

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 DECEMBER 31, 1993

COMMISSION FILE NUMBER 0-516

SONOCO PRODUCTS COMPANY

Incorporated under the laws of South Carolina I.R.S. Employer Identification
 No. 57-0248420

Post Office Box 160

Hartsville, South Carolina 29551-0160

Telephone: 803-383-7000

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

TITLE OF EACH CLASS -----	NAME OF EXCHANGE ON WHICH REGISTERED -----
No par value common stock	NASDAQ
Series A Cumulative Preferred Stock	NASDAQ

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 and (2) has been subject to such filing requirements for the past 90 days.

Yes X 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. / /

The aggregate market value of voting stock held by nonaffiliates of the registrant (based on the NASDAQ National Market System closing price) on March 6, 1994, was \$2,084,687,112.

As of March 6, 1994, there were 86,861,963 shares of no par value common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Annual Report to Shareholders for the fiscal year ended December 31, 1993, are incorporated by reference in Parts I, II and IV; portions of the Proxy Statement for the annual meeting of shareholders to be held on April 20, 1994, are incorporated by reference in Part III.

PART I

ITEM 1. BUSINESS

The Company

The Company, a South Carolina corporation founded in Hartsville, South Carolina, in 1899, is a major multinational manufacturer of paperboard-based and plastic-based packaging products. The Company is also vertically integrated into paperboard production and recovered-paper collection. The paperboard utilized in the Company's packaging products is produced substantially from recovered paper. The Company operates an extensive network of plants in the United States and has subsidiaries in Europe, Canada, Mexico, South America, Australia and Asia, and affiliates in the United Kingdom, Canada, Japan and France. The Company's business is organized by global product lines in order to leverage its U.S. customer base, to take advantage of synergies from its worldwide operations and to serve its customers worldwide on a timely basis and with consistent quality.

The Company serves a wide variety of industrial and consumer markets. Industrial markets, which represented approximately 58% of the Company's sales in 1993, include paper manufacturers, chemical and pharmaceutical producers, textile manufacturers, automotive manufacturers, and the building and construction industry. Consumer markets, which represented approximately 42% of the Company's sales in 1993, include food and beverage processors, the personal and health care industries, grocery store chains, household good manufacturers and consumer electronics. The Company believes that it is a leading producer in most markets served. One of the Company's strategic goals is to increase the proportion of consumer markets product sales in order to change the business mix between industrial and consumer markets to 50/50.

The Company's operations are divided into four segments (three domestic and one international) for financial reporting purposes. Domestic segments include Converted Products, Paper and Miscellaneous. The Financial Reporting For Business Segments Table as shown in the Company's 1993 Annual Report to Shareholders, which is included as Exhibit 13, presents selected financial data by major lines of business or segments for each of the past three fiscal years. This table is hereby incorporated by reference and should be read in conjunction with the Management's Discussion and Analysis of the 1993 Annual Report to Shareholders, which is also hereby incorporated by reference.

Acquisitions/Dispositions

Acquisitions and business combinations have been, and are expected to continue to be, an important part of the Company's strategy for growth. Significant acquisitions during the past five years include the 1989 merger of the Company's plastic bottle operations with those of Graham Container Corporation and Graham Engineering Corporation to form a partnership, Sonoco Graham Company. The Company subsequently sold its 40% interest in Sonoco Graham Company to the other partners in 1991. Also in 1989, the Company acquired Hilex Poly Co., Inc. This company operated two plants and manufactured plastic bags for the grocery and retail markets. In 1990, as part of the Company's restructuring program, one of these plants, the Los Angeles operation, was closed. During 1990, the Company acquired Lhomme S.A. in France, which was the leading French manufacturer of paperboard, tubes and cores. In January 1992, the Company purchased the Trent Valley paper mill in Trenton, Ontario, Canada. This purchase provided Sonoco with a modern machine that allows for the production of higher grades of paper. In January 1993, the Company purchased all of the outstanding stock of Crellin Holding, Inc., an international manufacturer, designer and marketer of molded plastic products.

