STANLEY WORKS
Form 425
February 01, 2010

Filed by the Black and Decker

Corporation Pursuant to Rule 425

under the Securities Act of

1933, as amended and deemed

filed pursuant to Rule 14a-12

of the Securities Exchange Act

of 1934, as amended

Subject Company: The Stanley Works

(Commission File No. 1-5224

January 29, 2010

Manager Talking Points

Organization structure for Stanley Black & Decker

What s New

KEY POINTS:

Black & Decker s Power Tools Organizations will align with the Construction & DIY Segment, headquartered in Towson

The combined hardware businesses will align with Mechanical Security Solutions.

Engineered Fastening Systems will represent an additional growth platform for the combined company.

Organization Structure and Leadership

The new structure reflects the combined company s business segmentation (eg CDIY, Industrial and Security) and leverages the natural alignment that exist between businesses including the two Hardware businesses, the significant geographic overlaps particularly in North America, Latin America, Europe and Asia, and the opportunity to leverage the efficiencies of shared services and centralized corporate functions.

This announcement does not alter your current role and reporting relationship. Your reporting relationship will be clarified as the organizational definition deepens

External communications (customers, suppliers, etc) will be handled in the normal course of business and unless authorized to do so, you should route external requests for comment through the appropriate channels.

We will continue communicate regularly with you, and you can continue to use the Q&A portions of the integration site going forward. Between now and the close of the transaction (late Q1/early Q2)

Stanley Black & Decker Corporate Structure Organization Announcement Employee Q&A

1. **When am I going to start working in the new organization? When am I going to start working with my new boss?**

We continue to operate as two separate companies until such time as we obtain shareholder and regulatory approval and we announce that the transaction has closed.

2. **I am an employee of business unit that is merging or rolling up under a new business unit. How will this change impact me?**

As you might expect, it is difficult to speculate how these actions will affect each individual, because circumstances will vary across the company. The goal will be to harmonize business units to unlock the combined strengths of the respective business teams. Once these alignments take effect, you can expect a much greater level of communications and involvement as the businesses pursue growth and operational strategies.

3. **How is this going to be communicated externally? When can I communicate this to the clients I work with?**

This announcement will be made public when it is filed with the Securities & Exchange Commission later today. Those associates who are authorized to speak on behalf of the company to clients and customers have been notified by their business leaders. Otherwise, as previously noted, please refrain from speaking on the company s behalf.

4. **I am in a functional area, how are we going to be providing support to the different units in our region?**

Functional areas at present continue to support the areas for which they previously held responsibility, and as the organizational picture develops, functional roles will strengthen where appropriate and reporting relationships will become clearer.

5. **When are the layoffs going to be communicated to affected employees, and how will these decisions be made?**

Employment adjustments are expected over time as the two entities merge. As redundancies and overlapping resources are addressed, the specific timing and scope of these actions will vary. Every effort will be made to communicate individual employment status as soon as possible in an effort to reduce uncertainty and anxiety. Stanley and Black & Decker have well documented procedures to ensure reductions in force are achieved with fairness, consistency and objectivity. These procedures will be followed. While it is difficult to estimate the total impact to the combined company, early assessments suggest that reductions affecting not more than 10% of the workforce would be a reasonable assumption.

6. **Black and Decker and Stanley have different compensation, employment and benefits practices. How is this going to impact my employment in short term and long term?**

We expect modest adjustment relating to compensation and benefits in the short term (through 2010).

As the company harmonizes its operations to build a common culture, there will be further adjustments, but on balance we do not foresee major departures from the values of existing plans in aggregate.

An integration team is currently assessing and comparing practices in place relating to compensation, employment and benefits side-by-side and will make recommendations to the executive team on a go-forward basis.

7. **Now that the high level structure is in place, what is next?**

It is important to note that we continue to operate as two separate companies until such time as we obtain shareholder and regulatory approval and we announce that the transaction has closed.

The structure that we announced today was a Day One structure, to clarify and resolve open questions so that we hit the ground running.

Now that the high level proposed structure is in place, the next step will be for Segment, Business and Integration teams to propose their next level structure.

8. **We have been told for quite some time that we should continue with business as usual. Does this announcement change this at all given that there are new regional leaders in place?**

No, we continue to operate as two separate companies until such time as we obtain shareholder and regulatory approval and we announce that the transaction has closed.

9. **I report to a regional leader/President/VP & GM who is not on the superstructure. Do I report to this new person?**

Currently, no. Your existing reporting relationships remain in tact. The organization structure defined today is high-level, and as more detailed organization plans are available, further reporting structures will be clarified.

10. **When will I find out about my job? When will the remainder of the org chart be plotted?**

We are planning to have the next level organization structure complete by the end of February, although it cannot be guaranteed that all position-level information will be available at that time.

11. **How were decisions made regarding the leadership structure?**

The executive leadership team carefully reviewed experience, qualifications, talents, leadership qualities, and more, before conducting extensive one on one interviews with all candidates.

12. **Will the new leader(s) of the Stanley team who occupy the previous roles that a B&D employee occupied reach out to me or should I contact them to introduce myself?**

When and where appropriate, new leaders of the combined company will reach out to their respective teams.

13. **Directionally, how will decisions regarding our business units be made moving forward under the new structure (ie: goals for Engineering, PT, EMH)?**

On a global basis, all businesses will sync in to an operating rhythm that includes annual strategy reviews, annual worldwide product planning sessions, annual organization and people reviews, and quarterly reviews conducted with the executive management team. Each business will determine its rhythm and goal setting process outside of these macro rhythms.

