may also recommend persons to be elected as officers of the corporation or any of its subsidiaries to the Board of Directors. The Compensation Committee shall perform such other duties as shall from time to time be delegated to the Compensation Committee by the Board of Directors. The authority of the Compensation Committee shall be subject to such limitations and restrictions as may be imposed by the Board of Directors, which may delegate the authority to establish or administer specific employee compensation or benefit plans to one or more other Board Committees or one or more persons designated by the Board of Directors. The Compensation Committee shall consist solely of members of the Board of Directors who are not officers of the corporation. The membership of the Compensation Committee shall be determined by the Board of Directors as provided in Section 4.01 of these bylaws.

ARTICLE FIVE

Officers

5.01. Number. The principal officers of the corporation shall be appointed by the Board of Directors and shall consist of a President, one or more Vice Presidents, a Secretary and a Treasurer. Such other officers and assistant officers as may be deemed necessary or desirable may be appointed by the Board of Directors. The President must be a member of the Board of Directors, but no other officer need be a member of the Board of Directors. Any two or more offices may be held by the same person. In its discretion, the Board of Directors may choose not to fill any office for any period as it may deem advisable, except the principal offices of President, Vice President, Treasurer and Secretary. The Board of Directors may authorize any officer to appoint one or more officers or assistant officers.

5.02. Appointment and Term of Office. The officers of the corporation to be appointed by the Board of Directors shall be appointed annually by the Board of Directors at its first meeting following the annual meeting of shareholders. If the appointment of officers shall not occur at such meeting, such appointment shall occur as soon thereafter as

conveniently may be. Each officer shall hold office until the earlier of: (a) the time at which a successor is duly appointed and, if necessary, qualified, or (b) his or her death, resignation or removal as hereinafter provided. The Board of Directors shall have the right to enter into employment contracts providing for the employment of any officer for a term longer than one year, but no such contract shall preclude the Board of Directors from removing any person from any position with the corporation whenever in the judgment of the Board of Directors the best interests of the corporation would be served thereby.

5.03. Removal. The Board of Directors may remove any officer and, unless restricted by the Board of Directors or these bylaws, an officer may remove any officer appointed by that officer, at any time, with or without cause and notwithstanding the contract rights, if any, of the officer removed. The appointment of an officer does not of itself create contract rights.

5.04. Resignation. An officer may resign at any time by delivering notice to the corporation that complies with the Wisconsin Business Corporation Law. The resignation shall be effective when the notice is delivered, unless the notice specifies a later effective date and the corporation accepts the later effective date.

5.05. Vacancies. A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term. If a resignation of an officer is effective at a later date as contemplated by Section 5.04 of these bylaws, the Board of Directors may fill the pending vacancy before the effective date if the Board provides that the successor may not take office until the effective date.

5.06. General Powers of Officers. For purposes of these bylaws, the corporation's President and each Vice President shall be deemed to be a "senior officer". Whenever any resolution adopted by the corporation's shareholders, Board of Directors or Board Committee shall authorize the "proper" or "appropriate" officers of the corporation to execute any note, contract or other document or to take any other action or shall generally authorize any action without specifying the officer or officers authorized to take such action, any senior officer acting alone and without countersignatures may take such action on behalf of the corporation. Any officer of the corporation may on behalf of the corporation sign contracts, reports to governmental agencies, or other instruments which are in the regular course of business, except where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the corporation, or shall be required by the Wisconsin Business Corporation Law or other applicable law to be otherwise signed or executed.

5.07. The President. The President shall be the chief executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, in the absence of the Chairman of the Board, if any, preside at all meetings of the shareholders. In general he shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time. During the absence or disability of the President, or while that office is vacant, the Chairman of the Board shall exercise all of the powers and discharge all of the duties of the President. The Board of Directors may authorize the Chairman of the Board to appoint one or more officers or assistant officers to perform the duties of the President during the absence or disability of the President, or while that office is vacant.

5.08. Vice Presidents. Each Vice President shall perform such duties and have such powers as the Board of Directors may from time to time prescribe. The Board of Directors may designate any Vice President as being senior in rank or degree of responsibility and may accord such a Vice President an appropriate title designating his senior rank such as "Executive Vice President" or "Senior Vice President" or "Group Vice President". The Board of Directors may assign a certain Vice President responsibility for a designated group, division or function of the corporation's business and add an appropriate descriptive designation to his title.

5.09. Secretary. The Secretary shall (subject to the control of the Board of Directors): (a) keep the minutes of the shareholders' and the Board of Directors' meetings in one or more books provided for that purpose (including records of actions taken without a meeting); (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by the Wisconsin Business Corporation Law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized; (d) maintain a record of the shareholders of the corporation in a form that permits preparation of a list of the names and address of all shareholders by class or series of shares and showing the number and class or series of shares held by each shareholder; (e) have general charge of the stock transfer books of the corporation; (f) supply in such circumstances as the Secretary deems appropriate to any governmental agency or other person a copy of any resolution adopted by the corporation's shareholders, Board of Directors or Board Committee, any corporate record or document, or other information concerning the corporation and its officers and certify on behalf of the corporation as

to the accuracy and completeness of the resolution, record, document or information supplied; and (g) in general, perform all duties incident to the office of Secretary and perform such other duties and have such other powers as the Board of Directors or the President may from time to time prescribe.

5.10. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) maintain appropriate accounting records; (c) receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected by or under authority of the Board of Directors; and (d) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President. The Treasurer shall give a bond if required by the Board of Directors for the faithful discharge of his duties in a sum and with one or more sureties satisfactory to the Board of Directors.

5.11. Assistant Secretaries and Assistant Treasurers. There shall be such number of Assistant Secretaries and Assistant Treasurers as the Board of Directors may from time to time authorize. The Assistant Secretaries may sign with the President or a Vice-President certificates for shares of the corporation, the issuance of which shall have been authorized by a resolution of the Board of Directors. The Assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

5.12. Other Assistants and Acting Officers. The Board of Directors shall have the power to appoint, or to authorize any duly appointed officer of the corporation to appoint, any person to act as assistant to any officer, or as agent for the corporation in his or her stead, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer or other agent so appointed by the Board of Directors or an authorized officer shall have the power to perform all the duties of the office to which he or she is so appointed to be an assistant, or as to which he or she is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors or the appointing officer.

ARTICLE SIX

Contracts, Loans, Checks and Deposits

6.01. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the corporation, and such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the corporation shall be executed in the name of the corporation by the President or one of the Vice Presidents and by the Secretary, an Assistant Secretary, the Treasurer or an Assistant Treasurer; the Secretary or an Assistant Secretary, when necessary or required, shall affix the corporate seal thereto; and when so executed no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer or officers.

6.02. Loans. No indebtedness for borrowed money shall be contracted on behalf of the corporation and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.

6.03. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by or under the authority of a resolution of the Board of Directors.

6.04. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as may be selected by or under the authority of a resolution of the Board of directors.

6.05. Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Board of Directors, (a) any shares or other securities issued by any other corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation, if he or she be present, or in his or her absence by any Vice President of this corporation who may be present, and (b) whenever, in the judgment of the President, or in his or her absence, of any Vice President, it is desirable for this corporation to execute a proxy or written consent in

respect to any share or other securities issued by any other corporation and owned by this corporation, such proxy or consent shall be executed in the name of this corporation by the President or one of the Vice Presidents of this corporation, without necessity of any authorization by the Board of Directors, affixation of corporate seal, if any, or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power and authority to vote the shares or other securities issued by such other corporation and owned by this corporation the same as such shares or other securities might be voted by this corporation.

6.06. No Nominee Procedures. The corporation has not established, and nothing in these bylaws shall be deemed to establish, any procedure by which a beneficial owner of the corporation's shares that are registered in the name of a nominee is recognized by the corporation as the shareholder under Section 180.0723 of the Wisconsin Business Corporation Law.

6.07. Performance Bonds. The President and the Treasurer of the corporation, and either one of them, shall have the continuing authority to take all actions and to execute and deliver any and all documents or instruments (including, without limitation, reimbursement agreements and agreements of indemnity) in favor of such parties, in such amounts and on such terms and conditions as may be necessary or useful for the corporation or any of its direct or indirect subsidiaries to obtain performance bonds, surety bonds, completion bonds, guarantees, indemnities or similar assurances (collectively referred to as "Performance Bonds") from third parties as such officer shall, in his sole discretion, deem necessary or useful to facilitate and promote the business of the corporation or any of its subsidiaries; provided, however, that the contingent liability of the corporation with respect to Performance Bonds for the corporation's subsidiaries shall not exceed \$200,000 in any single transaction or \$1 million in the aggregate without the specific authorization of the Board of Directors. Any action taken or document or instrument executed and delivered by any such officer after December 31, 1993, that is within the scope of the authority granted in this Section 6.07 is hereby ratified, approved and confirmed. If any party shall require resolutions of the Board of Directors with respect to the approval of any actions of any officer of the corporation or documents or instruments related to the Performance Bonds and within the scope of and generally consistent with this Section 6.07, such resolutions shall be deemed to have been duly approved and adopted by the Board of Directors, and may be certified by the Secretary whenever approved by the President or the Treasurer, in his sole discretion, and a copy thereof has been inserted in the minute book of the corporation.

ARTICLE SEVEN

Corporate Stock

7.01. Certificates for Shares. Certificates representing shares of any class of stock issued by the corporation shall be in such form, consistent with the Wisconsin Business Corporation Law, as shall be determined by the Board of Directors. Such certificates shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary and shall be sealed with the seal, or a facsimile of the seal, of the corporation. If a certificate is countersigned by a transfer agent or registrar, other than the corporation itself or its employees, any other signature or countersignature on the certificate may be a facsimile. In case any officer of the corporation, or any officer or employee of the transfer agent or registrar who has signed or whose facsimile signature has been placed upon such certificate ceases to be an officer of the corporation, or an officer or employee of the transfer agent or registrar before such certificate is issued, the certificate may be issued by the corporation with the same effect as if the officer of the corporation, or the officer or employee of the transfer agent or registrar had not ceased to be such at the date of its issue. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled, and no new certificate shall be issued in replacement until the former certificate for a like number of shares shall have been surrendered and canceled, except as otherwise provided in Section 7.04 of these bylaws with respect to lost, stolen or destroyed certificates.

7.02. Transfer Agent and Registrar. The Board of Directors may from time to time with respect to each class of stock issuable by the corporation appoint such transfer agents and registrars in such locations as it shall determine, and may, in its discretion, appoint a single entity to act in the capacity of both transfer agent and a registrar in any one location.

7.03. Transfers of Shares. Transfers of shares shall be made only on the books maintained by the corporation or a transfer agent appointed as contemplated by Section 7.02 of these bylaws at the request of the holder of record thereof or of his attorney, lawfully constituted in writing, and on surrender for cancellation of the certificate for such shares. Prior to due presentment of a certificate for shares for registration of transfer, the corporation may (but shall not be required to) treat the person in whose name corporate shares stand on the books of

the corporation as the only person having any interest in such shares and as the only person having the right to receive dividends on and to vote such shares, and the corporation shall not be bound to recognize any equitable or other claim to or interest in such shares on the part of the other person, whether or not it shall have express or other notice thereof. Where a certificate for shares is presented to the corporation or a transfer agent with a request to register for transfer, the corporation or the transfer agent, as the case may be, shall not be liable to the owner or any other person suffering loss as a result of such registration of transfer if (a) there were on or with the certificate the necessary endorsements, and (b) the corporation or the transfer agent had no duty to inquire into adverse claims or has discharged any such duty. The corporation or transfer agent may require reasonable assurance that such endorsements are genuine and effective and compliance with such other regulations as may be prescribed by or under the authority of the Board of Directors.

7.04. Lost, Stolen or Destroyed Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the person requesting such new certificate or certificates, or his or her legal representative, to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

7.05. Restrictions on Transfer. The face or reverse side of each certificate representing shares shall bear a conspicuous notation of any restriction imposed by the corporation upon the transfer of such shares.

7.06. Consideration for Shares. The Board of Directors may authorize shares to be issued for consideration consisting of any tangible or intangible property or benefit to the corporation, including cash, promissory notes, services performed, contracts for services to be performed or other securities of the corporation. Before the corporation issues shares, the Board of Directors shall determine that the consideration received or to be received for the shares to be issued is adequate. The determination of the Board of Directors is conclusive insofar as the adequacy of consideration for the issuance of shares relates to whether the shares are validly issued, fully paid and nonassessable. The corporation may place in escrow shares issued in whole or in part for a contract for future services or benefits, a promissory note, or otherwise for property to be received in the future, or make other arrangements to restrict the transfer of the shares, and may credit distributions in respect of the shares against their purchase price, until the services are performed, the benefits or property are received or the promissory note is paid. If the services are not performed, the benefits or property are not received or the promissory note is not paid, the corporation may cancel, in whole or in part, the shares escrowed or restricted and the distributions credited.

7.07 Stock Regulations. The Board of Directors shall have the power and authority to make all such further rules and regulations not inconsistent with the Wisconsin Business Corporation Law as it may deem expedient concerning the issue, transfer and registration of certificates representing shares of the corporation.

ARTICLE EIGHT

General Provisions

8.01. Fiscal Year. The fiscal year of the corporation shall begin and end on such dates as the Board of Directors shall determine by resolution.

8.02. Seal. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Wisconsin." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE NINE

Amendments

9.01. By Directors. Except as otherwise provided by the Wisconsin Business Corporation Law or the Articles of Incorporation, these bylaws may be amended or repealed and new bylaws may be adopted by the Board of Directors at any meeting at which a quorum is in attendance; provided, however, that the shareholders in adopting, amending or repealing a particular bylaw may provide therein that the Board of Directors may not amend, repeal or readopt that bylaw.

9.02. By Shareholders. Except as otherwise provided in the Articles of Incorporation, these bylaws may also be amended or repealed and new bylaws may be adopted by the shareholders at any annual or special

meeting of the shareholders at which a quorum is in attendance.

9.03. Implied Amendments. Any action taken or authorized by the shareholders or by the Board of Directors, which would be inconsistent with the bylaws then in effect but is taken or authorized by affirmative vote of not less than the number of votes or the number of directors required to amend the bylaws so that the bylaws would be consistent with such action, shall be given the same effect as though the bylaws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

ARTICLE TEN

Indemnification

10.01. Certain Definitions. All capitalized terms used in this Article X and not otherwise hereinafter defined in this Section 10.01 shall have the meaning set forth in Section 180.0850 of the Statute. The following capitalized terms (including any plural forms thereof) used in this Article X shall be defined as follows:

(a) "Affiliate" shall include, without limitation, any corporation, partnership, joint venture, employee benefit plan, trust or other enterprise that, directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Corporation.

(b) "Authority" shall mean the entity selected by the Director or Officer to determine his or her right to indemnification pursuant to Section 10.04.

(c) "Board" shall mean the entire then elected and serving Board of Directors of the Corporation, including all members thereof who are Parties to the subject Proceeding or any related Proceeding.

(d) "Breach of Duty" shall mean the Director or Officer breached or failed to perform his or her duties to the Corporation and his or her breach of or failure to perform those duties is determined, in accordance with Section 10.04, to constitute misconduct under Section 180.0851(2)(a) 1, 2, 3 or 4 of the Statute.

(e) "Corporation," as used herein and as defined in the Statute and incorporated by reference into the definitions of certain capitalized terms used herein, shall mean this Corporation, including, without limitation, any successor corporation or entity to the Corporation by way of merger, consolidation or acquisition of all or substantially all of the capital stock or assets of this Corporation.

(f) "Director or Officer" shall have the meaning set forth in the Statute; provided, that, for purposes of this Article X, it shall be conclusively presumed that any Director or Officer serving as a director, officer, partner, trustee, member of any governing or decision-making committee, employee or agent of an Affiliate shall be so serving at the request of the Corporation.

(g) "Disinterested Quorum" shall mean a quorum of the Board who are not Parties to the subject Proceeding or any related Proceeding.

(h) "Party" shall have the meaning set forth in the Statute; provided, that, for purposes of this Article X, the term "Party" shall also include any Director, Officer or employee who is or was a witness in a Proceeding at a time when he or she has not otherwise been formally named a Party thereto.

(i) "Proceeding" shall have the meaning set forth in the Statute; provided, that, for purposes of this Article X, "Proceeding" shall include all Proceedings (i) brought under (in whole or in part) the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, their respective state counterparts, and/or any rule or regulation promulgated under any of the foregoing; (ii) brought before an Authority or otherwise to enforce rights hereunder; (iii) any appeal from a Proceeding; and (iv) any Proceeding in which the Director or Officer is a plaintiff or petitioner because he or she is a Director or Officer; provided, however, that such Proceeding is authorized by a majority vote of a Disinterested Quorum.

(j) "Statute" shall mean Sections 180.0850 through 180.0859, inclusive, of the Wisconsin Business Corporation Law, Chapter 180 of the Wisconsin Statutes, including any amendments thereto, but, in the case of any such amendment, only to the extent such amendment permits or requires the Corporation to provide broader indemnification rights than the Statute permitted or required the Corporation to provide prior to such amendment.

10.02. Mandatory Indemnification. To the fullest extent permitted or required by the Statute, the Corporation shall indemnify a

Director or Officer against all Liabilities incurred by or on behalf of such Director or Officer in connection with a Proceeding in which the Director or Officer is a Party because he or she is a Director or Officer.

10.03. Procedural Requirements.

(a) A Director or Officer who seeks indemnification under Section 10.02 shall make a written request therefor to the Corporation. Subject to Section 10.03(b), within sixty days of the Corporation's receipt of such request, the Corporation shall pay or reimburse the Director or Officer for the entire amount of Liabilities incurred by the Director or Officer in connection with the subject Proceeding (net of any Expenses previously advanced pursuant to Section 10.05).

(b) No indemnification shall be required to be paid by the Corporation pursuant to Section 10.02 if, within such sixty-day period: (i) a Disinterested Quorum, by a majority vote thereof, determines that the Director or Officer requesting indemnification engaged in misconduct constituting a Breach of Duty; or (ii) a Disinterested Quorum cannot be obtained.

(c) In either case of nonpayment pursuant to Section 10.03(b), the Board shall immediately authorize by resolution that an Authority, as provided in Section 10.04, determine whether the Director's or Officer's conduct constituted a Breach of Duty and, therefore, whether indemnification should be denied hereunder.

(d) (i) If the Board does not authorize an Authority to determine the Director's or Officer's right to indemnification hereunder within such sixty-day period and/or (ii) if indemnification of the requested amount of Liabilities is paid by the Corporation, then it shall be conclusively presumed for all purposes that a Disinterested Quorum has determined that the Director or Officer did not engage in misconduct constituting a Breach of Duty and, in the case of subsection (i) above (but not subsection (ii)), indemnification by the Corporation of the requested amount of Liabilities shall be paid to the Officer or Director immediately.

10.04. Determination of Indemnification.

(a) If the Board authorizes an Authority to determine a Director's or Officer's right to indemnification pursuant to Section 10.03, then the Director or Officer requesting indemnification shall have the absolute discretionary authority to select one of the following as such Authority:

(i) An independent legal counsel; provided, that such counsel shall be mutually selected by such Director or Officer and by a majority vote of a Disinterested Quorum or, if a Disinterested Quorum cannot be obtained, then by a majority vote of the Board;

(ii) A panel of three arbitrators selected from the panels of arbitrators of the American Arbitration Association in Milwaukee, Wisconsin; provided, that (A) one arbitrator shall be selected by such Director or Officer, the second arbitrator shall be selected by a majority vote of a Disinterested Quorum or, if a Disinterested Quorum cannot be obtained, then by a majority vote of the Board, and the third arbitrator shall be selected by the two previously selected arbitrators; and (B) in all other respects, such panel shall be governed by the American Arbitration Association's then existing Commercial Arbitration Rules; or

(iii) A court pursuant to and in accordance with Section 180.0854 of the Statute.

(b) In any such determination by the selected Authority there shall exist a rebuttable presumption that the Director's or Officer's conduct did not constitute a Breach of Duty and that indemnification against the requested amount of Liabilities is required. The burden of rebutting such a presumption by clear and convincing evidence shall be on the Corporation or such other party asserting that such indemnification should not be allowed.

(c) The Authority shall make its determination within sixty days of being selected and shall submit a written opinion of its conclusion simultaneously to both the Corporation and the Director or Officer.

(d) If the Authority determines that indemnification is required hereunder, the Corporation shall pay the entire requested amount of Liabilities (net of any Expenses previously advanced pursuant to Section 10.05), including interest thereon at a reasonable rate, as determined by the Authority, within ten days of receipt of the Authority's opinion; provided, that, if it is determined by the Authority that a Director or Officer is entitled to indemnification as to some claims, issues or matters, but not as to other claims, issues or matters, involved in the subject Proceeding, the Corporation shall be required to pay (as set forth above) only the amount of such requested Liabilities as the Authority shall deem appropriate in light of all of the circumstances of such Proceeding.

(e) The determination by the Authority that indemnification is required hereunder shall be binding upon the Corporation regardless of any prior determination that the Director or Officer engaged in a Breach of Duty.

(f) All Expenses incurred in the determination process under this Section 10.04 by either the Corporation or the Director or Officer, including, without limitation, all Expenses of the selected Authority, shall be paid by the Corporation.

10.05. Mandatory Allowance of Expenses.

(a) The Corporation shall pay or reimburse, within ten days after the receipt of the Director's or Officer's written request therefor, the reasonable Expenses of the Director or Officer as such Expenses are incurred, provided the following conditions are satisfied:

(i) The Director or Officer furnishes to the Corporation an executed written certificate affirming his or her good faith belief that he or she has not engaged in misconduct which constitutes a Breach of Duty; and

(ii) The Director or Officer furnishes to the Corporation an unsecured executed written agreement to repay any advances made under this Section 10.05 if it is ultimately determined by an Authority that he or she is not entitled to be indemnified by the Corporation for such Expenses pursuant to Section 10.04.

(b) If the Director or Officer must repay any previously advanced Expenses pursuant to this Section 10.05, such Director or Officer shall not be required to pay interest on such amounts.

10.06. Indemnification and Allowance of Expenses of Certain Others.

(a) The Corporation shall indemnify a director or officer of an Affiliate (who is not otherwise serving as a Director or Officer) against all Liabilities, and shall advance the reasonable Expenses, incurred by such director or officer in a Proceeding to the same extent hereunder as if such director or officer incurred such Liabilities because he or she was a Director or Officer, if such director or officer is a Party thereto because he or she is or was a director or officer of the Affiliate.

(b) The Corporation shall indemnify an employee who is not a Director or Officer, to the extent that he or she has been successful on the merits or otherwise in defense of a Proceeding, for all reasonable Expenses incurred in the Proceeding if the employee was a Party because he or she was an employee of the Corporation.

(c) The Board may, in its sole and absolute discretion as it deems appropriate, pursuant to a majority vote thereof, indemnify (to the extent not otherwise provided in Section 10.06(b)) against Liabilities incurred by, and/or provide for the allowance of reasonable Expenses of, an authorized employee or agent of the Corporation acting within the scope of his or her duties as such and who is not otherwise a Director or Officer.

10.07. Insurance. The Corporation may purchase and maintain insurance on behalf of a Director or Officer or any individual who is or was an authorized employee or agent of the Corporation against any Liability asserted against or incurred by such individual in his or her capacity as such or arising from his or her status as such, regardless of whether the Corporation is required or permitted to indemnify against any such Liability under this Article X.

10.08. Notice to the Corporation. A Director, Officer or employee shall promptly notify the Corporation in writing when he or she has actual knowledge of a Proceeding which may result in a claim of indemnification against Liabilities or allowance of Expenses hereunder, but the failure to do so shall not relieve the Corporation of any liability to the Director, Officer or employee hereunder unless the Corporation shall have been irreparably prejudiced by such failure (as determined, in the case of Directors and Officers only, by an Authority).

10.09. Severability. If any provision of this Article X shall be deemed invalid or inoperative, or if a court of competent jurisdiction determines that any of the provisions of this Article X contravene public policy, this Article X shall be construed so that the remaining provisions shall not be affected, but shall remain in full force and effect, and any such provisions which are invalid or inoperative or which contravene public policy shall be deemed, without further action or deed by or on behalf of the Corporation, to be modified, amended and/or limited, but only to the extent necessary to render the same valid and enforceable.

10.10. Nonexclusivity of Article X. The rights of a Director, Officer or employee (or any other person) granted under this Article X shall not be deemed exclusive of any other rights to indemnification against Liabilities or advancement of Expenses which the Director, Officer or employee (or such other person) may be entitled to under any written agreement, Board resolution, vote of shareholders of the Corporation or otherwise, including, without limitation, under the Statute. Nothing contained in this Article X shall be deemed to limit the Corporation's obligations to indemnify a Director, Officer or employee under the

Statute.

10.11. Contractual Nature of Article X; Repeal or Limitation of Rights. This Article X shall be deemed to be a contract between the Corporation and each Director, Officer and employee of the Corporation and any repeal or other limitation of this Article X or any repeal or limitation of the Statute or any other applicable law shall not limit any rights of indemnification against Liabilities or allowance of Expenses then existing or arising out of events, acts or omissions occurring prior to such repeal or limitation, including, without limitation, the right of indemnification against Liabilities or allowance or Expenses for Proceedings commenced after such repeal or limitation to enforce this Article X with regard to acts, omissions or events arising prior to such repeal or limitation.

AMENDMENT NO. 1

This Amendment No. 1 (the "Amendment") is entered into as of July 1, 1996 by and among Johnson Worldwide Associates, Inc. (the "Company"), the undersigned Banks and The First National Bank of Chicago, as Agent.

W I T N E S S E T H :

WHEREAS, the Company, certain Banks named therein and the Agent are parties to that certain Revolving Credit Agreement dated as of November 29, 1995 (the "Agreement");

WHEREAS, pursuant to Section 2.16 of the Agreement, the Company has requested that the Agreement be amended so as to (i) increase the Aggregate Commitment to \$100,000,000, (ii) increase the Aggregate Eurocurrency Commitment to \$22,222,220, (iii) increase the Aggregate Revolving Commitment to \$77,777,780 (such increases in Aggregate Commitment, Aggregate Eurocurrency Commitment and Aggregate Revolving Commitment being herein collectively called the "Commitment Increase"), and (iv) add The Northern Trust Company (the "New Bank") as a new Bank thereunder; and

WHEREAS, subject to the terms and conditions hereof, the undersigned Bank and the Agent have agreed to the Commitment Increase and the addition of the New Bank;

NOW, THEREFORE, in consideration of the premises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms. Capitalized terms used herein and not otherwise defined herein shall have the meanings attributed to such terms in the Agreement.

2. Amendments to the Agreement.

2.1. On and after the Effective Date (as hereinafter defined), (i) the New Bank shall for all purposes be a Bank party to the Agreement and shall have all the rights and obligations of a Bank under the Agreement and the Notes, with a Eurocurrency Commitment and Revolving Loan Commitment set forth opposite its signature hereto, (ii) the Aggregate Commitment shall be increased to \$100,000,000, (iii) the Aggregate Eurocurrency Commitment shall be increased to \$22,222,220, (iv) the Aggregate Revolving Commitment shall be increased to \$77,777,780, and (v) the Eurocurrency Commitment and Revolving Loan Commitment of each Bank (other than the New Bank) shall remain unchanged from that in effect on June 30, 1996.

2.2. The definition of "Eurocurrency Commitment" set forth in Article I of the Agreement is hereby amended by inserting, immediately after the word "below" where it appears in the second line thereof, the parenthetical "(or, in the case of The Northern Trust Company, set forth opposite its signature to Amendment No. 1 dated as of July 1, 1996 to this Agreement)".

2.3. The definition of "Revolving Loan Commitment" set forth in Article I of the Agreement is hereby amended by inserting, immediately after the word "below" where it appears in the second line thereof, the parenthetical "(or, in the case of The Northern Trust Company, set forth opposite its signature to Amendment No. 1 dated as of July 1, 1996 to this Agreement)".

3. Effective Date. This Amendment shall become effective as of the date first above written (the "Effective Date") upon receipt by the Agent of the following:

- (i) Counterparts of this Amendment duly executed by the Company and the New Bank.
- (ii) Notes payable to the order of the New Bank.
- (iii) Such other documents, in each case in form and substance satisfactory to the Agent, as the Agent may reasonably request.

4. Notices. Pursuant to Section 10.08, the New Bank designates the address set forth below its signature hereto as its address for purposes of notices and other communications under the Agreement and the Notes.

5. Ratification. The Agreement (including, without limitation, Article XI thereof), as amended hereby, shall remain in full force and effect and is hereby ratified, approved and confirmed in all respects.

6. Reference to Agreement. From and after the Effective Date, each reference in the Agreement to "this Agreement", "hereof", or "hereunder" or words of like import, and all references to the Agreement in any and all agreements, instruments, documents, notes, certificates and other writings of every kind and nature shall be deemed to mean the Agreement, as amended by this Amendment.

7. Costs and Expenses. The Company agrees to pay all reasonable

costs, fees and out-of-pocket expenses (including attorneys' fees and time charges of attorneys for the Agent, which attorneys may be employees of the Agent) incurred by the Agent in connection with the preparation, execution and enforcement of this Amendment.

8. CHOICE OF LAW. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF ILLINOIS, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

9. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Company, the New Bank and the Agent have executed this Amendment as of the date first above written.

JOHNSON WORLDWIDE ASSOCIATES, INC.

By:
Title:

THE FIRST NATIONAL BANK OF
CHICAGO, as Agent

By:
Title:

Revolving Loan Commitment	Eurocurrency Commitment	
\$7,777,778	\$2,222,222	THE NORTHERN TRUST COMPANY

By:
Title:

50 S. LaSalle Street, Floor B2
Chicago, IL 60603
Attention: Joseph Kunze
Vice President
Telephone: (312) 444-3175
Telecopier: (312) 444-7028

July 18, 1996

Mr. John D. Crabb
3333 Michigan Boulevard
Racine, Wisconsin 53402

Dear John:

This letter will serve as our formal agreement with respect to your resignation from employment with Johnson Worldwide Associates, Inc. ("JWA"). In return for your compliance with all of the terms of this letter JWA will provide the separation arrangements set forth in this letter.

1. Resignation from Employment. Your employment with JWA, including your duties as an Executive Officer, shall cease as of Monday, June 24, 1996. You will resign effective as of that date, from all positions with JWA, and each of its divisions and subsidiaries, including positions as an officer and director, and as a member of any committee or administrative body relating to JWA and its businesses. You will provide JWA with such written resignations as JWA may request.

2. Compensation Following Termination Date. (a) Upon execution of this letter JWA will pay to you separation payments in the amount of Twenty-Eight Thousand Three Hundred Thirty-three and 34/100 Dollars (\$28,333.34) net of applicable payroll and withholding taxes, on a monthly basis for twelve (12) pay periods. The aggregate gross amount of such payments shall be Three Hundred Forty Thousand Dollars (\$340,000.00). JWA will initiate separation payments within ten (10) days of your execution of this agreement.

(b). JWA shall make outplacement services available, without charge to you, through Right/Jannotta Bray for the twelve (12) consecutive month period ending June 30, 1997.

3. Group Benefits. (a) Your group employee medical, life, and disability coverage will terminate on your resignation date, and any continuation or conversion rights under these programs are then available for the periods prescribed under each program. You will pay the full costs of any group benefits continued or converted. This letter agreement does not affect your rights to vested benefits under JWA's 401(k)/deferred profit sharing plan and any benefit entitlements arising out of your employment by S. C. Johnson & Sons, Inc. In addition, you are eligible for any deferred profit sharing (retirement contribution) that will be paid to JWA employees for the fiscal year ending September 27, 1996.

(b) Your participation in the Flexible Perquisite Spending Account program will terminate on your resignation date. You will be reimbursed for qualified expenses incurred as of your resignation date. JWA's reimbursement for the cost of your S. C. Johnson & Son, Inc. monthly retiree health premium of One Hundred Seventy-eight Dollars (\$178.00) will continue for twelve (12) consecutive months following your resignation date and will then terminate.

4. JWA Restricted Stock and Stock Options; Supplemental Retirement Income. (a) You are now vested in Sixteen Thousand Six Hundred Sixty-Six and 67/100 (16,666.67) shares of restricted stock granted to you under the 1986 Restricted Stock Plan. JWA will immediately arrange for the transfer agent to issue to you a certificate without the restrictive legend for such shares. You shall also be deemed to be fully vested in your remaining Three Thousand Three Hundred and 33/100 (3,333.33) shares of restricted stock, granted to you under the 1986 Restricted Stock Plan, on the tenth calendar day following your execution of this agreement. JWA will, immediately following such date, arrange for the transfer agent to issue to you a certificate for such shares without the restrictive legend. You are responsible for compliance with all securities laws, including those regarding insider trading, with regard to any JWA stock transactions.

(b) You are seventy-five percent (75%) vested in Thirty-five Thousand (35,000) shares of the stock option grant awarded to you under the Amended and Restated 1986 Stock Option Plan on October 1, 1992; you are seventy-five percent (75%) vested in Five Thousand (5,000) shares of the stock option grant awarded to you under that plan on December 16, 1992; and you are fifty percent (50%) vested in Twenty-five Thousand (25,000) shares of the stock option grant awarded to you under that plan on December 10, 1993. You are thirty-three and one-third percent (33-1/3%) vested in Twenty-five Thousand (25,000) shares of the stock option grant awarded to you under the 1994 Long-Term Stock Incentive Plan. Your vested stock options are exercisable in accordance with the terms of the Plans and must be exercised no later than the close of business on July 24, 1996. Your nonvested stock options are forfeited and canceled as of June 24, 1996.

(c) You shall remain entitled to receive any vested supplemental retirement benefits payable to you or on your behalf under that certain agreement between you and JWA dated December 16, 1992.

5. Noncompetition. (a) Except as provided by this paragraph 5, there will be no restrictions on your ability to enter into employment

with, be a sole proprietor or partner of, render services to, act as a consultant to or hold an equity interest in, any entity or person. In further consideration for the payments and benefits provided hereunder, particularly the additional compensation described in paragraph 2, you agree that during the period beginning on your resignation date and ending January 31, 1998 (the "Restricted Period"), regardless of whether you have forfeited rights under this agreement due to breach of its terms, you will not, without the prior written consent of the Chairman of the Board of JWA, be employed directly or indirectly by, be a sole proprietor or partner of, or act as a consultant to Brunswick Corp., Coleman Co., Inc., or Outdoor Technologies Group, or any of their respective subsidiaries or affiliates, in any capacity where confidential information concerning JWA which was acquired by you during your employment with JWA would reasonably be considered to be useful; neither will you, directly or indirectly make sales solicitations to any person, corporation, partnership or other business entity which is, at the present time and at the time of such sales solicitation, a customer or prospective customer of JWA and/or its subsidiaries or affiliates, if the effect of such action would be likely to cause such customer to substantially reduce existing or future business relationships with or purchases from JWA.

(b) You further agree to reasonably cooperate with JWA, its financial and legal advisors and/or government officials, in any claims, investigations, administrative proceedings including without limitation environmental proceedings, lawsuits, and other legal, internal or business matters, as reasonably requested by JWA during the Restricted Period and for two (2) years thereafter. You will be paid one thousand dollars (\$1,000) (in addition to any other amounts to which you may be entitled hereunder) for each day on which such service is performed at the request of JWA and, to the extent you incur travel or other expenses with respect to such activities, JWA will reimburse you for such reasonable expenses when submitted according to regular corporate procedures.

(c) You agree that JWA will suffer irreparable damage in the event the provisions of this paragraph 5 are breached and your acceptance of the provisions of this paragraph 5 was a material factor in your decision to enter into this letter agreement. You further agree that JWA shall be entitled as a matter of right to injunctive relief to prevent a breach by you. Resort to such equitable relief, however, shall not constitute a waiver of any other rights or remedies JWA may have. In addition to such equitable relief, and not in limitation of any other rights or remedies JWA may have, if you breach the provisions of this paragraph 5 during the Restricted Period JWA shall have the remedies set forth in paragraph 8 hereof.

6. Nonsolicitation: Confidentiality. (a) You agree that during the Restricted Period, regardless of whether you have forfeited rights under this agreement due to breach of its terms, you shall not, except as provided herein, directly or indirectly solicit for employment or advise or recommend to any other person that he or she solicit for employment any person employed at that time by JWA, its subsidiaries or affiliates. You further agree at all times, whether during the Restricted Period and for two (2) years thereafter, not to exploit, use, sell, publish, disclose, communicate or divulge to any person any trade secrets or confidential information, knowledge or data regarding JWA, its subsidiaries or affiliates or any of their respective directors, advisors, officers, employees or agents for so long as such trade secrets or confidential information, knowledge, or data have not become generally known to the public or JWA's competitors without your fault or participation. Good faith negotiations by you, on behalf of yourself or a principal, for the purchase of goods and/or services from JWA, or any affiliate of the Company, shall be deemed not to be a violation of the prohibitions set forth in the preceding sentence. Nothing in this agreement modifies or reduces your obligation to comply with applicable laws relating to trade secrets, confidential information, or unfair competition. You agree that JWA will suffer irreparable damage in the event the provisions of this paragraph 6 are breached and that your acceptance of the provisions of this paragraph 6 was a material factor in your decision to enter into this letter of agreement. You further agree that JWA shall be entitled as a matter of right to injunctive relief to prevent a breach by you. Resort to such equitable relief, however, shall not constitute a waiver of any other rights or remedies JWA may have. In addition to such equitable relief, and not in limitation of any other rights or remedies JWA may have, if you breach the provisions of this paragraph 6 during the Restricted Period JWA shall have the remedies set forth in paragraph 8 hereof. The provisions of this paragraph 6 shall not apply to any truthful statement required to be made by you in any legal proceeding or government or regulatory investigation, provided, however, that prior to making such statement you will give JWA reasonable notice and, to the extent you are legally entitled to do so, afford JWA the ability to seek a confidentiality order.

(b) You represent and warrant that you have delivered to JWA the original and all copies of all documents, records, including computer disk records, and property of any nature whatsoever which are in your possession or control and which are the property of JWA or which relate to the business activities, facilities, or customers of JWA, its subsidiaries, or its affiliates, including any records, documents or property created by you. You further understand that all designs, improvements, writings, and discoveries made by you during your employment and pertaining to the business of JWA, its subsidiaries, or its affiliates shall be the exclusive property of JWA.

7. Release and Covenants. (a) In consideration of the payments and benefits provided hereunder, particularly the additional compensation described in paragraph 2, you, on behalf of yourself, your spouse, heirs, executors, administrators, agents, successors, assigns and representatives of any kind (hereinafter collectively referred to as the "Releasers") confirm that Releasers have released JWA, and each of its subsidiaries, affiliates, their employees, successors, assigns, executors, trustees, directors, advisors, agents and representatives, and all their respective predecessors and successors (hereinafter collectively referred to as the "Releasees"), from any and all actions, causes of actions, charges, debts, liabilities, accounts, demands, damages and claims of any kind whatsoever including, but not limited to, those arising under any labor, employment discrimination (including, without limitation, the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act, the Wisconsin Fair Employment Act, as amended), contract or tort laws, equity or public policy, or negligence standard, whether certain or speculative, which against any of the Releasees, any of the Releasers ever had, now has, or hereafter shall have or can have. You further covenant that you will not initiate any action, claim or proceeding against any of the Releasees for any of the foregoing, nor will you participate, assist, or cooperate in any such action, claim, or proceeding unless required to do so by law.

(b) Notwithstanding the foregoing, this letter agreement does not waive rights, if any, you or your successors and assigns may have under or pursuant to, or release any member of Releasees from obligations, if any, it may have to you or to your successors and assigns on claims arising out of, related to or asserted under or pursuant to, this letter agreement or any indemnity agreement or obligation contained in or adopted or acquired pursuant to any provision of the charter or by-laws of JWA or its subsidiaries or affiliates or in any applicable insurance policy carried by JWA or its affiliates for any matter which arises or may arise in the future in connection with your employment with JWA.

(c) You hereby acknowledge that you have at least twenty-one (21) days to review this letter agreement from the date you first receive it and you have been advised to review it with an attorney of your choice. You further understand that the twenty-one (21) day review period ends when you sign this agreement. You also have seven (7) days after your signing of this agreement to revoke by so notifying JWA in writing. Any revocation by you under this paragraph 7(c), however, is not effective with regard to paragraph 1 hereof and your termination of employment with JWA shall remain in effect as set forth therein. You further acknowledge that you have carefully read this letter agreement, know and understand the contents thereof and its binding legal effect. You sign the same of your own free will and act, and it is your intention that you be legally bound thereby.

(d) You agree to keep this letter agreement confidential and not to reveal its contents to anyone other than your attorney, financial consultant, and immediate family members. The provisions of this paragraph 7(d) shall not apply to any truthful statement required to be made by you in any legal proceeding or government or regulatory investigation, provided, however, that prior to making such statement you will give JWA reasonable notice and, to the extent you are legally entitled to do so, afford JWA the ability to seek a confidentiality order.

8. Noncompliance. The additional payments and benefits provided to you pursuant to paragraphs 2, 3(b), and 4(a) are conditioned upon your compliance with all of the terms and conditions of this letter agreement, particularly paragraphs 5, 6, and 7, above. Each of the aforementioned provisions are material terms of this letter agreement, and in the event of any violation of any such provision of this letter agreement by you or anyone acting at your direction or in the event you or anyone acting at your direction at any time shall substantially denigrate any of the Releasees, including without limitation by way of news media or the expression to news media of personal views, opinions or judgments, JWA shall be entitled to treat your employment as being immediately terminated for all purposes of this letter agreement and to withhold and terminate all aforementioned payments provided or to be provided in paragraphs 2, 3(b), and 4(a) above, and you agree to repay to JWA all payments paid to you pursuant to such paragraphs and/or JWA shall be entitled to recover any of the amounts paid to you pursuant to such paragraphs without waiving the right to pursue any other available legal or equitable remedies.

9. Tax Payments, Withholding and Reporting. You recognize that the payments and benefits provided under this letter agreement including without limitation those provided pursuant to paragraph 2 may result in taxable income to you which JWA and its affiliates will report to their appropriate taxing authorities. JWA and its affiliates shall have the right to deduct from any payment made under this letter agreement to you any federal, state, local or other income, employment or other taxes it determines are required by law to be withheld with respect to such payments or benefits provided hereunder or to require payment from you which you agree to pay upon demand, for the purpose of satisfying any such withholding requirement.

10. Severability. In the event any one or more of the provisions of this letter agreement (or any part thereof) shall for any reason be held to be invalid, illegal or unenforceable, the remaining provisions of this letter agreement (or part thereof) shall be unimpaired, and the invalid, illegal or unenforceable provision (or part thereof)

shall be replaced by a provision (or part thereof), which, being valid, legal and enforceable, comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provisions. However, in the event that any such provision of this letter agreement (or part thereof) is adjudged by a court of competent jurisdiction to be invalid, illegal or unenforceable, but that the other provisions (or part thereof) are adjudged to be valid, legal and enforceable if such invalid, illegal or unenforceable provision (or part thereof) were deleted or modified, then this letter agreement shall apply with only such deletions or modifications, or both, as the case may be, as are necessary to permit the remaining separate provisions (or part thereof) to be valid, legal and enforceable.

11. Indemnification. JWA shall indemnify you and your successors and assigns against all Liabilities (as now defined in JWA's bylaws) incurred by you or on your behalf in connection with any Proceeding (as now defined in JWA's bylaws) in which you are a Party (as now defined in JWA's bylaws) because you were a director or officer of JWA, to the fullest extent permitted or required by the Wisconsin Business Corporation Law, notwithstanding any amendment that may hereafter be made to the charter or bylaws of JWA.

12. Other Provisions. All the terms of our agreement are embodied in this letter agreement, which incorporates by reference JWA's 1986 Restricted Stock Plan and Amended and Restated 1986 Stock Option Plan, the Johnson Worldwide Associates, Inc. 1994 Long-Term Stock Incentive Plan, and the supplemental retirement benefits agreement referred to in paragraph 4(c), and it fully supersedes any and all prior agreements or understandings between you and any Releasee. This letter agreement shall be governed by the substantive laws of the State of Wisconsin without regard to its conflict of laws provisions. The parties agree that any proceeding to resolve any dispute arising hereunder will be brought only in the courts of the State of Wisconsin or in the courts of the United States of America for the Eastern District of Wisconsin, and that each party irrevocably submits to such jurisdiction, and hereby waives any and all objections as to venue, inconvenient forum and the like. It is the intention of the parties hereto, however, that to the extent practicable, the parties will endeavor to settle any dispute arising hereunder first through the process of non-binding mediation to be conducted in Milwaukee, Wisconsin. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

If you find that the foregoing satisfactorily states our mutual understanding, please sign and date the enclosed copy of this letter agreement in the spaces indicated below and return it to me.

Sincerely yours,

JOHNSON WORLDWIDE ASSOCIATES, INC.

By
Raymond F. Farley

Its Chairman, Compensation Committee
of the Board of Directors

Agreed and Accepted this _____ day of _____, 1996.

John D. Crabb

Management's Discussion and Analysis

JOHNSON WORLDWIDE ASSOCIATES, INC. and Subsidiaries

The following discussion includes comments and analysis relating to the Company's results of operations and financial condition for the three years ended September 27, 1996. This discussion should be read in conjunction with the consolidated financial statements and related notes that immediately follow this section. Comparisons reflect results from continuing operations.

Foreign Operations

The Company has significant foreign operations, for which the functional currencies are denominated primarily in French francs, German marks, Italian lire, Japanese yen and Canadian dollars. As the values of the currencies of the foreign countries in which the Company has operations increase or decrease relative to the U.S. dollar, the sales, expenses, profits, assets and liabilities of the Company's foreign operations, as reported in the Company's consolidated financial statements, increase or decrease, accordingly. The Company mitigates a portion of the fluctuations in certain foreign currencies through the purchase of forward contracts and options to hedge known commitments, primarily for purchases of inventory and loans denominated in foreign currencies.

Results of Operations

Summary consolidated financial results are as follows:

[millions, except per share data]	1996	1995	1994
Net sales	\$344.4	\$347.2	\$284.3
Gross profit	119.7	138.2	110.5
Operating expenses(1)	121.2	114.4	91.5
Operating profit (loss)	(1.5)	23.7	18.9
Interest expense	10.2	7.6	6.8
Income (loss) from continuing operations	(11.4)	10.1	8.1
Per common share	(1.40)	1.25	1.01

(1) Includes nonrecurring charges of \$6.8 million in 1996.

1996 vs 1995

Net Sales

Net sales were \$344.4 million in 1996 compared to \$347.2 million in 1995, a decrease of 1%. The sales decrease as measured in U.S. dollars was negatively impacted by the effect of weaker foreign currencies relative to the U.S. dollar in comparison to 1995. Excluding the effects of foreign currency movements, worldwide sales increased nominally over 1995.

Poor spring weather in North America contributed to a decline in sales of 4% in that region in 1996. Both the fishing and camping businesses were impacted. The delay, until February 1996, in the introduction of a new fishing line product due to production problems encountered by the supplier, also negatively impacted revenue in 1996.

European sales as measured in U. S. dollars increased 6% in 1996, led by strong growth in the camping and diving businesses. Excluding currency effects, European sales increased 7% in 1996.

The Company's Asian business, which is concentrated in Japan and Australia, recognized a decline in sales of 11% in 1996 due to the significant decline in the Japanese yen relative to the U.S. dollar. Excluding the impact of foreign currencies, sales in Asia increased 2% as the Australian business generated significant sales growth.

Operating Profit

The Company recognized an operating loss of \$1.5 million in 1996 compared to operating profit of \$23.7 million in 1995. Several factors accounted for the operating loss. Gross profit margins declined from 39.8% in 1995 to 34.8% in 1996. Unusual charges related to reduction of inventories to their net realizable value reduced the gross profit by \$11 million, or 3.2%. Most significantly impacted was the North American fishing business, which had the most significant buildup of inventory and recognized the bulk of the losses. Changes in management and the end of the peak selling season contributed to the timing of the loss, which was recognized in the fourth quarter. The Company also continues to experience margin pressure in all of its businesses due to increasing competition from other businesses.

Operating expenses, excluding nonrecurring charges, totaled \$114.4 million, or 33% of sales in both 1996 and 1995. While overall operating expenses remained level, financial and administrative management expenses increased \$0.8 million. Amortization expense increased \$0.5 million in 1996 due to a full year of amortization of intangible assets related to acquisitions completed in 1995.

The Company recognized nonrecurring charges totaling \$6.8 million in 1996. These charges resulted from writedowns totaling \$2.9 million of long-lived assets related to adoption of FASB Statement 121, which the Company adopted in 1996, and closure of a subsidiary, the expected loss of \$2 million on the sale of one of the Company's businesses, and charges totaling \$1.9 million related to the relocation of one of its manufacturing locations and the outsourcing of the distribution function of another business.

Other Income and Expenses

Interest expense increased \$2.6 million in 1996, reflecting higher debt levels resulting from the full year impact of acquisitions consummated in 1995 and due to higher levels of working capital, primarily inventory. The issuance of long-term senior notes in October 1995 increased the average interest rate of the Company's indebtedness, as this debt was used to repay short-term debt which generally carried lower interest rates.

[Page 18]

Income From Continuing Operations

The Company recognized a loss from continuing operations of \$11.4 million in 1996, or \$1.40 per share, compared to earnings of \$10.1 million, or \$1.25 per share in 1995. The Company recognized income tax expense of \$0.2 million in 1996, despite a pretax loss, due to earnings in foreign jurisdictions that are taxed at higher rates than in the U.S. The tax benefit of operating losses generated in the U.S. did not fully offset the taxes in these foreign jurisdictions. In addition, the Company recognized income tax expense totaling \$0.5 million on the expected disposition of a business, despite a pretax loss of \$2 million, due to differences between the tax basis and financial statement carrying values of the related assets. The disproportionate contribution of earnings from foreign businesses is attributable to the inventory writedowns and nonrecurring charges noted above, which are largely being recognized in the United States.

1995 vs 1994

Net Sales

Net sales were \$347.2 million in 1995 compared to \$284.3 million in 1994, an increase of 22%. The sales increase as measured in U.S. dollars was positively impacted by the effect of stronger foreign currencies relative to the U.S. dollar in comparison to 1994. Strong new product programs contributed to the increase in sales in all businesses, as did sales from acquired product lines in the fishing business. Excluding the effects of foreign currency movements, worldwide sales increased 17% over 1994.

In North America, an overall increase in sales of 22% was led by fishing products, primarily on the strength of increased sales of Mitchell and Johnson rod and reel products and sales of SpiderWire, a product line acquired in April 1995. While sales of Minn Kota electric motors were improved over 1994, sales growth was inhibited by an extended work stoppage at a key component supplier, which limited product availability. Sales of camping products in North America increased moderately overall, led by Old Town watercraft products, as did sales of diving and marine products.

European sales as measured in U.S. dollars increased 26% from 1994, but increased less in local currencies. Measured in U.S. dollars, all product categories recorded gains in sales of at least 20%.

The Company's Asian business recorded modest sales growth, reflecting problems in the Japanese economy and the effects of the Kobe earthquake.

Operating Profit

The Company's operating profit of \$23.7 million in 1995 was \$4.8 million, or 25% more than 1994. Gross profit margins increased from 38.9% to 39.8% of sales, reflecting declines in margins in the North American and European fishing businesses which were offset by increases in gross profit margins in the camping, diving and marine businesses in all major geographic areas. Margins in the fishing business were negatively impacted by changes in product mix, the work stoppage noted above, increased incoming freight costs and early season selling programs. Gross margins in 1994 were negatively impacted by inventory adjustments totaling \$5.4 million.

Operating expenses totaled \$114.4 million or 33% of sales in 1995 compared to \$91.5 million or 32% of sales in 1994. The increase in expenses was concentrated primarily in marketing and selling expenses and, to a lesser extent, research and development. Financial and administrative management expenses, which had been stable for several years, increased in 1995 due to increased information technology expenditures. Amortization of intangible assets increased from \$1.5 million to \$2 million due to acquisitions consummated in 1995. The increase in operating expenses was also magnified by foreign currency movements relative to the U.S. dollar.

Other Income and Expenses

Interest expense increased in 1995 reflecting higher debt levels resulting from the April 1995 acquisition of the SpiderWire product line and the

July 1995 acquisition of the Neptune Technologies product line, as well as increased working capital needs from internal growth. Other income, net of other expenses, increased from the prior year, primarily due to higher interest income and lower foreign exchange losses.

Income From Continuing Operations

Income from continuing operations of \$10.1 million or \$1.25 per share in 1995 was \$2 million or 24% more than the \$1.01 per share earned in 1994. The Company's effective tax rate of 40.6% in 1995, compared to 34.7% in 1994, reflected the disproportionate contribution to earnings in 1995 from European and Asian operations, which generally have higher marginal tax rates than the U.S.

Discontinued Operations

In 1993, the Company's Board of Directors approved a formal plan to divest the Company's Marking Systems businesses. During 1994, the Company completed the divestiture and recorded a gain on disposition of approximately \$4.1 million as net sales proceeds exceeded expectations.

[Page 19]

Financial Condition

The following discusses changes in the Company's liquidity and capital resources.

Operations

The following table sets forth the Company's working capital position at the end of each of the past three years:

[millions]	1996	1995	1994
Current assets	\$194.3	\$185.4	\$155.4
Current liabilities	88.4	63.9	54.0
Working capital	\$105.9	\$121.5	\$101.4
Current ratio	2.2 to 1	2.9 to 1	2.9 to 1

Cash flows used for operations totaled \$6.5 million in 1996 and \$6.3 million in 1995. Growth in inventories of \$17.6 million in 1996 and \$23.4 million in 1995 accounted for a significant amount of the net usage of funds. Sales below expectations contributed to the growth in inventory in 1996. Accelerated delivery schedules for certain new products, inventories of acquired product lines, and level loading of production at certain of the Company's manufacturing operations contributed to the increase in 1995. Foreign currency fluctuations also contributed to the increase in 1995. Inventory turns decreased in 1996 and increased in 1995.

Accounts receivable decreased \$2.4 million in 1996, providing a source of funds, while increasing \$6.6 million in 1995. Significant growth in third and fourth quarter sales accounted for the increase in accounts receivable in 1995.

Accounts payable and accrued liabilities decreased \$1.1 million in 1996 and increased \$7.3 million in 1995, impacting the net outflow of cash from operations. Usage of liabilities established for restructuring in 1993 offset the increase in 1995.

Depreciation and amortization charges were \$10.6 million in 1996, \$8.3 million in 1995 and \$7 million in 1994, mitigating the net outflow of operating funds. The increase over 1994 reflects additional amortization of intangible assets arising from the Company's 1995 acquisitions and increased depreciation from capital spending in 1996, 1995 and 1994.

Investing Activities

Expenditures for property, plant and equipment were \$10.7 million in 1996, \$15.5 million in 1995 and \$14 million in 1994. The Company's recurring investments are made primarily for tooling for new products and enhancements. In 1996, 1995 and 1994, capital spending was increased due to investments in data processing improvements. In 1994, the Company also constructed and occupied an office and research facility to replace rented space. In 1997, capitalized expenditures are anticipated to total approximately \$10 million. These expenditures are expected to be funded by working capital or existing bank lines of credit.

The Company completed the acquisitions of two product lines in 1995, which increased tangible and intangible assets and long-term debt by \$28 million. No acquisitions were completed in 1996 or 1994.

Financing Activities

The following table sets forth the Company's debt and capital structure at the end of the past three years:

[millions]	1996	1995	1994
Current debt	\$43.1	\$18.6	\$16.1
Long-term debt	61.5	68.9	31.2
Total debt	104.6	87.5	47.3
Shareholders' equity	126.4	141.3	128.2

Total capitalization	\$231.0	\$228.8	\$175.5
Total debt to total capital ratio	45.3%	38.2%	27.0%

Cash flows from financing activities totaled \$17.6 million in 1996 and \$39.5 million in 1995. In October 1995, the Company consummated private placements of long-term debt totaling \$45 million. In anticipation of this financing, short-term debt to be repaid totaling \$32 million at September 29, 1995 was classified as long-term. Payments on long-term debt required to be made in 1997 total \$7.5 million. Net proceeds totaling approximately \$17 million from the sale of one of the Company's businesses are expected to be used to reduce indebtedness in 1997. At September 27, 1996, the Company had available, unused credit facilities in excess of \$112 million.

Other Factors

The Company has not been significantly impacted by inflationary pressures over the last several years. However, from time to time the Company faces changes in the prices of commodities. Price increases and, in certain situations, price decreases are implemented for individual products, when appropriate. The Company anticipates that rising costs of basic raw materials may impact 1997 operating costs and, accordingly, the prices of its products. The Company is involved in continuing programs to mitigate the impact of cost increases through changes in product design and identification of sourcing and manufacturing efficiencies.

[Page 20]

Consolidated Balance Sheets

JOHNSON WORLDWIDE ASSOCIATES, INC. and Subsidiaries

[thousands, except share data]	September 27 1996	September 29 1995
Assets		
Current assets:		
Cash and temporary cash investments	\$12,697	\$8,944
Accounts receivable, less allowance for doubtful accounts of \$2,235 and \$2,610, respectively	55,847	61,456
Inventories	101,903	98,238
Deferred income taxes	13,561	7,423
Other current assets	10,336	9,319
	-----	-----
Total current assets	194,344	185,380
Property, plant and equipment	30,154	33,028
Intangible assets	54,422	58,691
Other assets	1,848	1,254
	-----	-----
Total assets	\$280,768	\$278,353
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities:		
Short-term debt and current maturities of long-term debt	\$43,118	\$18,563
Accounts payable	11,086	14,623
Accrued liabilities:		
Salaries and wages	6,260	5,792
Income taxes	4,283	4,011
Other	23,659	20,866
	-----	-----
Total current liabilities	88,406	63,855
Long-term debt, less current maturities	61,501	68,948
Other liabilities	4,437	4,288
	-----	-----
Total liabilities	154,344	137,091
	-----	-----
Shareholders' equity:		
Preferred stock: none issued	-	-
Common stock:		
Class A shares issued: September 27, 1996, 6,901,801; September 29, 1995, 6,896,883	345	345
Class B shares issued (convertible into Class A): September 27, 1996, 1,228,137; September 29, 1995, 1,228,613	61	61
Capital in excess of par value	44,084	43,968
Retained earnings	77,940	89,525
Contingent compensation	(121)	(264)
Cumulative translation adjustment	4,115	7,869
Treasury stock, at cost: September 29, 1995, 10,000 Class A shares	-	(242)
	-----	-----
Total shareholders' equity	126,424	141,262
	-----	-----
Total liabilities and shareholders' equity	\$280,768	\$278,353
	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Operations

JOHNSON WORLDWIDE ASSOCIATES, INC. and Subsidiaries

	September 27 1996	Year Ended September 29 1995	September 30 1994
[thousands, except per share data]			
Net sales	\$ 44,373	\$ 47,190	\$ 84,343
Cost of sales	24,649	09,035	73,869
Gross profit	19,724	38,155	10,474
Operating expenses:			
Marketing and selling	8,348	8,743	59,629
Financial and administrative management	6,139	5,304	23,482
Research and development	6,537	6,531	5,304
Amortization of acquisition costs	2,500	2,003	1,482
Nonrecurring charges	6,768	-	-
Profit sharing	908	1,830	1,639
	-----	-----	-----
Total operating expenses	121,200	14,411	91,536
	-----	-----	-----
Operating profit (loss)	(1,476)	23,744	18,938
Interest income	(612)	(774)	(531)
Interest expense	10,181	7,613	6,845
Other (income) expenses, net	116	(87)	140
	-----	-----	-----
Income (loss) from continuing operations before income taxes	(11,161)	16,992	12,484
Income tax expense	194	6,903	4,338
	-----	-----	-----
Income (loss) from continuing operations	(11,355)	10,089	8,146
Gain on disposal of discontinued operations, including income tax benefit of \$2,277	-	-	4,052
	-----	-----	-----
Net income (loss)	\$ (11,355)	\$ 10,089	\$ 12,198
	-----	-----	-----
Earnings (loss) Per Common Share			
Continuing operations	\$ (1.40)	\$ 1.25	\$ 1.01
Discontinued operations	-	-	.50
	-----	-----	-----
Net income (loss)	\$ (1.40)	\$ 1.25	\$ 1.51
	-----	-----	-----

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Shareholders' Equity

JOHNSON WORLDWIDE ASSOCIATES, INC. and subsidiaries

[thousands]	Common Stock	Capital in Excess of Par Value	Retained Earnings	Contingent Compensation	Cumulative Translation Adjustment	Treasury Stock
BALANCE AT OCTOBER 1, 1993	\$399	\$41,696	\$67,340	\$ (350)	\$1,733	\$ -
Net income	-	-	12,198	-	-	-
Exercise of stock options	5	1,226	-	-	-	-
Tax benefit of stock options exercised	-	150	-	-	-	-
Issuance of restricted stock	-	70	-	(70)	-	-
Issuance of stock under employee stock purchase plan	1	188	-	-	-	-
Amortization of contingent compensation	-	-	-	178	-	-
Translation adjustment	-	-	-	-	3,433	-
	-----	-----	-----	-----	-----	-----
Balance at September 30, 1994	405	43,330	79,538	(242)	5,166	-
Net income	-	-	10,089	-	-	-
Exercise of stock options	1	384	(95)	-	-	910
Tax benefit of stock options exercised	-	118	-	-	-	-
Issuance of restricted stock	-	-	(7)	(222)	-	229
Issuance of stock under employee stock purchase plan	-	136	-	-	-	-
Amortization of contingent compensation	-	-	-	200	-	-
Other treasury stock transactions	-	-	-	-	-	(1,381)
Translation adjustment	-	-	-	-	2,703	-
	-----	-----	-----	-----	-----	-----
Balance at September 29, 1995	406	43,968	89,525	(264)	7,869	(242)
Net loss	-	-	(11,355)	-	-	-
Exercise of stock options	-	-	(98)	-	-	295
Tax benefit of stock options exercised	-	61	-	-	-	-

Issuance of restricted stock	-	-	-	(67)	-	67
Issuance of stock under employee stock purchase plan	-	55	(132)	-	-	291
Amortization of contingent compensation	-	-	-	210	-	-
Other treasury stock transactions	-	-	-	-	-	(411)
Translation adjustment	-	-	-	-	(3,754)	-
	-----	-----	-----	-----	-----	-----
Balance at September 27, 1996	\$406	\$44,084	\$77,940	\$(121)	\$4,115	\$ -
	=====	=====	=====	=====	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

[Page 23]

Consolidated Statements of Cash Flows

JOHNSON WORLDWIDE ASSOCIATES, INC. and Subsidiaries

[thousands]	September 27 1996	Year Ended September 29 1995	September 30 1994
Cash Provided By (Used For) Operations			
Net income (loss)	\$ (11,355)	\$ 10,089	\$ 12,198
Noncash items:			
Depreciation and amortization	10,561	8,314	6,987
Provision for doubtful accounts receivable	1,662	1,567	1,421
Provision for inventory reserves	12,202	1,561	6,318
Deferred income taxes	(6,842)	179	(694)
Writedown of property, plant and equipment	1,846	-	-
Writedown of intangible assets	1,070	-	-
Loss on sale of business	2,000	-	-
Gain on disposal of discontinued operations	-	-	(4,052)
Change in:			
Accounts receivable	2,412	(6,637)	(9,818)
Inventories	(17,571)	(23,386)	(7,311)
Accounts payable and other accrued liabilities	(1,128)	7,256	3,576
Restructuring accrual	-	(1,077)	(7,828)
Net assets of discontinued operations	-	-	4,036
Other, net	(1,332)	(4,147)	2,763
	-----	-----	-----
	(6,475)	(6,281)	7,596
	-----	-----	-----
Cash Provided By (Used For) Investing Activities			
Net assets of businesses acquired	-	(28,070)	-
Proceeds from sale of discontinued operations and other businesses	-	-	48,076
Additions to property, plant and equipment	(10,685)	(15,501)	(13,970)
Sales and retirements of property, plant and equipment	3,583	3,403	1,676
	-----	-----	-----
	(7,102)	(40,168)	35,782
	-----	-----	-----
Cash Provided By (Used For) Financing Activities			
Issuance of senior notes	45,000	-	-
Principal payments on senior notes and notes payable	(7,341)	(6,662)	(5,231)
Proceeds from revolving credit facilities	-	13,172	-
Repayment of revolving credit facilities	(13,412)	-	(7,237)
Net change in short-term debt	(6,717)	32,928	(21,816)
Common stock transactions	61	73	1,570
	-----	-----	-----
	17,591	39,511	(32,714)
Effect of foreign currency fluctuations on cash	(261)	294	509
	-----	-----	-----
Increase (decrease) in cash and temporary cash investments	3,753	(6,644)	11,173
Cash and Temporary Cash Investments			
Beginning of year	8,944	15,588	4,415
	-----	-----	-----
End of year	\$ 12,697	\$ 8,944	\$ 15,588
	-----	-----	-----

The accompanying notes are an integral part of the consolidated financial

statements.

[Page 24]

Notes to Consolidated Financial Statements

JOHNSON WORLDWIDE ASSOCIATES, INC. and Subsidiaries

Johnson Worldwide Associates, Inc. is an integrated, global outdoor recreation products company engaged in the design, manufacture and marketing of brand name fishing and marine, camping and diving products.

1 Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Johnson Worldwide Associates, Inc. and all majority owned subsidiaries (the Company). Significant intercompany accounts and transactions have been eliminated in consolidation.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that impact the reported amounts of assets, liabilities and operating results and the disclosure of commitments and contingent liabilities. Actual results could differ significantly from those estimates. For the Company, significant estimates include the allowance for doubtful accounts receivable and reserves for inventory valuation.

The Company's fiscal year ends on the Friday nearest September 30. The fiscal years ended September 27, 1996, September 29, 1995 and September 30, 1994 (hereinafter 1996, 1995 and 1994, respectively) each comprise 52 weeks.

Cash and Temporary Cash Investments

For purposes of the consolidated statements of cash flows, the Company considers all short-term investments in interest-bearing bank accounts, securities and other instruments with an original maturity of three months or less, to be equivalent to cash.

Inventories

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

Inventories at the end of the respective years consist of the following:

[thousands]	1996	1995
Raw materials	\$ 30,102	\$ 28,726
Work in process	6,167	5,888
Finished goods	79,299	68,742
	-----	-----
	115,568	103,356
Less reserves	13,665	5,118
	-----	-----
	\$ 101,903	\$ 98,238
	=====	=====

In 1996, the Company recorded charges totaling \$11,000,000 to reduce the carrying value of certain elements of inventory to their net realizable value.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation of plant and equipment is determined by straight-line and accelerated methods over estimated useful lives, which range from 3 to 30 years.

Upon retirement or disposition, cost and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in operating results.

Property, plant and equipment at the end of the respective years consist of the following:

[thousands]	1996	1995
Property and improvements	\$ 987	\$ 969
Buildings and improvements	15,685	15,642
Furniture, fixtures and equipment	61,009	59,275
	-----	-----
	77,681	75,886
Less accumulated depreciation	47,527	42,858
	-----	-----
	\$ 30,154	\$ 33,028
	=====	=====

Intangible Assets

Intangible assets are stated at cost less accumulated amortization. Amortization is computed using the straight-line method with periods

ranging from 15 to 40 years for goodwill and 3 to 16 years for patents, trademarks and other intangible assets.

The Company annually assesses the recoverability of intangible assets, primarily by determining whether the amortization of the balance over its remaining life can be recovered through undiscounted future operating cash flows of the acquired operation. The amount of impairment, if any, is measured primarily based on the deficiency of projected discounted future operating cash flows relative to the value of the asset, using a discount rate reflecting the Company's cost of capital, which is currently 12%.

Intangible assets at the end of the respective years consist of the following:

[thousands]	1996	1995
Goodwill	\$ 66,260	\$ 68,784
Patents, trademarks and other	4,357	4,604
	-----	-----
	70,617	73,388
Less accumulated amortization	16,195	14,697
	-----	-----
	\$ 54,422	\$ 58,691
	=====	=====

[Page 25]

Income Taxes

The Company provides for income taxes currently payable, and deferred income taxes resulting from temporary differences between financial statement and taxable income, using the asset and liability method.

Federal and state income taxes are provided on foreign subsidiary income distributed to or taxable in the United States during the year. At September 27, 1996, net undistributed earnings of foreign subsidiaries total approximately \$39,973,000. A substantial portion of these unremitted earnings have been permanently invested abroad and no provision for federal or state taxes is made on these amounts. With respect to that portion of foreign earnings which may be returned to the United States, provision is made for taxes if the amounts are significant.

The Company's United States entities file a consolidated federal income tax return.

Employee Benefits

The Company and certain of its subsidiaries have various retirement and profit sharing plans. U.S. pension obligations, which are generally based on compensation and years of service, are funded by payments to pension fund trustees. Other foreign pensions are funded as expenses are incurred. The Company's policy is generally to fund the minimum amount required under the Employee Retirement Income Security Act of 1974 for plans subject thereto. Profit sharing costs are funded at least annually.

Foreign Operations

The Company operates internationally, which gives rise to exposure to market risk from movements in foreign exchange rates. The Company uses foreign currency forward contracts and foreign currency options in its selective hedging of foreign exchange exposure. Gains and losses on contracts that qualify as hedges are recognized as an adjustment of the carrying amount of the item hedged. The Company primarily hedges inventory purchases and loans denominated in foreign currencies. The Company does not enter into foreign exchange contracts for trading purposes.

At September 27, 1996, foreign currency forward contracts and options with a notional value of approximately \$4,716,000 are in place, hedging existing and anticipated transactions. All of these contracts mature in 1997. Failure of the counterparties to perform their obligations under these contracts would expose the Company to the risk of foreign currency rate movements for those contracts. The Company does not believe the risk is significant.

Assets and liabilities of foreign operations are translated into United States dollars at the rate of exchange existing at the end of the year. Results of operations are translated at monthly average exchange rates. Gains and losses resulting from the translation of foreign currency financial statements are classified as a separate component of shareholders' equity.

Revenue Recognition

Revenue from sales is recognized on the accrual basis, primarily upon the shipment of products, net of estimated costs of returns and allowances.

Advertising

The Company expenses substantially all costs of production of advertising the first time the advertising takes place. Cooperative promotional arrangements are accrued in relation to sales.

Advertising expense in 1996, 1995 and 1994 totals \$26,657,000, \$26,151,000

and \$19,901,000, respectively. Capitalized costs at September 27, 1996 and September 29, 1995 total \$2,036,000 and \$2,605,000, respectively, and primarily include catalogs and costs of advertising which has not yet run for the first time.

Research and Development

Research and development costs are expensed as incurred.

Reclassification

Certain reclassifications have been made to prior years' amounts to conform with the current year presentation.

Pending Accounting Changes

In 1996, the FASB issued Statement 123, Accounting for Stock-Based Compensation, which requires accounting for employee stock compensation plans using either the fair value method or the intrinsic value based method. The Company will adopt Statement 123 in 1997 and, based on current circumstances, anticipates retaining the intrinsic value based method of accounting for stock options, which is currently in use.

2 Nonrecurring Charges

In 1995, the FASB issued Statement 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of, which requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount. In addition, Statement 121 requires that long-lived assets to be disposed of be reported at the lower of the carrying amount or fair value (less estimated selling expenses). The Company adopted Statement 121 in 1996 and determined that certain of its products would be discontinued. As a result, assets totaling \$1,846,000, consisting primarily of tooling, were written off.

The Company also determined that the carrying value of goodwill of one of its subsidiaries, which the Company subsequently closed, could not be recovered through undiscounted future cash flows. Accordingly, the related intangible assets, totaling \$1,070,000, were written off.

[Page 26]

In 1996, the Company recorded involuntary severance and other exit costs totaling \$1,852,000 related to the relocation of one of its manufacturing locations and the outsourcing of the distribution function of another business. Substantially all of the \$1,389,000 remaining accrued liability at September 27, 1996 is to be disbursed by December 1996. Approximately 80 employees are impacted by these actions.

In 1996, the Board of Directors approved a plan to divest one of the Company's businesses. The Company estimates the sale of this business will result in a loss of approximately \$2,000,000. Accordingly, this loss is recognized in 1996 operating results. The Company expects the sale of this business will be consummated in 1997. Net sales and operating profit of this business were \$36,391,000 and \$3,043,000, respectively, in 1996. Net assets of this business totaled \$16,885,000 at September 27, 1996.

3 Discontinued Operations

In 1993, the Board of Directors approved a formal plan to divest the Company's Marking Systems businesses, which manufactured and marketed hand stamps, ink rolls, ink cartridges and liquid ink jets. As a result of the adoption of the plan of divestiture, the Marking Systems operations have been classified as discontinued for all years presented. The Company completed the divestiture in two separate transactions in 1994, resulting in a gain of \$4,052,000 as net sales proceeds exceeded expectations. Net sales of the Marking Systems businesses to the disposal dates were \$36,075,000 for 1994. Interest expense of \$41,000 for 1994 that was directly attributable to the Marking Systems businesses was allocated to discontinued operations.

4 Acquisitions

In April 1995, the Company acquired substantially all the assets of a line of fishing tackle products. The initial purchase price, including direct expenses, of the acquisition was \$25,470,000, of which \$22,042,000 was recorded as intangible assets and will be amortized over 25 years. Additional payments in the years 1997 through 2001 are dependent upon the achievement of specified levels of sales and profitability of certain of the acquired products. No additional payments were required in 1996. In connection with the acquisition, the Company entered into an exclusive supply agreement for certain of the products with the third-party manufacturer of such products.

In June 1995, the Company acquired substantially all the assets of a line of electric motors and marine accessories. The purchase price of the acquisition was \$2,600,000, of which \$2,231,000 was recorded as intangible assets and will be amortized over 15 years. Additional payments in the years 1997 through 2000 are dependent upon achievement of specified levels of sales of the acquired product line. No additional payments were

required in 1996.

The acquisitions were accounted for using the purchase method and, accordingly, the consolidated financial statements include the results of operations since the respective dates of acquisition. Additional payments, if required, will increase intangible assets in future years.

5 Indebtedness

Short-term debt at the end of the respective years consists of the following:

[thousands]	1996	1995
Commercial paper and bank loans	\$ 35,599	\$ 42,978
Current maturities of long-term debt	7,519	7,413
	-----	-----
	43,118	50,391
Less short-term debt to be refinanced	-	31,828
	-----	-----
	\$ 43,118	\$ 18,563
	=====	=====

Short-term arrangements provide for borrowings with interest rates set periodically by reference to market rates. The weighted average interest rate on short-term indebtedness was 5.8% and 7.0% at September 27, 1996 and September 29, 1995, respectively. The Company's primary facility is a \$100,000,000 revolving credit agreement expiring in 2001, which includes \$70,000,000 in support of commercial paper issuance. The Company has lines of credit, both foreign and domestic, totaling \$150,764,000, of which \$112,713,000 is available at September 27, 1996. The Company also has available letters of credit for trade financing purposes.

Long-term debt at the end of the respective years consists of the following:

[thousands]	1996	1995
Senior notes	\$ 67,000	\$ 29,000
Short-term debt to be refinanced	-	31,828
Revolving credit facility	-	13,172
Notes payable 4.8% to 10.9% maturing through December 2005	2,020	2,361
	-----	-----
	69,020	76,361
Less current maturities	7,519	7,413
	-----	-----
	\$ 61,501	\$ 68,948
	=====	=====

In 1996, the Company issued unsecured senior notes of \$30,000,000 with an interest rate of 7.77% and \$15,000,000 with an interest rate of 6.98%. Total annual principal payments ranging from \$5,500,000 to \$7,500,000 are due beginning in 2000 through 2006. Proceeds from issuance of the senior notes were used to retire an interim revolving credit facility established in 1995 to fund acquisitions and to reduce outstanding borrowings under the Company's primary revolving credit facility. Outstanding

[Page 27]

short-term debt totaling \$31,828,000 at September 29, 1995 was classified as long-term in anticipation of refinancing with the proceeds of the senior notes.

In 1993 and 1991, respectively, the Company issued unsecured senior notes of \$15,000,000 with an interest rate of 6.58% and \$25,000,000 with an interest rate of 9.16%. Equal annual principal payments of \$7,500,000 for the 1993 senior notes are due in 1998 and 1999. The remaining annual principal payment for the 1991 senior notes is \$7,000,000 in 1997.

Principal amounts payable on long-term debt in each of the five years ending September 2001 are as follows:

Year	[thousands]
1997	\$ 7,519
1998	7,868
1999	7,679
2000	5,880
2001	6,161

Interest paid was \$8,853,211, \$6,775,000 and \$6,864,000 for 1996, 1995 and 1994, respectively.

Based on the borrowing rates currently available to the Company for debt with similar terms and average maturities, the fair value of the Company's long-term debt as of September 27, 1996 and September 29, 1995 is \$69,151,000 and \$76,804,000, respectively. The carrying value of all other financial instruments approximates the fair value.

Certain of the Company's loan agreements require that Samuel C. Johnson, members of his family and related entities (Johnson Family) continue to own stock having votes sufficient to elect a 51% majority of the directors. At September 27, 1996, the Johnson Family held approximately

2,169,000 shares or 31% of the Class A common stock, approximately 1,160,000 shares or 94% of the Class B common stock and approximately 72% of the voting power of both classes of common stock taken as a whole. The agreements also contain restrictive covenants regarding the Company's tangible net worth, indebtedness, fixed charge coverage and distribution of earnings. The Company is in compliance with the restrictive covenants of such agreements, as amended.

6 Leases and Other Commitments

The Company leases certain operating facilities and machinery and equipment under long-term, noncancelable operating leases. Future minimum rental commitments under noncancelable operating leases having an initial or remaining term in excess of one year at September 27, 1996 are as follows:

Year	[thousands]
1997	\$ 4,098
1998	2,354
1999	1,628
2000	1,167
2001	862
Thereafter	2,093

Rental expense under all leases was approximately \$5,309,000, \$5,141,000 and \$5,145,000 for 1996, 1995 and 1994, respectively.

The Company makes commitments in a broad variety of areas, including capital expenditures, contracts for services, sponsorship of broadcast media and supply of finished products and components, all of which are in the ordinary course of business.

7 Income Taxes

Income tax expense (benefit) for the respective years attributable to income (loss) from continuing operations consists of the following:

[thousands]	1996	1995	1994
Current:			
Federal	\$ 518	\$ 309	\$ (2,045)
State	346	(100)	439
Foreign	6,239	6,489	5,382
Deferred	(6,909)	205	562
	-----	-----	-----
	\$ 194	\$ 6,903	\$ 4,338
	=====	=====	=====

The significant components of deferred tax expense (benefit) attributable to income (loss) from continuing operations are as follows:

[thousands]	1996	1995	1994
Deferred tax expense (benefit) (exclusive of effects of other components listed below)	\$ (7,304)	\$ 325	\$ 998
Adjustments to deferred tax assets and liabilities for enacted changes in tax laws or rates	-	10	(18)
Increase (decrease) in beginning of the year balance of the valuation allowance for deferred tax assets	395	(130)	(418)
	-----	-----	-----
	\$ (6,909)	\$ 205	\$ 562
	-----	-----	-----

[Page 28]

In assessing the realizability of deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the years in which those temporary differences become deductible. The Company considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

The tax effects of temporary differences that give rise to significant portions of deferred tax assets and deferred tax liabilities at the end of the respective years are presented below:

[thousands]	1996	1995	1994
Deferred tax assets:			
Inventories	\$ 6,126	\$ 1,867	\$ 2,836
Compensation	2,240	1,782	1,816
Restructuring	-	-	377

Foreign income taxes	595	988	1,489
Foreign tax credit			
carryforwards	2,681	1,129	1,331
Net operating loss			
carryforwards	2,996	407	360
Other	5,250	4,607	2,870
Total gross deferred			
tax assets	19,888	10,780	11,079
Less valuation allowance	2,941	1,107	1,591
	-----	-----	-----
	16,947	9,673	9,488
	-----	-----	-----

Deferred tax liabilities:

Foreign statutory			
reserves	1,371	1,204	891
Acquisition accounting	836	638	561
	-----	-----	-----
Total deferred			
tax liabilities	2,207	1,842	1,452
	-----	-----	-----
Net deferred tax asset	\$14,740	\$ 7,831	\$ 8,036
	=====	=====	=====

Following is the income (loss) from continuing operations before income taxes for domestic and foreign operations:

[thousands]	1996	1995	1994
United States	\$ (25,276)	\$ 1,164	\$ 350
Foreign	14,115	15,828	12,134
	-----	-----	-----
	\$ (11,161)	\$ 16,992	\$ 12,484
	=====	=====	=====

The significant differences between the statutory federal tax rates and the effective income tax rates are as follows:

	1996	1995	1994
Statutory U.S. federal			
income tax rate	(34.0)%	34.0%	34.0%
State income taxes,			
net of federal income			
tax benefit	(3.4)	(0.9)	1.9
Foreign rate differential	22.8	7.9	5.2
Basis difference on			
divestiture of business	7.5	-	-
Change in beginning			
of year valuation			
allowance for			
foreign tax credits	3.9	-	-
Foreign operating			
losses (benefit)	1.2	0.9	(2.7)
Tax credits	-	(1.6)	(0.7)
Other	3.7	0.3	(3.0)
	----	----	----
	1.7%	40.6%	34.7%
	----	----	----

At September 27, 1996, the Company has \$2,681,000 of foreign tax credit carryforwards related to continuing operations available to be offset against future U.S. tax liability. The credits begin expiring in 1999, if not utilized.

During 1996, 1995 and 1994, foreign net operating loss carryforwards related to continuing operations were utilized, resulting in a reduction in income tax expense of \$34,000, \$130,000 and \$428,000, respectively. At September 27, 1996, the Company has a U.S. federal operating loss carryforward of \$6,925,000. In addition, certain of the Company's foreign subsidiaries have net operating loss carryforwards totaling \$790,000. These amounts are available to offset future taxable income over the next 8 to 15 years and are anticipated to be utilized during this period.

Taxes paid related to continuing operations were \$6,816,000, \$7,318,000 and \$5,896,000 for 1996, 1995 and 1994, respectively.

8 Employee Benefits

Net periodic pension cost for noncontributory pension plans related to continuing operations includes the following components:

[thousands]	1996	1995	1994
Service cost	\$ 282	\$ 254	\$ 265
Interest on projected			
benefit obligation	599	582	568
Return on plan assets	(436)	(457)	(411)
Net amortization			
and deferral	(72)	(19)	3
Effect of plan curtailment	-	-	177
	-----	-----	-----
	\$ 373	\$ 360	\$ 602

The funded status of the plans related to continuing operations is as follows at the end of the respective years:

[thousands]	1996	1995
Actuarial present value of benefit obligations:		
Vested benefits	\$ 7,031	\$ 6,030
Non-vested benefits	187	174
Accumulated benefit obligation	7,218	6,204
Effect of projected compensation levels	1,779	1,681
Projected benefit obligation	8,997	7,885
Plan assets at fair value	6,235	5,697
Projected benefit obligation in excess of plan assets	(2,762)	(2,188)
Unrecognized net loss	1,756	1,209
Unrecognized prior service cost	252	278
Unrecognized net asset	(584)	(661)
Pension liability recognized in the consolidated balance sheets	\$ (1,338)	\$ (1,362)

Plan assets are invested primarily in stock and bond mutual funds and insurance contracts.

Actuarial assumptions used to determine the projected benefit obligation and the expected net periodic pension cost are as follows:

	1996	1995	1994
Discount rate	8%	8%	8%
Rate of increase in compensation levels	5%	5%	5%
Expected long-term rate of return on plan assets	8%	8%	8%

A majority of the Company's full-time employees are covered by profit sharing programs. Participating entities determine a profit sharing distribution under various performance and service based formulas.

9 Preferred Stock

The Company is authorized to issue 1,000,000 shares of preferred stock in various classes and series, of which there are none currently issued or outstanding.

10 Common Stock

Common stock at the end of the respective years consists of the following:

	1996	1995
Class A, \$.05 par value:		
Authorized	20,000,000	20,000,000
Outstanding	6,901,801	6,886,883
Class B, \$.05 par value:		
Authorized	3,000,000	3,000,000
Outstanding	1,228,137	1,228,613

Holders of Class A common stock are entitled to elect 25% of the members of the Board of Directors and holders of Class B common stock are entitled to elect the remaining directors. With respect to matters other than the election of directors or any matters for which class voting is required by law, holders of Class A common stock are entitled to one vote per share while holders of Class B common stock are entitled to ten votes per share. If any dividends (other than dividends paid in shares of the Company) are paid by the Company on its common stock, a dividend would be paid on each share of Class A common stock equal to 110% of the amount paid on each share of Class B common stock. Each share of Class B common stock is convertible at any time into one share of Class A common stock. During 1996, 1995 and 1994, respectively, 476, 1,986 and 284 shares of Class B common stock were converted into Class A common stock.

11 Stock Ownership Plans

The Company's current stock ownership plans provide for issuance of options to acquire shares of Class A common stock by key executives and non-employee directors. Current plans also allow for issuance of restricted stock or stock appreciation rights in lieu of options. All options have been granted at a price not less than fair market value at the date of grant and become exercisable over periods of one to four years from the date of grant, unless accelerated. Stock options generally have a

term of 10 years. A summary of stock option activity related to the Company's plans is as follows:

	Shares	Exercise Price
Outstanding at October 1, 1993	594,830	\$ 3.50 - 23.25
Granted	122,000	23.00 - 24.38
Exercised	(88,663)	3.50 - 23.25
Cancelled	(40,558)	17.13 - 22.00
Outstanding at September 30, 1994	587,609	3.50 - 24.38
Granted	119,000	18.63 - 21.75
Exercised	(70,138)	3.50 - 23.75
Cancelled	(37,525)	17.13 - 23.75
Outstanding at September 29, 1995	598,946	4.44 - 24.38
Granted	162,000	22.06 - 25.31
Exercised	(12,567)	20.25 - 23.50
Cancelled	(182,158)	17.13 - 23.25
Outstanding at September 27, 1996	566,221	\$ 4.44 - 25.31
Exercisable at September 27, 1996	356,756	\$ 4.44 - 24.38

[Page 30]

In October 1996, options to acquire 75,000 shares of Class A common stock at an exercise price of \$13.125 per share were granted. At September 27, 1996, September 29, 1995 and September 30, 1994, 289,833, 286,833, and 276,333 shares, respectively, of restricted Class A common stock were issued under the Company's stock ownership plans. The fair value of the shares awarded in excess of the amount paid for such shares is recognized as contingent compensation and is being amortized over three years from the dates of award, unless accelerated, the period after which all restrictions will have lapsed. At September 27, 1996, 457,500 shares are available for future issuance under all Company stock ownership plans.