Acquisitions/Dispositions, Continued

In January 1993, the Company also completed the acquisition of the OPV/Durener Group, Germany's second largest manufacturer of tubes and cores. In October 1993, the Company acquired Engraph, Inc. following the successful conclusion of a cash-tender offer and merger transaction. Engraph markets pressure-sensitive labels and package inserts, flexible packaging, screen process printing and paperboard cartons and specialties. Engraph, with approximately 1,600 employees, has 17 plants in the United States, one in Mexico and one in Puerto Rico. The acquisition of Engraph is an important strategic step in the Company's long-range goal to achieve a 50/50 mix in its industrial and consumer market sales. The availability of Engraph's product lines to the Company's existing customers is expected to provide new opportunities for expanding Engraph's consumer markets-based products, both domestically and internationally.

Competition

The Company believes it has several competitive advantages in the industrial and consumer Converted Products markets it serves. First, the Company sells many products within the Converted Products segment globally. As a result, the Company believes it has the capability to respond effectively to customers seeking national or international supply agreements. Secondly, the Company believes its technological leadership, reputation for quality and vertical integration has enabled the Company to coordinate its product development and global expansion with the rapidly changing needs of its major customers, who demand high-quality, state-of-the-art, environmentally compatible packaging. Thirdly, the Company and its customers have developed international standards to reduce costs and increase quality. Finally, the Company believes that its strategy of vertical integration, via the Paper segment, increases its control over the availability and quality of raw materials used in its products. With the 1993 acquisition of Engraph, the Company entered into a major new business that expands the Company's opportunities for growth in new packaging fields.

Having operated internationally for more than 70 years, the International segment has been important in the Company's ability to serve and retain many of its customers that have international packaging requirements. The Company considers its ability to serve its customers worldwide in a timely, consistent and cost-effective manner a competitive advantage. The Company expects its international activities to provide an increasing portion of its future growth.

The Company is the largest United States producer of high-density, high-molecular weight plastic carry-out grocery bags and maintains approximately a 40% share of the market. The Company sponsors recycling programs for the plastic carrier bag industry and has relationships with what it believes to be approximately one-half of all participating U.S. supermarkets offering a bag recycling program. Other similar products produced by the Company include roll bags for produce and bakery requirements, plastic bags for convenience stores and high-volume retail outlets and agricultural film.

The Company's products are sold in highly competitive market environments. Within each of these markets, supply and demand are the major factors controlling the market environment. Additionally, and to a lesser degree, these markets are influenced by the overall rate of economic activity. Throughout the year, the Company remained highly competitive within each of the markets served. None of the Company's segments are seasonal to any significant degree.

ITEM 1. BUSINESS, Continued

Raw Materials

The principal raw materials used by the Company are plastic resins, metal, pulpwood, recovered paper and paper. With the exception of pulpwood, recovered paper and paper, the Company's raw materials and supplies are purchased from a number of outside sources; however, the supply is considered adequate to meet the Company's requirements. Company-owned timberlands, timber-cutting rights and suppliers are believed to be sufficient to assure the future availability of pulpwood. Recovered paper used in the manufacture of paperboard is purchased either directly from suppliers near manufacturing operations or through the Company's subsidiary, Paper Stock Dealers, Inc. Although the Company considers the supply of raw materials to be adequate to meet its needs, the majority of raw materials are subject to some price volatility.

Backlog

Most customer orders are manufactured with a lead time not to exceed approximately three weeks. Long-term contracts, primarily for composite cans, exist for approximately 16% of trade sales (no one contract exceeds 3%). These contracts, which are for a specific duration, generally include price escalation provisions for raw materials, labor and overhead costs. There are no significant long-term purchase contracts as the Company considers the supply of raw materials adequate to meet its needs.

Patents, Trademarks and Related Contracts

No segment of the business is materially dependent upon the existence of patents, trademarks or related contracts.

Research and Development

The Company has 132 employees engaged in new product development and technical support for existing product lines. Company sponsored spending in this area was \$12.9 million, \$11.7 million and \$9.9 million in 1993, 1992 and 1991, respectively. Spending focused on projects related to Sonoco's primary businesses and reflects a commitment to ensure that the Company is the technology leader in markets served. Customer-sponsored spending has been immaterial for the past three years.

Environmental Protection

The Company is subject to various federal, state and local environmental laws and regulations concerning, among other matters, wastewater effluent and air emissions. Compliance costs have not been significant due to the nature of the materials and processes used in manufacturing operations. The Company has been named as a potentially responsible party at five sites in the Northeast. These sites are believed to represent the Company's largest potential environmental problems. The Company has presently accrued \$3.1 million as of December 31, 1993, with respect to these sites. Due to the complexity of determining clean-up costs associated with the sites, an estimate of the ultimate cost to the Company cannot be determined; however, costs will be accrued once reasonable estimates are determined.

Employees

The number of employees at December 31, 1993, was 16,472.

ITEM 1. BUSINESS, Continued

Financial Information about Foreign and Domestic Operations and Export Sales

The Company has subsidiaries and affiliates operating in 24 countries. The primary operations of the international subsidiaries are similar in products and markets served to our domestic businesses. The Management's Discussion and Analysis, the Financial Reporting for Business Segments, and Note 15 to the Financial Statements of the Annual Report to Shareholders are hereby incorporated by reference. United States export sales are immaterial.

ITEM 2. PROPERTIES

The main plant and corporate offices are located in Hartsville, South Carolina. The Company has 170 branch or manufacturing operations in the United States, 26 in Canada and 66 in 22 other international countries. There are 119 manufacturing operations in the converting segment, 33 in the paper segment, 92 in the international segment, and 18 in the miscellaneous segment at December 31, 1993.

One hundred and one (101) domestic plants are owned in fee simple; sixty-five (65) are leased for terms up to ten years with options to renew for additional terms and four (4) have lease purchase agreements.

The Company believes that its properties are suitable and adequate for current needs and that the total productive capacity is adequately utilized.

ITEM 3. LEGAL PROCEEDINGS

In the normal course of business, the Company is a party to various legal proceedings incidental to its business and is subject to a variety of environmental and pollution control laws and regulations in all jurisdictions in which it operates. Although the level of future expenditures for legal and environmental matters is impossible to determine with any degree of probability, it is management's opinion that such costs when finally determined, will not have a material adverse effect on the consolidated financial position of the Company.

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

None.

PART II

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

Market and Market Prices of Common Stock

Sonoco Products Company common stock is traded on the NASDAQ National Market System. The Comparative Highlights in the 1993 Annual Report to Shareholders (Exhibit 13 of this report) shows, by quarter, the high and low price on this market for the latest two years, and is hereby incorporated by reference.

Approximate Number of Security Holders

There were approximately 33,000 shareholder accounts as of March 9, 1994.

Dividends

The Comparative Highlights in the 1993 Annual Report to Shareholders is hereby incorporated by reference. There are certain restrictions with respect to the maintenance of financial ratios and the disposition of assets in several of the Company's loan agreements which may limit the Company's ability to pay cash dividends. The most restrictive covenant currently requires that tangible net worth at the end of each fiscal quarter be greater than \$200 million through April 3, 1994, and \$365 million thereafter. The Company is prohibited from paying cash dividends if these requirements are not met. Additionally, the terms of the Company's Series A Cumulative Convertible Preferred Stock prohibits payment of dividends on any junior class of stock, including the Company's Common Stock, unless full cumulative dividends on the Series A Cumulative Convertible Preferred Stock have been paid or declared and set aside for payment for all past Dividend payment periods.

ITEM 6. SELECTED FINANCIAL DATA

The Selected Eleven-Year Financial Data in the 1993 Annual Report to Shareholders provides the required data, and is hereby incorporated by reference.

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

The information presented under Management's Discussion and Analysis of the 1993 Annual Report to Shareholders is hereby incorporated by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Report of Independent Accountants.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Shareholders and Directors
Sonoco Products Company:

We have audited the consolidated financial statements of Sonoco Products Company as of December 31, 1993 and 1992, and for each of the three years in the period ended December 31, 1993, which financial statements are included on pages 28 through 37 of the 1993 Annual Report to Shareholders of Sonoco Products Company and incorporated by reference herein. We have also audited the financial statement schedules listed in Item 14 of this form 10-K. These consolidated financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedules 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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of Sonoco Products Company as of December 31, 1993 and 1992, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 1993, in conformity with generally accepted accounting principles. In addition, in our opinion, the financial statement schedules referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly, in all material respects, the information required to be included therein.

As discussed in Notes 12 and 13 to the consolidated financial statements, the Company changed its method of accounting for postretirement benefits other than pensions and income taxes in 1992.

/s/ Coopers & Lybrand

COOPERS & LYBRAND

Charlotte, North Carolina
January 28, 1994

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA, Continued

Consolidated Financial Statements

The consolidated financial statements and notes to consolidated financial statements for Sonoco Products Company included in the 1993 Annual Report to Shareholders (Exhibit 13 of this Report) are hereby incorporated by reference.

Supplementary Financial Data

The Comparative Highlights in the 1993 Annual Report to Shareholders is hereby incorporated by reference.

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

On July 15, 1992, the Company filed an 8-K pertaining to the Company's change in certifying accountant of Sonoco U.K. Ltd. Inc., a significant wholly owned subsidiary of Sonoco Products Company. The Company disengaged Wheawill and Sudworth and retained Coopers & Lybrand as independent accountants for Sonoco U.K. Ltd. Inc.

The Form 8-K is incorporated herein by reference.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Identification of Directors

The Directors of Sonoco Products Company and Compliance with the Securities Exchange Act of 1934 are shown on pages 6 through 12 and page 25, respectively, of the Definitive Proxy Statement (included as Exhibit 99-1 of this report) and are hereby incorporated by reference.

Identification of Executive Officers

Name -----	Age ---	Position -----	Year First Elected Officer -----	Business Experience During Last Five Years -----
C. W. Coker	60	Chairman of the Board and Chief Executive Officer	1961	Present position since 1990, previously having served as President since 1970.
R. C. King, Jr.	59	President and Chief Operating Officer	1979	Present position since 1990, previously having served as Senior Vice President since 1987.
T. C. Coxe, III	63	Senior Executive Vice President	1977	Present position since 1993, previously having served as Executive Vice President since 1985.
L. Benatar	63	Senior Vice President	1993	Present position since 1993. Chairman and Chief Executive Officer of Engraph, Inc. since 1981.
P. C. Browning	52	Executive Vice President - Global Industrial Products and Paper Divisions	1993	Present position since 1993, previously having served as Chairman and Chief Executive Officer - National Gypsum Company since 1990, and President and Chief Executive Officer - Gold Bond Division of National Gypsum Company since 1989.
C. W. Claypool	58	Vice President - Paper Division	1987	Present position since 1987.
P. C. Coggeshall, Jr.	50	Vice President - Administration	1979	Present position since 1991, previously having served as Group Vice President - Industrial Products Division since 1986.

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT, Continued

Identification of Executive Officers, Continued

Name ----	Age ---	Position -----	Year First Elected Officer -----	Business Experience During Last Five Years -----
H. E. DeLoach, Jr.	49	Group Vice President	1986	Present position since 1993, previously having served as Vice President - Film, Plastics and Special Products since early 1993, and Vice President - High Density Film Products since 1989.
R. C. Eimers, Ph.D.	46	Vice President - Human Resources	1988	Present position since 1988.
F. T. Hill, Jr.	41	Vice President - Finance	1987	Present position since January 1994, previously having served as Vice President - Industrial Products North America since 1990, and Vice President - Finance since 1989.
R. E. Holley	51	Vice President - High Density Film Products	1987	Present position since 1993, previously having served as Vice President - Total Quality Management since 1990, and Vice President - Industrial Products Division since 1987.
J. R. Kelley	39	Vice President - Industrial Products Division - North America	1994	Present position since January 1994, previously having served as Division Vice President - Industrial Container since 1990, and Area Manufacturing Manager - Consumer Products Division since 1988.
H. J. Moran	61	Group Vice President - Consumer Packaging Group	1987	Present position since 1993, previously having served as Vice President and General Manager - Consumer Packaging since 1990, and Division Vice President and General Manager - Consumer Products Division since 1985.
E. P. Norman, Jr.	57	Vice President - Technology	1989	Present position since 1989.
J. L. Coker	53	Corporate Secretary	1969	Present position since 1969.
C. J. Hupfer	47	Treasurer	1988	Present position since 1988.

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT, Continued

Family Relationships

C. W. Coker and F. L. H. Coker are brothers and the first cousins of J. L. Coker and P. C. Coggeshall, Jr.

ITEM 11. EXECUTIVE COMPENSATION

Executive Compensation - Directors and Officers as shown on pages 14 - 20 and 22 of the Proxy Statement included as Exhibit 99-1 of this report is hereby incorporated by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The security ownership of management as shown on page 13 of the Proxy Statement, Exhibit 99-1 of this report, is hereby incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Transactions with management as shown on page 23 of the Proxy Statement included as Exhibit 99-1 of this report is hereby incorporated by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

Data incorporated by reference from the
1993 Annual Report to Shareholders
(included as Exhibit 13 of this report):

Comparative Highlights (Selected Quarterly
Financial Data)

Management's Discussion and Analysis of
Financial Condition and Results of
Operations

Shareholders' Information (Selected Financial Data)

Consolidated Balance Sheets as of
December 31, 1993 and 1992

Consolidated Statements of Income for
the years ended December 31, 1993, 1992 and 1991

Consolidated Statements of Changes
Shareholders' Equity for the years ended
December 31, 1993, 1992 and 1991

Consolidated Statements of Cash Flows
for the years ended December 31, 1993,
1992 and 1991

Notes to Consolidated Financial Statements

In response to Item 9 of this Form 10-K Annual Report, the Company's Current
Report on Form 8-K filed on July 20, 1992 and Form 8-K/A filed on July 28, 1992
is incorporated by reference.

Data submitted herewith:

Report of Independent Accountants

Financial Statement Schedules:

Schedule V - Property, Plant and Equipment

Schedule VI - Accumulated Depreciation,
Depletion and Amortization of
Property, Plant and Equipment

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K,
Continued

Financial Statement Schedules Continued:
 Schedule VIII - Valuation and Qualifying
 Accounts

 Schedule IX - Short-Term Borrowings

 Schedule X - Supplementary Income
 Statement Information

All other schedules are omitted because they are not required, are not applicable or the required information is given in the financial statements or notes thereto.

Exhibits:

3	Articles of Incorporation and By-laws	*
4	Instruments Defining the Rights of Securities Holders, including Indentures	*
11	Computation of Earnings Per Share	
13	1993 Annual Report to Shareholders	
21	Subsidiaries and Affiliates of the Registrant	
23	Consents of Independent Accountants	
99-1	Proxy Statement, filed in conjunction with annual shareholders' meeting scheduled for April 20, 1994	
99-2	Form 11-K Annual Report - 1983 and 1991 Sonoco Products Company Key Employee Stock Option Plans	
99-3	Form 11-K Annual Report - Sonoco Products Company Employee Savings and Stock Ownership Plan	
99-4	Form 11-K Annual Report - Sonoco Products Company Engraph, Inc. Retirement Plus Plan	

*Incorporated by reference to the Registrant's Form S-3 (File No. 33-50501)

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K,
Continued

Reports on Form 8-K

The Company filed a Current Report on Form 8-K on October 1, 1993, pertaining to the acquisition of Engraph, Inc. The items included in the Form 8-K were Item 5 (Other Events) describing the Agreement and Plan of Merger and Item 7 (Financial Statements, Pro Forma Financial Information and Exhibits).

The Company filed a Current Report on Form 8-K on October 29, 1993, and a Form 8-K/A on November 4, 1993, pertaining to the acquisition of Engraph, Inc. The items included in the Form 8-K and Form 8-K/A were Item 2 (Acquisition or Disposition of Assets) and Item 7 (Financial Statements, Pro Forma Financial Information and Exhibits).

SCHEDULE V - PROPERTY, PLANT AND EQUIPMENT

for the years ended December 31, 1993, 1992 and 1991

(DOLLARS IN THOUSANDS)