CAUTIONARY STATEMENTS

Under the Private Securities Litigation Reform Act of 1995

Statements in this document that are not historical, including but not limited to those regarding the consummation of the proposed transaction between Stanley and Black & Decker and the realization of synergies in connection therewith, are forward looking statements and, as such, are subject to risk and uncertainty.

Stanley s and Black & Decker s ability to deliver the results as described above is based on current expectations and involves inherent risks and uncertainties, including factors listed below and other factors that could delay, divert, or change any of them, and could cause actual outcomes and results to differ materially from current expectations. In addition to the risks, uncertainties and other factors discussed in this document, the risks, uncertainties and other factors that could cause or contribute to actual results differing materially from those expressed or implied in the forward looking statements include, without limitation, those set forth in the Risk Factors section, the Legal Proceedings section, the Management s Discussion and Analysis of Financial Condition and Results of Operations section and other sections of Stanley s and Black & Decker s Annual Reports on Form 10-K and any material changes thereto set forth in any subsequent Quarterly Reports on Form 10-Q, those contained in Stanley s and Black & Decker s other filings with the Securities and Exchange Commission, and those set forth below.

These factors include but are not limited to the risk that regulatory and stockholder approvals of the transaction are not obtained on the proposed terms and schedule; the future business operations of Stanley or Black & Decker will not be successful; the risk that the proposed transaction between Stanley and Black & Decker will not be consummated; the risk that Stanley and Black & Decker will not realize any or all of the anticipated benefits from the transaction; the risk that cost synergy, customer retention and revenue expansion goals for the transaction will not be met and that disruptions from the transaction will harm relationships with customers, employees and suppliers; the risk that unexpected costs will be incurred; the outcome of litigation (including with respect to the transaction) and regulatory proceedings to which Stanley or Black & Decker may be a party; pricing pressure and other changes within competitive markets; the continued consolidation of customers particularly in consumer channels; inventory management pressures on Stanley s and Black & Decker s customers; the impact the tightened credit markets may have on Stanley or Black & Decker or customers or suppliers; the extent to which Stanley or Black & Decker has to write off accounts receivable or assets or experiences supply chain disruptions in connection with bankruptcy filings by customers or suppliers; increasing competition; changes in laws, regulations and policies that affect Stanley or Black & Decker, including but not limited to trade, monetary, tax and fiscal policies and laws; the timing and extent of any inflation or deflation in 2009 and beyond; currency exchange fluctuations; the impact of dollar/foreign currency exchange and interest rates on the competitiveness of products and Stanley s and Black & Decker s debt programs; the strength of the U.S. and European economies; the extent to which world-wide markets associated with homebuilding and remodeling continue to deteriorate; the impact of events that cause or may cause disruption in Stanley s or Black & Decker s manufacturing, distribution and sales networks such as war, terrorist activities, and political unrest; and recessionary or expansive trends in the economies of the world in which Stanley or Black & Decker operates, including but not limited to the extent and duration of the current recession in the US economy.

Neither Stanley nor Black & Decker undertake any obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date hereof.

Additional Information

The proposed transaction involving Stanley and Black & Decker will be submitted to the respective stockholders of Stanley and Black & Decker for their consideration. In connection with the proposed transaction, Stanley has filed with the Securities and Exchange Commission (the SEC) a registration statement on Form S-4 that includes a joint proxy statement of Stanley and Black & Decker that will also constitute a prospectus of Stanley. Investors and security holders are urged to read the joint proxy statement/prospectus and any other relevant documents filed with the SEC when they become available, because they will contain important information. Investors and security holders may obtain a free copy of the joint proxy statement/prospectus and other documents (when available) that Stanley and Black & Decker file with the SEC at the SEC s website at www.sec.gov and Stanley s website related to the transaction at www.stanleyblackanddecker.com. In addition, these documents may be obtained from Stanley or Black & Decker free of charge by directing a request to Investor Relations, The Stanley Works, 1000 Stanley Drive, New Britain, CT 06053, or to Investor Relations, The Black & Decker Corporation, 701 E. Joppa Road, Towson, Maryland 21286, respectively.

Certain Information Regarding Participants

Stanley, Black & Decker and certain of their respective directors and executive officers may be deemed to be participants in the proposed transaction under the rules of the SEC. Investors and security holders may obtain information regarding the names, affiliations and interests of Stanley s directors and executive officers in Stanley s Annual Report on Form 10-K for the year ended January 3, 2009, which was filed with the SEC on February 26, 2009, and its proxy statement for its 2009 Annual Meeting, which was

filed with the SEC on March 20, 2009. Investors and security holders may obtain information regarding the names, affiliations and interests of Black & Decker s directors and executive officers in Black & Decker s Annual Report on Form 10-K for the year ended December 31, 2008, which was filed with the SEC on February 17, 2009, and its proxy statement for its 2009 Annual Meeting, which was filed with the SEC on March 16, 2009. These documents can be obtained free of charge from the sources listed above. Additional information regarding the interests of these individuals will also be included in the joint proxy statement/prospectus regarding the proposed transaction when it becomes available.

Non-Solicitation

A registration statement relating to the securities to be issued by Stanley in the proposed transaction will be filed with the SEC, and Stanley will not issue, sell or accept offers to buy such securities prior to the time such registration statement becomes effective. This document shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction.