UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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 December 31, 2009

Commission File Number 1-5277

BEMIS COMPANY, INC.

(Exact name of Registrant as specified in its charter)

Missouri	**43-0178130**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One Neenah Center, 4th Floor, P.O. Box 669, Neenah, Wisconsin 54957-0669

(Address of principal executive offices)

Registrant s telephone number, including area code: **(920) 727-4100**

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

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, par value $.10 per share	New York Stock Exchange

Securities registered pursuant to section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES x NO o

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES o NO x

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES x NO o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES o NOo

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§232.405) is not contained herein, and will not be contained, to the best of the 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. x

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer x	Accelerated Filer o
Non-Accelerated Filer o (Do not check if a smaller reporting company)	Smaller Reporting Company o

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act).   YES o NO x

The aggregate market value of the voting and non-voting common equity held by nonaffiliates of the Registrant on June 30, 2009, based on a closing price of $25.20 per share as reported on the New York Stock Exchange, was $2,518,321,000.

As of February 24, 2010, the Registrant had 109,012,133 shares of Common Stock issued and outstanding.

Documents Incorporated by Reference

Portions of the Proxy Statement - Annual Meeting of Stockholders May 6, 2010 - Part III

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BEMIS COMPANY, INC. AND SUBSIDIARIES

ANNUAL REPORT ON FORM 10-K

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PART I ITEMS 1, 1A, 1B, 2, and 3

ITEM 1 BUSINESS

Bemis Company, Inc., a Missouri corporation (the Registrant or Company), continues a business formed in 1858. The Company was incorporated in 1885 as Bemis Bro. Bag Company with the name changed to Bemis Company, Inc. in 1965. The Company is a principal manufacturer of flexible packaging products and pressure sensitive materials, selling to customers throughout the United States, Canada, Mexico, South America, Europe, and Asia. In 2009, approximately 85 percent of the Company s sales were derived from the Flexible Packaging segment and approximately 15 percent were derived from the Pressure Sensitive Materials segment.

The Company s products are sold to customers primarily in the food industry. Other customers include companies in the following types of businesses: chemical, agribusiness, medical, pharmaceutical, personal care, electronics, automotive, construction, graphic industries, and other consumer goods. Further information about the Company s operations in its business segments is available at Note 17 to the Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

Prior to the acquisition of the Food Americas operations of Alcan Packaging, the Company had approximately 16,000 employees, about 10,700 of whom were classified as production employees. Many of the North American production employees are covered by collective bargaining contracts involving three different international unions, one independent union, and 16 individual contracts with terms ranging from one to four years. During 2009, six contracts covering 1,520 employees at six different locations in the United States were successfully negotiated while one contract covering 88 employees at one domestic location continues to be negotiated. Seven domestic labor agreements covering 741 employees are scheduled to expire in 2010. Many of the non-North American production employees as well as some of the non-North American salaried workforce are covered by collective bargaining contracts involving 23 different unions with terms ranging from one to two years.

The acquisition of the Food Americas operations of Alcan Packaging on March 1, 2010 added approximately 4,400 employees, of which approximately 3,200 are classified as production employees, bringing the total Company employee count to approximately 20,400 employees.

Working capital elements fluctuate throughout the year in relation to the level of customer volume and other marketplace conditions. Inventory levels reflect a reasonable balance between raw material pricing and availability, and the Company s commitment to promptly fill customer orders. Manufacturing backlogs are not a significant factor in the industries in which the Company operates. The business of each of the segments is not seasonal to any significant extent.

The Company is the owner or licensee of a number of United States and foreign patents and patent applications that relate to certain of its products, manufacturing processes, and equipment. The Company also has a number of trademarks and trademark registrations in the United States and in foreign countries. The Company s patents, licenses, and trademarks collectively provide a competitive advantage. However, the loss of any single patent or license alone would not have a material adverse effect on the Company s results as a whole or those of either of its segments.

The Company s business activities are organized around its two business segments, Flexible Packaging and Pressure Sensitive Materials. Both internal and external reporting conform to this organizational structure. A summary of the Company s business activities reported by its two business segments follows.

Flexible Packaging Segment

The flexible packaging segment manufactures a broad range of packaging for food, consumer goods, and industrial applications. Multilayer flexible polymer film structures and laminates are sold for food, medical, and personal care products as well as non-food applications utilizing vacuum or modified atmosphere packaging. Additional products include blown and cast stretch film products, carton sealing tapes and application equipment, custom thermoformed and injection molded plastic packaging, multiwall paper bags, printed paper roll stock, and bag closing materials. Markets for our products include processed and fresh meat, liquids, frozen foods, cereals, snacks, cheese, coffee, condiments, candy, pet food, bakery, seed, lawn and garden, tissue, fresh produce, personal care and hygiene, disposable diapers, printed shrink overwrap for the food and beverage industry, agribusiness, pharmaceutical, minerals, and medical device packaging.

