BROWN FORMAN CORP
Form 11-K
June 26, 2003

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS

AND SIMILAR PLANS PURSUANT TO SECTION 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

(Mark One)

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

For the Fiscal Year Ended December 31, 2002

OR

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

Commission File Number 1-123

A. Full Title of Plan:
Lenox Savings Plan for Collectively Bargained Employees

B. Name of Issuer of the Securities held Pursuant to the Plan and the Address of its Principal Executive Office:

Brown-Forman Corporation

850 Dixie Highway

Louisville, Kentucky 40210

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Report of Independent Accountants

To the Employee Benefits Committee
Brown-Forman Corporation

Lenox Savings Plan for
Collectively Bargained Employees

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Lenox Savings Plan for Collectively Bargained Employees (the Plan) at December 31, 2002 and 2001, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets (held at end of year) and of reportable transactions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all

material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP
April 25, 2003

Lenox Savings Plan for Collectively Bargained Employees
Statements of Net Assets Available for Benefits
December 31, 2002 and 2001

	2002			
	Participant Directed	Nonparticipant Directed	Total	Participant Directed
Investments, at fair value:				
Mutual funds	$ 2,310,739	--	$ 2,310,739	$ 2,575,695
Investment contract and money market portfolios	335,410	--	335,410	270,617
Brown-Forman Corporation Class B common stock	25,128	--	25,128	14,170
	2,671,277	--	2,671,277	2,860,482
Employers' contributions receivable	20,074	--	20,074	18,660
Employees' contributions receivable	45,521	--	45,521	46,804
Net assets available for benefits	$ 2,736,872	--	$ 2,736,872	$ 2,925,946

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

Lenox Savings Plan for Collectively Bargained Employees
Statement of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2002 and 2001

	2002			
	Participant Directed	Nonparticipant Directed	Total	Participant Directed
Additions:				
Contributions:				
Employer	$ 77,529	--	$ 77,529	$ 72,644
Employee	579,420	--	579,420	586,384
	659,949	--	656,949	659,028
Interest income	8,483	--	8,483	10,600
Dividend income	29,691	--	29,691	24,644
Total additions	695,123	--	695,123	694,272

Deductions:				
Withdrawals by participants	244,100	--	244,100	251,588
Net depreciation in fair value	640,097	--	640,097	492,749
Total deductions	884,197	--	884,197	744,337
Net decrease	(189,074)	--	(189,074)	(50,065
Net assets available for benefits:				
Beginning of year	2,925,946	--	2,925,946	2,976,011
End of year	$ 2,736,872	--	$ 2,736,872	$ 2,925,946

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

Lenox Savings Plan for Collectively Bargained Employees
Notes to Financial Statements

1. Description of Plan:

The sponsor of the Lenox Savings Plan for Collectively Bargained Employees (the Plan), Brown-Forman Corporation (the Sponsor), is a diversified producer and marketer of fine quality consumer products in domestic and international markets. The Sponsor's operations include the production, importing, and marketing of wines and distilled spirits and the manufacture and sale of luggage and, through the Lenox, Incorporated division, the manufacture and sale of china, crystal and silver.

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the plan agreement for more complete information.

a. General: The Plan is a defined contribution plan covering substantially all union hourly employees of Lenox, Incorporated (the Company) and, all hourly employees of Gorham, Inc. who are members of the United Steelworkers of America, AFL-CIO, Local 16031. An employee becomes eligible to participate in the Plan after the completion of twelve consecutive months of employment, provided the employee works a minimum of 1,000 hours within the twelve-month period. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

b. Contributions: Employees may contribute to the Plan an amount of not less than 2% nor more than 15% of their annual compensation, not to exceed the Section 402(g) (of the Internal Revenue Code of 1986) limitation for the 2002 calendar year, currently $11,000. New employees may transfer assets from their former employers' qualified plans to the Plan, but cannot make any further contributions to the Plan until they meet the eligibility requirements to participate in the Plan.

The Company's matching contribution is equal to 25% of the participant's elective deferral for the first 4% of the participant's annual compensation. Effective January 1, 2002, the Company's matching

contribution is equal to 25% of the first 5% of the participant's annual compensation (6% of the participant's annual compensation effective October 1, 2005). The Company does not intend to make matching contributions at this time for those participants who are members of the United Steelworkers of America, AFL-CIO, Local 16031.

Each participant's account is credited with the participant's contribution on a monthly basis and an allocation of (i) the Company's contribution on a quarterly basis, and (ii) plan earnings on a daily basis. Allocations are based on the participants' contributions and compensation as defined in the Plan. The total annual contributions, as defined by the Plan, credited to a participant's account in a plan year may not exceed the lesser of (i) $30,000, or (ii) 25% of the participant's compensation in the plan year. Effective January 1, 2002, the total annual contributions, as defined by the Plan, credited to a participant's account in a plan year may not exceed the lesser of (i) $40,000, or (ii) 100% of the participant's compensation in the plan year. Additional maximum limits exist if the employee participates in a qualified defined benefit plan maintained by the Company. Forfeited balances of terminated participants' nonvested accounts are used first to reinstate previously forfeited account balances of re-employed participants, if any, and the remaining amounts are used to reduce future company contributions. The forfeited balances totaled $175 and $27 for 2002 and 2001, respectively.

Participants can allocate contributions among various investment options in 1% increments. The Plan currently offers ten mutual funds, one investment contract portfolio, and the Brown-Forman Corporation Class B common stock fund as investment options to participants.

c. Vesting: Participants are immediately vested in their employee contributions plus actual earnings thereon. Vesting in the Company's contribution is 25% per year of continuous service with the Company. Participants will become 100% vested in their company contributions account in case of death, normal retirement, or total and permanent disability.

d. Withdrawals: Upon termination of service, a participant can elect to transfer his vested interest in the Plan to the qualified plan of his new employer, roll over his funds into an Individual Retirement Account, or receive his vested interest in the Plan in a lump-sum amount or in the form of installment payments over a period of time not to exceed his life expectancy. If the vested account balance is less than $5,000, a lump-sum distribution will be made. In the event of death, the participant's beneficiary will receive the vested interest in a lump-sum payment. Upon approval of the Sponsor, a participant may also withdraw vested interest in the case of financial hardship under guidelines promulgated by the Internal Revenue Service.

The distribution to a terminated participant is based on the market value of his vested interest in the Plan on the valuation date available immediately preceding the date of the benefit payment.

2. Summary of Significant Accounting Policies:

a. Basis of Accounting: The financial statements of the Plan are prepared under the accrual method of accounting. Withdrawals by participants are recorded when paid. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

b. Valuation of Investments: Investment contract and money market portfolios are valued at cost which approximates fair value. Mutual funds are valued at their net asset value per share as quoted by the National Association of Securities Dealers. The Brown-Forman Corporation Stock Fund is comprised of Brown-Forman Corporation Class B shares, which are valued at the quoted closing market price.

The Plan presents in the accompanying statements of changes in net assets available for benefits the net appreciation or depreciation in the fair value of its investments which consists of the realized gains or losses and the unrealized appreciation or depreciation on those investments.

c. Management Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of additions to and deductions from net assets during the reporting periods. Actual results could differ from those estimates.

3. Investments:

The Plan's investments are held by a custodian trust company. The following table presents the fair value of investments. Investments that represent 5% or more of the Plan's net assets are separately identified.

	December 31			
	2002		2001	
	Number of Shares, Units or Principal Amount	Fair Value	Number of Shares, Units or Principal Amount	Fa
PBHG Growth Fund	12,393	$ 175,726	10,323	$
Janus Worldwide Fund	13,331	428,318	11,973	
Fidelity Magellan Fund	5,159	407,386	4,379	
Fidelity Equity-Income Fund	12,977	514,807	11,571	
Fidelity Growth Company	9,721	344,334	8,132	
Fidelity Asset Manager	20,648	284,936	16,578	
Fidelity Retirement Money Market Portfolio	192,219	192,219	179,918	
Managed Income Portfolio	143,191	143,191	90,699	
Brown-Forman Corporation Class B Common Stock Fund	2,331	25,128	1,368	

Other investments	12,865	155,232	10,277
		$ 2,671,277	$ 2

During 2002 and 2001, the Plan's investments, including investments bought, sold, and held during the year, appreciated (depreciated) in value as follows:

	2002	2001
Mutual funds	$ (639,920)	$ (492,115)
Brown-Forman Corporation Class B common stock	(177)	(634)
	$ (640,097)	$ (492,749)

4. Tax Status:

The Internal Revenue Service has determined, and informed the Company by a letter dated April 16, 2003, that the Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code (IRC).

5. Plan Termination:

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

6. Related Party Transactions:

Certain administrative costs incurred by the Plan are paid by the Company.

Lenox Savings Plan for Collectively Bargained Employees
Plan #017 EIN #21-0498476
Schedule H, Line 4i --
Schedule of Assets (Held at End of Year)
December 31, 2002

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Current Value
PBHG Growth Fund	Mutual fund, variable rate and maturity	$ 175,726
Janus Enterprise Fund	Mutual fund, variable rate and maturity	33,284

Janus Worldwide Fund	Mutual fund, variable rate and maturity	428,318
PIMCO Total Return Fund	Mutual fund, variable rate and maturity	121,710
Fidelity Magellan Fund*	Mutual fund, variable rate and maturity	407,386
Fidelity Equity-Income Fund*	Mutual fund, variable rate and maturity	514,807
Fidelity Growth Company Fund*	Mutual fund, variable rate and maturity	344,334
Fidelity Asset Manager*	Mutual fund, variable rate and maturity	284,936
Fidelity Retirement Money Market Portfolio*	Money market portfolio, variable rate and maturity	192,219
Managed Income Portfolio*	Investment contract portfolio, variable rate and maturity	143,191
Spartan U.S. Equity Index Fund*	Mutual fund, variable rate and maturity	238
Brown-Forman Corporation*	Class B common stock fund	25,128
		$ 2,671,277

*Party-in-interest to the Plan

Lenox Savings Plan for Collectively Bargained Employees
Plan #017 EIN #21-0498476
Schedule H, Line 4j --
Schedule of Reportable Transactions
For the Year Ended December 31, 2002

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Co A

No reportable transactions.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the Lenox Savings Plan for Collectively Bargained Employees has duly caused this report to be signed on behalf of the Plan Administrator by the undersigned thereunto duly authorized.

LENOX SAVINGS PLAN FOR COLLECTIVELY BARGAINED EMPLOYEES

BY:

/s/ Milton B. Gillis
Milton B. Gillis

Member, Employee Benefits Committee
(Plan Administrator)

Vice President and Director of
Compensation and Employee Benefits

Brown-Forman Corporation

June 24, 2003

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-74567) of Brown-Forman Corporation of our report dated April 25, 2003 relating to the financial statements and supplemental schedules of the Lenox Savings Plan for Collectively Bargained Employees as of and for the years ended December 31, 2002 and 2001 which appear in this Form 11-K.

/s/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Louisville, Kentucky
June 24, 2003

EXHIBIT 99

CERTIFICATE OF PERIODIC FINANCIAL REPORT

I, Milton B. Gillis, Vice President and Director of Compensation and Employee Benefits of Brown-Forman Corporation, on behalf of the Brown-Forman Corporation Employee Benefits Committee which functions as the chief executive officer and chief financial officer of the Lenox Savings Plan for Collectively Bargained Employees (the "Plan") certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Annual Report on Form 11-K for the Plan for the fiscal year ended December 31, 2002 (the "Periodic Report") which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) and

(2) information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Plan.

This certificate is being furnished solely for purposes of Section 906 and is not being filed as part of the Periodic Report.

Dated: June 26, 2003

/s/ Milton B. Gillis
Milton B. Gillis
Member, Employee Benefits Committee

Vice President and Director of
Compensation and Employee Benefits

Brown-Forman Corporation