The Company's employee stock purchase plan provides for the issuance of up to 150,000 shares of Class A common stock at a purchase price of not less than 85% of the fair market value at the date of grant. During 1996, 1995 and 1994, 17,375, 6,701 and 9,432 shares, respectively, were issued under this plan.

12 Related Party Transactions

The Company and S.C. Johnson & Son, Inc. are controlled by the Johnson Family. Various transactions are conducted between the Company and organizations controlled by the Johnson Family. These include consulting services, office rental, certain administrative activities and, in 1994, the purchase of land for the Company's headquarters facility.

Total costs of these transactions are \$440,000, \$523,000 and \$1,548,000 for 1996, 1995 and 1994, respectively, of which \$106,000 and \$125,000 are outstanding at September 27, 1996 and September 29, 1995, respectively.

13 Geograph Segments of Business

The Company conducts its worldwide operations through separate geographic area organizations which represent major markets or combinations of markets. The operations are conducted in the United States and various foreign countries, primarily in Europe, Canada and the Pacific Basin.

Net sales and operating profit by geographic area include both sales to customers, as reported in the Company's consolidated statements of operations, and inter-area transfers, which are priced to recover cost plus an appropriate profit margin.

Identifiable assets represent assets that are used in the Company's operations in each geographic area at the end of the years presented.

A summary of the Company's operations by geographic area is presented below:

[thousands]	1996	1995	1994
Net sales:			
United States:			
Unaffiliated customers	\$ 184,372	\$ 192,426	\$ 157,191
Inter-area transfers	6,718	5,749	4,966
Europe:			
Unaffiliated customers	134,048	126,103	100,297
Inter-area transfers	3,107	3,365	3,622
Other	25,976	28,674	26,926
Eliminations	(9,848)	(9,127)	(8,659)
	\$ 344,373	\$ 347,190	\$ 284,343
	-----	-----	-----
Operating profit (loss):			
United States	\$ (17,347)	\$ 6,004	\$ 3,807
Europe	13,013	14,409	11,643
Other	2,858	3,331	3,488
	-----	-----	-----

	\$ (1,476)	\$ 23,744	\$ 18,938
	-----	-----	-----
Identifiable assets:			
United States	\$ 150,959	\$ 150,691	
Europe	109,026	106,426	
Other	20,783	21,236	
	-----	-----	
	\$ 280,768	\$ 278,353	
	=====	=====	

Export sales in each geographic area total less than 10% of sales to unaffiliated customers. Sales to a single customer and its affiliated entities totaled \$34,902,000 in 1995. No customer accounted for 10% or more of sales in 1996 or 1994.

14 Earnings Per Share

Earnings (loss) per share of common stock are computed on the basis of a weighted average number of common and common equivalent shares outstanding. Primary and fully diluted earnings per share are the same. The per share effect of discontinued operations is calculated by dividing the applicable income or loss from discontinued operations by the weighted average common and common equivalent shares outstanding.

The weighted average common and common equivalent shares used in the computation of earnings per common share are 8,113,776, 8,080,684 and 8,067,629 in 1996, 1995 and 1994, respectively. Common stock equivalents are not significant in any year presented.

15 Litigation

The Company is subject to various legal actions and proceedings in the normal course of business, including those related to environmental matters. Although litigation is subject to many uncertainties and the ultimate exposure with respect to these matters cannot be ascertained, management does not believe the final outcome will have a significant effect on the consolidated financial statements.

[Page 31]

Auditors' and Management's Reports

JOHNSON WORLDWIDE ASSOCIATES, INC. and Subsidiaries

Independent Auditors' Report

Shareholders and Board of Directors
Johnson Worldwide Associates, Inc.:

We have audited the consolidated balance sheets of Johnson Worldwide Associates, Inc. and subsidiaries as of September 27, 1996 and September 29, 1995 and the related consolidated statements of operations, shareholders' equity and cash flows for each of the years in the three-year period ended September 27, 1996. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Johnson Worldwide Associates, Inc. and subsidiaries as of September 27, 1996 and September 29, 1995, and the results of their operations and their cash flows for each of the years in the three-year period ended September 27, 1996, in conformity with generally accepted accounting principles.

As discussed in note 2 to the consolidated financial statements, the Company adopted the provisions of the Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 121 Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of during the year ended September 27, 1996.

KPMG Peat Marwick LLP
Milwaukee, Wisconsin
November 8, 1996

Report of Management

The management of Johnson Worldwide Associates, Inc. is responsible for the preparation and integrity of all financial statements and other information contained in this Annual Report. We rely on a system of internal financial controls to meet the responsibility of providing

accurate financial statements. The system provides reasonable assurances that assets are safeguarded, that transactions are executed in accordance with management's authorization and that the financial statements are prepared on a worldwide basis in accordance with generally accepted accounting principles.

The financial statements for each of the years covered in this Annual Report have been audited by independent auditors, who have provided an independent assessment as to the fairness of the financial statements, after obtaining an understanding of the Company's systems and procedures and performing such other tests as deemed necessary.

The Audit Committee of the Board of Directors, which is composed solely of directors who are not officers of the Company, meets with management and the independent auditors to review the results of their work and to satisfy itself that their respective responsibilities are being properly discharged. The independent auditors have full and free access to the Audit Committee and have regular discussions with the Committee regarding appropriate auditing and financial reporting matters.

Ronald C. Whitaker
President and Chief Executive Officer

Carl G. Schmidt
Senior Vice President and Chief Financial Officer

[Page 32]

Five Year Financial Summary

JOHNSON WORLDWIDE ASSOCIATES, INC. and Subsidiaries

[thousands, except per share data]	Year Ended				
	September 27 1996	September 29 1995	September 30 1994	October 1 1993	October 2 1992
Income Statement Data(1)					
Net sales	\$344,373	\$347,190	\$284,343	\$280,292	\$275,845
Gross profit	119,724	138,155	110,474	114,780	112,185
Operating expenses(2)	121,200	114,411	91,536	103,587	92,621
Operating profit (loss)	(1,476)	23,744	18,938	11,193	19,564
Interest expense	10,181	7,613	6,845	8,309	10,180
Other (income) expense, net	(496)	(861)	(391)	189	(491)
Income (loss) from continuing operations before income taxes	(11,161)	16,992	12,484	2,695	9,875
Income tax expense	194	6,903	4,338	2,055	4,509
Income (loss) from continuing operations	(11,355)	10,089	8,146	640	5,366
Income from discontinued operations	-	-	-	1,169	2,304
Gain (loss) on disposal of discontinued operations	-	-	4,052	(3,000)	-
Net income (loss)	\$(11,355)	\$10,089	\$12,198	\$(1,191)	\$7,670
Earnings (loss) per common share:					
Continuing operations	\$ (1.40)	\$ 1.25	\$ 1.01	\$.08	\$.67
Discontinued operations	-	-	.50	(.23)	.29
Net income (loss)	\$(1.40)	\$ 1.25	\$ 1.51	\$(.15)	\$.96
Weighted average common and common equivalent shares outstanding	8,114	8,081	8,068	7,974	7,953
Balance Sheet Data(1)					
Total assets	\$280,768	\$278,353	\$219,681	\$239,121	\$236,281
Long-term debt, less current maturities	61,501	68,948	31,190	44,543	43,327
Shareholders' equity	126,424	141,262	128,197	110,818	118,669

(1) All periods have been reclassified to reflect the discontinuation of the Company's Marking Systems businesses.

(2) Includes nonrecurring charges of \$6,768,000, \$13,000,000 and \$4,500,000 in 1996, 1993 and 1992, respectively.

Quarterly Financial Summary

JOHNSON WORLDWIDE ASSOCIATES, INC. and Subsidiaries

[thousands, except per share data]	First		Second		Third		Fourth	
	1996	1995	1996	1995	1996	1995	1996	1995
Net sales	\$56,405	\$53,462	\$111,229	\$105,797	\$110,705	\$117,844	\$66,034	\$70,087
Gross profit	21,321	20,184	44,332	42,480	42,423	48,745	11,648	26,746
Net income (loss)	(2,793)	(1,941)	4,090	6,453	4,202	8,239	(16,854)	(2,662)
Earnings (loss) per common share								
	\$ (.34)	\$ (.24)	\$.50	\$.80	\$.52	\$ 1.02	\$ (2.08)	\$ (.33)

Stock prices:

High	\$ 24.25	\$ 25.75	\$ 23.00	\$ 23.75	\$ 19.50	\$ 23.75	\$ 15.25	\$ 24.75
Low	21.75	18.25	17.50	19.00	13.50	20.50	13.75	22.50

JOHNSON WORLDWIDE ASSOCIATES, INC. AND SUBSIDIARIES

The following lists the principal direct and indirect subsidiaries of Johnson Worldwide Associates, Inc. as of September 27, 1996. Inactive subsidiaries are not presented.

Name of Subsidiary (1) (2)	Jurisdiction in which Incorporated
Johnson Worldwide Associates Australia Pty. Ltd.	Australia
Johnson Worldwide Associates Canada Inc.	Canada
Mitchell Sports, S.A.	France
Distribution Moderne De Marques (3)	France
Old Town Canoe Company	Delaware
Plastimo Manufacturing (UK) Ltd. (4)	United Kingdom
Plastimo, S.A.	France
Plastimo Espana S.A.	Spain
Plastimo Holland BV	Holland
Plastimo Nordic AB	Sweden
Scubapro Sweden AB	Sweden
Under Sea Industries, Inc.	Delaware
Johnson Beteiligungsgesellschaft GmbH	Germany
Jack Wolfskin Ausrustung fur Draussen GmbH	Germany
Johnson Outdoors V GmbH	Germany
Scubapro Taucherauser GmbH	Germany
Scubapro Asia, Ltd.	Japan
Scubapro Espana, S.A. (3)	Spain
Scubapro Eu AG	Switzerland
Scubapro Europe Benelux, S.A. (4)	Belgium
Scubapro Europe S.R.L.	Italy
Scubapro Italy S.R.L.	Italy
Scubapro Norge AS	Norway
Scubapro Taucherausrustungen Gesellschaft GmbH	Austria
Scubapro (UK) Ltd. (4)	United Kingdom

- (1) Unless otherwise indicated in brackets, each company does business only under its legal name.
- (2) Unless otherwise indicated by footnote, each company is a wholly-owned subsidiary of Johnson Worldwide Associates, Inc. (through direct or indirect ownership).
- (3) Percentage of stock owned is 98%.
- (4) Percentage of stock owned is 99%.

INDEPENDENT AUDITORS' CONSENT

Shareholders and Board of Directors
Johnson Worldwide Associates, Inc.:

We consent to incorporation by reference in the Registration Statements (No. 33-19804, 33-19805, 33-35309, 33-50680, 33-52073, 33-54899 and 33-61285) on Form S-8 of Johnson Worldwide Associates, Inc. of our reports dated November 8, 1996, relating to the consolidated balance sheets of Johnson Worldwide Associates, Inc. and subsidiaries as of September 27, 1996 and September 29, 1995, and the related consolidated statements of operations, shareholders' equity, and cash flows and related schedule for each of the years in the three-year period ended September 27, 1996 which reports appear or are incorporated by reference in the 1996 Annual Report on Form 10-K of Johnson Worldwide Associates, Inc.

KPMG Peat Marwick LLP

Milwaukee, Wisconsin
December 12, 1996

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF JOHNSON WORLDWIDE ASSOCIATES, INC. AS OF AND FOR THE YEAR ENDED SEPTEMBER 27, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

YEAR		
	SEP-27-1996	
	SEP-30-1995	
	SEP-27-1996	
		12,697
		0
		58,082
		2,235
		101,903
	194,344	
		77,681
		47,527
	280,786	
88,405		61,501
	0	
		0
		406
280,768		126,018
		344,373
	344,373	
		224,649
		224,649
	119,042	
	1,662	
	10,181	
	(11,161)	
		194
(11,355)		
	0	
	0	
		0
	(11,355)	
	(1.40)	
	(1.40)	