Pressure Sensitive Materials Segment

The pressure sensitive materials segment manufactures pressure sensitive adhesive coated paper and film substrates sold into label, graphic, and technical markets. Products for label markets include narrow-web rolls of pressure sensitive paper, film, and metalized film printing stocks used in high-speed printing and die-cutting. Products for graphic markets include pressure sensitive films used for decorative signage through computer-aided plotters, digital and screen printers, and photographic overlaminate and mounting materials including optically clear films with built-in UV inhibitors. Products for technical markets include micro-thin film adhesives used in delicate electronic parts assembly and pressure sensitive applications utilizing foam and tape based stocks to perform fastening and mounting functions.

Marketing, Distribution, and Competition

While the Company s sales are made through a variety of distribution methods, more than 90 percent of each segment s sales are made by the Company s direct sales force. Sales offices and plants are located throughout the United States, Canada, United Kingdom, Continental Europe, Scandinavia, Asia, South America, and Mexico to provide prompt and economical service to more than

30,000 customers. The Company s technically trained sales force is supported by product development engineers, design technicians, and a customer service organization.

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No single customer accounts for ten percent or more of the Company s total sales. Furthermore, the loss of one or a few major customers would not have a material adverse effect on the Company s operating results. Nevertheless, business arrangements with large customers require a large portion of the manufacturing capacity at a few individual manufacturing sites. Any change in the business arrangement would typically occur over a period of time, which would allow for an orderly transition for both the Company s manufacturing site and the customer.

The major markets in which the Company sells its products are highly competitive. Areas of competition include service, innovation, quality, and price. This competition is significant as to both the size and the number of competing firms. Major competitors in the Flexible Packaging segment include Amcor Limited, Exopack Company, Hood Packaging Corporation, Bryce Corporation, Pliant Corporation, Printpack, Inc., Sealed Air Corporation, Sonoco Products Company, Winpak ltd., and Wihuri OY. In the Pressure Sensitive Materials segment major competitors include 3M, Acucote, Inc., Avery Dennison Corporation, FLEXcon Corporation, Green Bay Packaging Inc., Ricoh Company, Ltd., Ritrama Inc., Spinnaker Industries, Inc., Technicote Inc., UPM-Kymmene Corporation, and Wausau Coated Products Inc.

The Company considers itself to be a significant factor in the market niches it serves; however, due to the diversity of the Flexible Packaging and Pressure Sensitive Materials segments, the Company s precise competitive position in these markets is not reasonably determinable. Advertising is limited primarily to business and trade publications emphasizing the Company s product features and related technical capabilities and the individual problem-solving approach to customer problems.

Raw Materials

Polymer resins and films, paper, inks, adhesives, aluminum, and chemicals constitute the basic major raw materials. These are purchased from a variety of global industry sources and the Company is not dependent on any one supplier for its raw materials. While temporary industry-wide shortages of raw materials may occur, the Company expects to continue to successfully manage raw material supplies without significant supply interruptions. Currently, raw materials are readily available.

Research and Development Expense

Research and development expenditures were as follows:

(in thousands)		**2009**		**2008**		**2007**
Flexible Packaging	$	17,301	$	17,646	$	19,477
Pressure Sensitive Materials		7,041		7,364		6,506
Total	$	24,342	$	25,010	$	25,983

Environmental Control

Compliance with federal, state, and local laws, rules, and regulations which have been enacted or adopted regulating discharges of materials into the environment or otherwise relating to the protection of the environment, is not expected to have a material effect upon the capital expenditures, earnings, or competitive position of the Company and its subsidiaries.

Available Information

The Company is a large accelerated filer (as defined in Exchange Act Rule 12b-2) and is also an electronic filer. Electronically filed reports (Forms 4, 8-K, 10-K, 10-Q, S-3, S-8, etc.) can be accessed at the Securities and Exchange Commission (SEC) website (http://www.sec.gov) or by visiting the SEC s Public Reference Room located at 100 F St., N.E., Washington, DC 20549 (call 1-202-551-8090 or 1-800-732-0330 for hours of operation). Electronically filed reports can also be accessed through the Company s own website (http://www.bemis.com), under Investor Relations/SEC Filings or by writing for free information, including SEC filings, to Investor Relations, Bemis Company, Inc., One Neenah Center, 4th Floor, P.O. Box 669, Neenah, Wisconsin 54957-0669, or calling (920) 727-4100. In addition, the Company s Board Committee charters, Principles of Corporate Governance, and the Company s code of business conduct and ethics can be electronically accessed at the Company s website under Company Overview or, free of charge, by writing directly to the Company, Attention: Corporate Secretary. The Company has adopted a Financial Code of Ethics which is filed as an exhibit to this Annual Report on Form 10-K, and is also posted on the Company s website. The Company intends to post any amendment to, or waiver from, a provision of the Financial Code of Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer, controller and other persons performing similar functions on the Investor Relations section of its website (www.bemis.com) promptly following the date of such amendment or waiver.

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Explanation of Terms Describing the Company s Products

Barrier laminate A multilayer plastic film made by laminating two or more films together with the use of adhesive or a molten plastic to achieve a barrier for the planned package contents.

Barrier products Products that provide protection and extend the shelf life of the contents of the package. These products provide this protection by combining different types of plastics and additives into a multilayered plastic package. These products protect the contents from such things as oxygen, moisture, light, odor, or other environmental factors.

Blown film A plastic film that is extruded through an annular die in the form of a tube and then expanded by an internal column of air in the manufacturing process.

Bundling films A film manufactured by a modified blown film process that is used for wrapping and holding multipacks of products such as canned goods and bottles of liquids, replacing corrugate and fiberboard.

Cast film A plastic film that is extruded through a straight slot die as a flat sheet during its manufacturing process.

Coextruded film A blown or cast film extruded with multiple layers extruded simultaneously.

Controlled atmosphere packaging A package which limits the flow of elements, such as oxygen, carbon dioxide or moisture, into or out of the package.

Decorative products Pressure sensitive materials used for decorative signage, promotional items, and displays and advertisements.

EZ Open Packaging Any one of a series of technologies employed to allow the consumer easy access to a packaged product. Peelable closures, laser or other physical scoring/abrasion of a packaging film may be used. EZ Open can be combined with reclose features such as plastic zippers or the inclusion of pressure sensitive materials into the packaging film.

Flexible polymer film A non-rigid plastic film. Generally the shape of the package changes as the product contained in it is removed.

Flexographic printing The most common flexible packaging printing process in North America using a raised rubber or alternative material image mounted on a printing cylinder.

In-line overlamination The ability to add a protective coating to a printed material during the printing process.

Label products Pressure sensitive materials made up and sold in roll form.

Labelstock Pressure sensitive material designed for the label markets.

Laminate/Barrier laminate A multilayer plastic film made by laminating two or more films together with the use of adhesive or a molten plastic to achieve the distribution and use requirements for the planned package contents. Alternately, a barrier layer can also be included as one of the films or in the laminating medium to protect the packaged products from such things as moisture, oxygen or other environmental factors.

Modified atmosphere packaging A package in which the normal atmospheric composition of air inside the package has been modified by replacing it with a gas such as nitrogen.

Monolayer film A single layer extruded plastic film.

Multiwall paper bag A package made from two or more layers, at least one of which is paper, which have not been laminated.

Pouches and bags An option that delivers a semi-finished package, instead of rollstock, to a customer for filling product and sealing/closing the package for distribution.

Pressure sensitive material   A material coated with adhesive such that upon contact with another material it will stick.

Prime label   A pressure sensitive label used as the primary decorative label or secondary label, typically on a consumer product.

Rigid Packaging   A form of packaging in which the shape of the package is retained as its contents are removed in use. Bottles, trays and clamshell packaging are examples.

Rollstock   The principal form in which flexible packaging material is delivered to a customer. Finished film wound on a core is converted in a process at the end user s plant that forms, fills, and seals the package of product for delivery to customers.

Rotogravure printing   A high quality, long run printing process utilizing a metal engraved cylinder.

Sheet products   Pressure sensitive materials cut into sheets and sold in sheet form.

Shrink film/ Barrier shrink film   A packaging film consisting of polyethylene and/or polypropylene resins extruded via a tubular process. The film is cooled and then reheated and stretched at a temperature near its melting point. The film can be irradiated with an electron beam in a second process to cross link the molecules for added heat resistance and strength. The film is made to shrink around a product to be packaged by an application of a thermal treatment. Alternately, a layer of an oxygen barrier material can be included to manufacture a barrier shrink film product.

Stretch film   A plastic film with a significant ability to stretch which is used to wrap pallets of goods in the shipping process.

Technical products   Technically engineered pressure sensitive materials used primarily for fastening and mounting functions, for example in cell phones, appliances, and electronic devices.

Thermoformed plastic packaging   A package formed by applying heat to a film to shape it into a tray or cavity and then sealing a flat film on top of the package after it has been filled.

UV inhibitors   Chemical agents included in a film to protect products against ultraviolet rays.

Variable information label   A pressure sensitive label that is typically printed with a bar code or other type of variable information.

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ITEM 1A RISK FACTORS

The following factors, as well as factors described elsewhere in this Form 10-K, or in other filings by the Company with the Securities and Exchange Commission, could adversely affect the Company s consolidated financial position, results of operations or cash flows. Other factors not presently known to us or that we presently believe are not material could also affect our business operations and financial results.

Acquisitions We may not be able to successfully integrate businesses that we acquire.

We have made numerous acquisitions in the past and are actively seeking new acquisitions that we believe will provide meaningful opportunities to grow our business and improve profitability. Acquired businesses may not achieve the levels of revenue, profit, productivity, or otherwise perform as we expect. Acquisitions involve special risks, including, without limitation, the potential assumption of unanticipated liabilities and contingencies as well as difficulties in integrating acquired businesses. While we believe that our acquisitions will improve our competitiveness and profitability, we can give no assurance that acquisitions will be successful or accretive to earnings.

Alcan Packaging Food Americas Acquisition.

On March 1, 2010, Bemis completed the acquisition of the Food Americas operations of Alcan Packaging (the Food Americas Acquisition), a business unit of international mining group Rio Tinto plc, for $1.2 billion. The acquisition will expand our global presence with 23 Food Americas flexible packaging facilities in the U.S., Canada, Mexico, Brazil, Argentina, and New Zealand. These flexible packaging facilities recorded net sales of $1.4 billion in 2009 to the food and beverage markets and include expertise in foil and crystallized polyester technologies.

This Food Americas Acquisition presents additional or increased risk factors as follows:

We may not realize the expected benefits of the Food Americas Acquisition because of integration difficulties and other challenges.

The success of the Food Americas Acquisition will depend, in part, on our ability to realize the anticipated synergies, and cost savings from integrating the Alcan Packaging Food Americas business with our existing businesses. The integration process may be complex, costly, and time-consuming. The difficulties of integrating the operations of the Alcan Packaging Food Americas business include, among others:

- failure to implement our business plan for the combined business;

- unanticipated issues in integrating manufacturing, logistics, information, communications, and other systems;

- unanticipated changes in applicable laws and regulations;
- failure to retain key employees;
- operating risks inherent in the Alcan Packaging Food Americas business and our business;
- the impact on our internal controls and compliance with the regulatory requirements under the Sarbanes-Oxley Act of 2002; and
- unanticipated issues, expenses, and liabilities.

We may not accomplish the integration of the Alcan Packaging Food Americas business smoothly, successfully, or within the anticipated costs or timeframe. The diversion of the attention of management from our current operations to the integration effort and any difficulties encountered in combining operations could prevent us from realizing the full benefits anticipated to result from the Food Americas Acquisition and could adversely affect our business.

We have incurred and will incur significant transaction and acquisition-related costs in connection with the Food Americas Acquisition.

We have incurred and will incur significant costs in connection with the Food Americas Acquisition. The substantial majority of these costs will be non-recurring expenses related to the Food Americas Acquisition, facilities, and systems consolidation costs. We may incur additional costs to maintain employee morale and to retain key employees. We will also incur substantial transaction fees and costs related to formulating integration plans. Additional costs will be incurred in the integration of the Alcan Packaging Food Americas business. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the business, should allow us to more than offset incremental transaction and acquisition-related costs over time, this net benefit may not be achieved in the near term, or at all.

Our increased debt obligations incurred to finance the Food Americas Acquisition could adversely affect our business and limit our ability to plan for or respond to changes in our business.

Our increased debt obligations could have important consequences to our business. For example:

- we may be more vulnerable to general adverse economic and industry conditions;
- we may be required to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow for other purposes, including business development efforts and mergers and acquisitions;

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- we are exposed to the risk of increased interest rates because a portion of our borrowings is at variable rates of interest;

- our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate may be limited, thereby placing us at a competitive disadvantage compared to our competitors that have less indebtedness.

The transition services to be provided by Rio Tinto for the Alcan Packaging Food Americas business may be difficult for us to replace without operational problems and additional costs.

We have entered into a transition services agreement with Rio Tinto pursuant to which Rio Tinto will provide us certain transition services for the Alcan Packaging Food Americas business for certain periods of time following the closing date of the Food Americas Acquisition. These services include, among others, certain services relating to finance, administration, human resources, payroll, and information technology. If, after the expiration of the agreement, we are unable to perform these services for the Alcan Packaging Food Americas business or replace them in a timely manner or on terms and conditions as favorable as those we receive from Rio Tinto, we may experience operational problems and an increase in costs. In addition, the costs for such services may be higher than the allocated costs for such services when the Alcan Packaging Food Americas business was operated as part of Rio Tinto.

We may not be able to generate sufficient cash flows to meet our debt service obligations after the Food Americas Acquisition.

We have incurred and will incur additional debt in connection with the Food Americas Acquisition. Our ability to make payments on and to refinance our debt obligations and to fund planned capital expenditures depends on our ability to generate cash from our future operations. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory, and other factors that are beyond our control.

If we cannot service our indebtedness, we may have to take actions such as selling assets, seeking additional equity, or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances, any of which could impede the implementation of our business strategy for us or prevent us from entering into transactions that would otherwise benefit our business. Additionally, we may not be able to effect such actions, if necessary, on commercially reasonable terms, or at all.

The market price of our common stock may decline as a result of the Food Americas Acquisition.

The market price of our common stock may decline as a result of the Food Americas Acquisition if, among other things, we are unable to achieve the expected growth in earnings, or if the operational cost savings estimates in connection with the integration of the Alcan Packaging Food Americas business are not realized, or if the transaction costs related to the Food Americas Acquisition are greater than expected, or if the value of the cash savings attributable to the amortization of tax deductible goodwill is less than anticipated. The market price of our common stock also may decline if we do not achieve the perceived benefits of the acquisition as rapidly or to the extent anticipated by financial or industry analysts or if the effect of the acquisition on our financial results is not consistent with the expectations of financial or industry analysts.

Domestic and international economic conditions.

Disruption in the domestic and international equity and financial markets has negatively impacted the United States economy as well as international markets in which we conduct business. We are not able to predict the future impact of other market disruptions on our liquidity and consolidated statements of financial position, results of operations, and cash flows.

Funded status of pension plans Recognition of pension liabilities may cause a significant reduction in stockholders equity.

Current accounting standards issued by the Financial Accounting Standards Board (FASB) require balance sheet recognition of the funded status of our defined benefit pension and postretirement benefit plans. If the fair value of our pension plans assets at a future reporting date decreases or if the discount rate used to calculate the projected benefit obligation (PBO) as of that date decreases, we will be required to record the incremental change in the excess of PBO over the fair value of the assets as a reduction of stockholders equity. The resulting non-cash after-tax charge would not reduce reported earnings as this amount would represent future expense. It would be recorded directly as a decrease in the Other Comprehensive Income component of stockholders equity. While we cannot estimate the future funded status of our pension liability with any certainty at this time, we believe that if the market value of assets or the discount rate used to calculate our pension liability materially decreases, the adjustment could significantly reduce our stockholders equity. A significant reduction in stockholders equity may impact our compliance with debt covenants or could cause a downgrade in our credit ratings that could also adversely impact our future cost and speed of borrowing and have an adverse affect on our financial condition, results of operations and liquidity. We have identified pension assumptions as critical accounting estimates. See Management s Discussion and Analysis of Financial Condition and Results of Operations Critical Accounting Estimates and Judgments Pension costs and Pension assumptions sensitivity analysis included in Item 7 of this Annual Report on Form 10-K.

Goodwill and other intangible assets A significant write down of goodwill and/or other intangible assets would have a material adverse effect on our reported results of operations and net worth.

In accordance with current accounting standards, we no longer amortize goodwill, but we review our goodwill balance for impairment at least once a year using the business valuation methods required by current accounting standards. These methods include the use of a weighted-average cost of capital to calculate the present value of the expected future cash flows of our reporting units. Future changes in the cost of capital, expected cash flows, or other factors may cause our goodwill and/or other intangible assets to be impaired, resulting in a non-cash charge against results of operations to write down these assets for the amount of the impairment. If a significant write down is required, the charge would have a material adverse effect on our reported results of operations and net worth. We have identified the valuation of intangibles as a critical accounting estimate. See Management s Discussion and Analysis of Financial Condition and Results of Operations Critical Accounting Estimates and Judgments Intangible assets and goodwill included in Item 7 of this Annual Report on Form 10-K.

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Foreign operations Conditions in foreign countries and changes in foreign currency exchange rates may reduce our reported results of operations.

We have operations in the United States, Canada, Mexico, South America, Europe, and Asia. In 2009, approximately 35 percent of our sales were generated by entities operating outside of the United States. Fluctuations in currencies can cause transaction and translation losses. In addition, our revenues and net income may be adversely affected by economic conditions, political situations, and changing laws and regulations in foreign countries, as to which we have no control.

Interest rates An increase in interest rates could reduce our reported results of operations.

At December 31, 2009, our variable rate borrowings approximated $123.4 million. Fluctuations in interest rates can increase borrowing costs and have an adverse impact on results of operations. Accordingly, increases in short-term interest rates will directly impact the amount of interest we pay. For each one percent increase in variable interest rates, our annual interest expense would increase by $1.2 million on the $123.4 million of variable rate debt outstanding as of December 31, 2009.

Credit rating A downgrade in our credit rating could increase our borrowing costs and negatively affect our financial condition and results of operations.

In addition to using cash provided by operations, we regularly issue commercial paper to meet our short-term liquidity needs. Our credit ratings are important to our ability to issue commercial paper at favorable rates of interest. A downgrade in our credit rating could increase the cost of borrowing by increasing the interest rates that we pay for our commercial paper or the fees associated with our bank credit facility. In addition, our bank credit facility has covenants that include limits on the sale of businesses, minimum net worth calculations, and a maximum ratio of debt to total capitalization. If for any reason our existing credit arrangements were no longer available to us we would be required to seek alternative sources of financing. We would expect to meet our financial liquidity needs by accessing the bank market, which could further increase our borrowing costs.

Raw materials Raw material cost increases or shortages could adversely affect our results of operations.

As a manufacturer, our sales and profitability are dependent upon the availability and cost of raw materials, which are subject to price fluctuations. Inflationary and other increases in the costs of raw materials have occurred in the past and are expected to recur, and our performance depends in part on our ability to reflect changes in costs in selling prices for our products. In the past, we have been generally successful in managing increased raw material costs and increasing selling prices when necessary. Past performance may or may not be replicable in the future. Natural disasters such as hurricanes, in addition to terrorist activity and government regulation of environmental emissions, may negatively impact the production or delivery capacity of our raw material suppliers in the chemical and paper industries. This could result in increased raw material costs or supply shortages, which may have a negative impact on our profitability if we are unable to pass along the increased costs in our selling prices or, in the case of a shortage, secure raw materials from alternative sources.

Patents and proprietary technology Our success is dependent on our ability to develop and successfully introduce new products and to acquire and retain intellectual property rights.

Our ability to develop and successfully market new products and to develop, acquire, and retain necessary intellectual property rights is essential to our continued success, which ability cannot be assured.

Information technology A failure in our information technology infrastructure or applications could negatively affect our business.

We depend on information technology to record and process customers   orders, manufacture and ship products in a timely manner, and maintain the financial accuracy of our business records. We are in the process of developing and implementing a global Enterprise Resource Planning (ERP) system that will redesign and deploy new processes and a common information system across our plants over a period of several years. There can be no certainty that this system will deliver the expected benefits. The failure to achieve our goals may impact our ability to (1) process transactions accurately and efficiently and (2) remain in step with the changing needs of the trade, which could result in the loss of customers. In addition, the failure to either deliver the application on time, or anticipate the necessary readiness and training needs, could lead to business disruption and loss of customers and revenue. Finally, failure or abandonment of the ERP system could result in a write-off of part or all of the costs that have been capitalized on the project.

Our information systems could also be penetrated by outside parties intent on extracting information, corrupting information, or disrupting business processes. Such unauthorized access could disrupt our business and could result in the loss of assets.

Numerous other factors over which we may have limited or no control may affect our performance and profitability.

Other factors that may influence our earnings, financial position, and liquidity include: legal and administrative cases and proceedings (whether civil, such as environmental or product related, or criminal), settlements, judgments, and investigations; developments or assertions by or against us relating to intellectual property rights and intellectual property licenses; adoption of new, or changes in, accounting policies or practices and the application of such policies and practices; changes in business mix; customer and supplier business reorganizations or combinations; increase in cost of debt; ability to retain adequate levels of insurance coverage at acceptable rates; fluctuations in pension and employee benefit costs; loss of significant contract(s); risks and uncertainties relating to investment in development activities and new facilities; timely development and successful market acceptance of new products; pricing of competitive products; disruptions in transportation networks; increased participation in potentially less stable emerging markets; reliability of utility services; impact of computer viruses; general or specific economic conditions and the ability and willingness of purchasers to substitute other products for the products that we manufacture; financial condition and inventory strategies of customers and suppliers; credit risks; changes in customer order patterns; employee work stoppages at plants; increased competition; changes in government regulations and the impact of changes in the world political environment, including the ability to estimate the impact of foreign currency exchange rates on financial results; the impact of epidemiological events on the economy and on our customers and suppliers; and acts of war, terrorism, weather, and other natural disasters.

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ITEM 1B   UNRESOLVED STAFF COMMENTS

None.

ITEM 2   PROPERTIES

Properties utilized by the Company at March 1, 2010, were as follows:

Flexible Packaging Segment

Prior to the acquisition of the Food Americas operations of Alcan Packaging, this segment had 53 manufacturing plants located in 13 states and ten non-USA countries, of which 46 are owned directly by the Company or its subsidiaries and seven are leased from outside parties. Initial lease terms generally provide for minimum terms of five to 15 years and have one or more renewal options. The initial term of leases in effect at December 31, 2009, expire between 2010 and 2018.

The acquisition of the Food Americas operations of Alcan Packaging added 23 flexible packaging facilities in the U.S., Canada, Mexico, Brazil, Argentina, and New Zealand. We now have 76 worldwide manufacturing plants for the flexible packaging segment.

Pressure Sensitive Materials Segment

This segment has seven manufacturing plants located in three states and two non-USA countries, all of which are owned directly by the Company or its subsidiaries.

Corporate and General

The Company considers its plants and other physical properties to be suitable, adequate, and of sufficient productive capacity to meet the requirements of its business. The manufacturing plants operate at varying levels of utilization depending on the type of operation and market conditions. The executive offices of the Company, which are leased, are located in Neenah, Wisconsin.

ITEM 3   LEGAL PROCEEDINGS

The Company is involved in a number of lawsuits incidental to its business, including environmental related litigation. Although it is difficult to predict the ultimate outcome of these cases, management believes, except as discussed below, that any ultimate liability would not have a material adverse effect upon the Company s consolidated financial condition or results of operations.

Environmental Matters

The Company is a potentially responsible party (PRP) pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (commonly known as Superfund) and similar state laws in proceedings associated with seventeen sites around the United States. These proceedings were instituted by the United States Environmental Protection Agency and certain state environmental agencies at various times beginning in 1983. Superfund and similar state laws create liability for investigation and remediation in response to releases of hazardous substances in the environment. Under these statutes, joint and several liability may be imposed on waste generators, site owners and operators, and others regardless of fault. Although these regulations could require the Company to remove or mitigate the effects on the environment at various sites, perform remediation work at such sites, or pay damages for loss of use and non-use values, we expect the Company s liability in these proceedings to be limited to monetary damages. The Company expects its future liability relative to these sites to be insignificant, individually and in the aggregate. The Company has reserved an amount that it believes to be adequate to cover its exposure.

Alcan Packaging Acquisition

In compliance with regulatory requirements for approval of our acquisition of the Food Americas operations of Alcan Packaging in the United States, we have entered into a Consent Decree with the United States Department of Justice. Under the terms of the Consent Decree, we are obligated to divest certain Alcan Packaging Food Americas packaging assets in the United States within a specified time period after the closing date. The packaging assets that will be divested produced annual sales of approximately $100 million in 2009 and include manufacturing equipment used to produce shrink bags used for fresh meat products and flexible packaging used for natural cheese products.

São Paulo Tax Dispute

Dixie Toga S.A., acquired by the Company on January 5, 2005, is involved in a tax dispute with the City of São Paulo, Brazil. The City imposes a tax on the rendering of printing services. The City has assessed this city services tax on the production and sale of printed labels and packaging products. Dixie Toga, along with a number of other packaging companies, disagree and contend that the city services tax is not applicable to its products and that the products are subject only to the state value added tax (VAT). Under Brazilian law, state VAT and city services tax are mutually exclusive and the same transaction can be subject to only one of those taxes. Based on a ruling from the State of São Paulo, advice from legal counsel, and long standing business practice, Dixie Toga appealed the city services tax and instead continued to collect and pay only the state VAT.

The City of São Paulo disagreed and assessed Dixie Toga the city services tax for the years 1991-1995. The assessments for those years are estimated to be approximately $62.9 million at the date the Company acquired Dixie Toga, translated to U.S. dollars at the December 31, 2009 exchange rate. Dixie Toga challenged the assessments and ultimately litigated the issue in two annulment actions filed on November 24, 1998 and August 16, 1999 in the Lower Tax Court in the city of São Paulo. A decision by the Lower Tax Court in the city of São Paulo in 2002 cancelled all of the assessments for the years 1991-1995. The City of São Paulo, the State of São Paulo, and Dixie Toga have each appealed parts of the lower court decision. In the event of an adverse resolution, the estimated amount for these years could be substantially increased for additional interest, monetary adjustments and costs from the date of acquisition.

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The City has also asserted the applicability of the city services tax for the subsequent years 1996-2001 and has issued assessments for those years for Dixie Toga and for Itap Bemis Ltda., a Dixie Toga subsidiary. The assessments for those years were upheld at the administrative level and are being challenged by the companies. The assessments at the date of acquisition for these years for tax and penalties (exclusive of interest and monetary adjustments) are estimated to be approximately $9.5 million for Itap Bemis and $30.6 million for Dixie Toga, translated to U.S. dollars at the December 31, 2009 exchange rate. In the event of an adverse resolution, the estimated amounts for these years could be increased by $40.1 million for Itap Bemis and $115.6 million for Dixie Toga for interest, monetary adjustments and costs.

The 1996-2001 assessments for Dixie Toga are currently being challenged in the courts. In pursuing its challenge through the courts, taxpayers are generally required, in accordance with court procedures, to pledge assets as security for its lawsuits. Under certain circumstances, taxpayers may avoid the requirement to pledge assets. Dixie Toga has secured a court injunction that avoids the current requirement to pledge assets as security for its lawsuit related to the 1996-2001 assessments.

Recently, the City has also asserted the applicability of the city services tax for the subsequent years 2004-2009. The assessments issued by the City for these years have been received and are being challenged by the Company at the administrative level. The assessments for tax and penalties are estimated to be approximately $23.4 million, translated to U.S. dollars at the December 31, 2009 exchange rate.

The Company strongly disagrees with the City s position and intends to vigorously challenge any assessments by the City of São Paulo. The Company is unable at this time to predict the ultimate outcome of the controversy and as such has not recorded any liability related to this matter. An adverse resolution could be material to the consolidated results of operations and/or cash flows of the period in which the matter is resolved.

Brazil Investigation

On September 18, 2007, the Secretariat of Economic Law (SDE), a governmental agency in Brazil, initiated an investigation into possible anti-competitive practices in the Brazilian flexible packaging industry against a number of Brazilian companies including a Dixie Toga subsidiary. The investigation relates to periods prior to the Company s acquisition of control of Dixie Toga and its subsidiaries. Given the preliminary nature of the proceedings the Company is unable at the present time to predict the outcome of this matter.

Labelstock Class Actions

The Company and its subsidiary, Morgan Adhesives Company, were named as defendants in thirteen civil lawsuits related to an investigation that was initiated and subsequently closed by the U.S. Department of Justice without any further action. Six of these lawsuits purported to represent a nationwide class of labelstock purchasers, and each alleged a conspiracy to fix prices within the self-adhesive labelstock industry. The first of these lawsuits was filed on May 27, 2003. In these lawsuits, the plaintiffs sought actual damages for the period of the alleged conspiracy (January 1, 1996 through July 25, 2003) trebled, plus an award of attorneys fees and costs. On November 5, 2003, the Judicial Panel on MultiDistrict Litigation issued a decision consolidating all of the federal class actions for pretrial purposes in the United States District Court for the Middle District of Pennsylvania, before the Honorable Chief Judge Vanaskie. On November 20, 2007, the Court granted plaintiffs motion for class certification. On June 24, 2008, the Court in the consolidated federal class actions issued a decision dismissing the Company from those actions. On January 27, 2009, the defendants filed a motion to decertify the class based on new case law in the Third Circuit. On May 26, 2009, the Company and Morgan Adhesives Company entered into a settlement with the plaintiff class, pursuant to which the Company agreed to pay $1.25 million in return for a full and complete release of all claims in the federal class actions. The Company agreed to pay this settlement amount to avoid the expense of further litigation. On June 10, 2009, Judge Vanaskie granted preliminary approval to the settlement. On September 17, 2009, Judge Vanaskie granted final approval of the settlement, and dismissed the class action against Morgan Adhesives with prejudice.

The Company and Morgan Adhesives Company have also been named in three lawsuits filed in the California Superior Court in San Francisco. These three lawsuits, which have been consolidated, seek to represent a class of all California indirect purchasers of labelstock and each alleges a conspiracy to fix prices within the self-adhesive labelstock industry.

Finally, the Company has been named in one lawsuit in Vermont, seeking to represent a class of all Vermont indirect purchasers of labelstock, one lawsuit in Nebraska seeking to represent a class of all Nebraska indirect purchasers of labelstock, one lawsuit in Kansas seeking to represent a class of all Kansas indirect purchasers of labelstock, and one lawsuit in Tennessee, seeking to represent a class of purchasers of labelstock in various jurisdictions, all alleging a conspiracy to fix prices within the self-adhesive labelstock industry. On November 20, 2009, the Company and Morgan Adhesives Company entered into a settlement with the plaintiffs in the class actions filed in Nebraska, Kansas, Tennessee, and Vermont, pursuant to which the Company agreed to pay $90,000 in return for a full and complete release of all claims in those class actions. The Company agreed to pay this settlement amount to avoid the expense of further litigation. On November 24, 2009, the Court granted preliminary approval to the settlement of the class actions filed in Nebraska, Kansas, Tennessee, and Vermont. The Company and Morgan Adhesives Company intend to vigorously defend the remaining state class actions.

Given the ongoing status of the remaining class-action civil lawsuit, the Company is unable to predict the outcome of these matters although the effect could be material to the results of operations and/or cash flows of the period in which the matter is resolved. The Company is currently not otherwise subject to any pending litigation other than routine litigation arising in the ordinary course of business, none of which is expected to have a material adverse effect on the business, results of operations, financial position, or liquidity of the Company.

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ITEM 4 [RESERVED]

PART II ITEMS 5, 6, 7, 7A, 8, 9, 9A, and 9B

ITEM 5 MARKET FOR REGISTRANT S COMMON EQUITY,

RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The Company s common stock is traded on the New York Stock Exchange under the symbol BMS. On December 31, 2009, there were 3,870 registered holders of record of our common stock. The Company did not repurchase any of its equity securities in the fourth quarter of the fiscal year ended December 31, 2009. As of December 31, 2009, under authority granted by the Board of Directors, the Company may repurchase an additional 4,074,886 shares of its common stock.

Dividends paid and the high and low common stock prices per share were as follows:

For the Quarterly Periods Ended:	March 31	June 30	September 30	December 31
2009				
Dividend paid per common share	$ 0.225	$ 0.225	$ 0.225	$ 0.225
Common stock price per share				
High	$ 26.27	$ 26.32	$ 27.65	$ 31.41
Low	$ 16.85	$ 20.34	$ 23.88	$ 24.92
2008				
Dividend paid per common share	$ 0.22	$ 0.22	$ 0.22	$ 0.22
Common stock price per share				
High	$ 27.87	$ 27.86	$ 29.70	$ 27.02
Low	$ 22.50	$ 22.40	$ 21.82	$ 20.62
2007				
Dividend paid per common share	$ 0.21	$ 0.21	$ 0.21	$ 0.21
Common stock price per share				
High	$ 36.53	$ 34.81	$ 34.53	$ 29.92
Low	$ 31.92	$ 31.95	$ 28.01	$ 25.53

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ITEM 6 SELECTED FINANCIAL DATA

FIVE-YEAR CONSOLIDATED REVIEW

(dollars in millions, except per share amounts)

Years Ended December 31,	2009	2008	2007	2006	2005
Operating Data					
Net sales	$ 3,514.6	$ 3,779.4	$ 3,649.3	$ 3,639.4	$ 3,474.0
Cost of products sold and other expenses	3,232.2	3,471.5	3,309.4	3,300.8	3,153.0
Interest expense	42.1	39.4	50.3	49.3	38.7
Income before income taxes	240.3	268.5	289.6	289.3	282.3
Provision for income taxes	87.8	96.3	104.3	109.5	113.9
Net income	152.5	172.2	185.3	179.8	168.4
Less: net income attributable to noncontrolling interests	5.3	6.0	3.7	3.5	5.9
Net income attributable to Bemis Company, Inc.	147.2	166.2	181.6	176.3	162.5
Net income attributable to Bemis Company, Inc. as a percent of net sales	4.2%	4.4%	5.0%	4.8%	4.7%