COLUMN A ----- CLASSIFICATION -----	COLUMN B ----- BALANCE AT BEGINNING OF PERIOD -----	COLUMN C ----- ADDITIONS AT COST -----	COLUMN D ----- RETIRE- MENTS (A) -----	COLUMN E ----- OTHER CHANGES (B) -----	COLUMN F ----- BALANCE AT END OF PERIOD -----
Year ended December 31, 1993					
Land	\$ 19,151	\$ 66	\$ (113)	\$ 6,590	\$ 25,694
Timber resources	24,420	929			25,349
Buildings	226,758	15,549	(11,416)	37,042	267,933
Machinery and equipment	820,553	83,095	(61,590)	93,189	935,247
Construction in progress	44,118	15,957	(870)	2,268	61,473
	-----	-----	-----	-----	-----
	\$1,135,000	\$115,596	\$ (73,989)	\$139,089	\$1,315,696
	=====	=====	=====	=====	=====
Year ended December 31, 1992					
Land	\$ 20,153	\$ 816	\$ (133)	\$ (1,685)	\$ 19,151
Timber resources	22,522	1,898			24,420
Buildings	210,912	17,633	(5,402)	3,615	226,758
Machinery and equipment	771,101	72,185	(32,247)	9,514	820,553
Construction in progress	27,446	16,773	(732)	631	44,118
	-----	-----	-----	-----	-----
	\$1,052,134	\$109,305	\$ (38,514)	\$ 12,075	\$1,135,000
	=====	=====	=====	=====	=====
Year ended December 31, 1991					
Land	\$ 18,951	\$ 952	\$ (28)	\$ 278	\$ 20,153
Timber resources	15,402	7,120			22,522
Buildings	190,005	20,831	(2,447)	2,523	210,912
Machinery and equipment	743,393	69,978	(48,102)	5,832	771,101
Construction in progress	35,950	(8,324)		(180)	27,446
	-----	-----	-----	-----	-----
	\$1,003,701	\$ 90,557	\$ (50,577)	\$ 8,453	\$1,052,134
	=====	=====	=====	=====	=====

(A) Includes fixed assets written off as part of the 1992 and 1990 restructuring reserve.

(B) Primarily relates to acquisitions and translation adjustments for foreign subsidiary assets.

SONOCO PRODUCTS COMPANY AND CONSOLIDATED SUBSIDIARIES

SCHEDULE VI - ACCUMULATED DEPRECIATION, DEPLETION AND AMORTIZATION
OF PROPERTY, PLANT AND EQUIPMENT

for the years ended December 31, 1993, 1992 and 1991

(DOLLARS IN THOUSANDS)

COLUMN A ----- CLASSIFICATION -----	COLUMN B ----- BALANCE AT BEGINNING OF PERIOD -----	COLUMN C ----- ADDITIONS CHARGED TO COSTS AND EXPENSES -----	COLUMN D ----- RETIRE- MENTS (A) -----	COLUMN E ----- OTHER CHARGES (B) -----	COLUMN F ----- BALANCE AT END OF PERIOD -----
Year ended December 31, 1993					
Timber resources	\$ 12,624	\$ 1,175	\$	\$	\$ 13,799
Buildings	66,674	11,109	(1,351)	2,273	78,705
Machinery and equipment	441,684	75,437	(28,718)	(2,365)	486,038
	-----	-----	-----	-----	-----
	\$520,982	\$87,721	\$ (30,069)	\$ (92)	\$578,542
	=====	=====	=====	=====	=====
Year ended December 31, 1992					
Timber resources	\$ 10,927	\$ 1,697	\$	\$	\$ 12,624
Buildings	59,367	8,543	(1,724)	488	66,674
Machinery and equipment	401,053	69,215	(24,343)	(4,241)	441,684
	-----	-----	-----	-----	-----
	\$471,347	\$79,455	\$ (26,067)	\$ (3,753)	\$520,982
	=====	=====	=====	=====	=====
Year ended December 31, 1991					
Timber resources	\$ 10,132	\$ 998	\$ (203)	\$	\$ 10,927
Buildings	53,363	7,529	(871)	(654)	59,367
Machinery and equipment	377,615	64,584	(39,017)	(2,129)	401,053
	-----	-----	-----	-----	-----
	\$441,110	\$73,111	\$ (40,091)	\$ (2,783)	\$471,347
	=====	=====	=====	=====	=====

(A) Includes accumulated depreciation on fixed assets reserved for write off as part of the 1992 and 1990 restructuring reserve.

(B) Includes translation adjustment of accumulated depreciation for foreign subsidiary companies.

SCHEDULE VIII - VALUATION AND QUALIFYING ACCOUNTS

for the years ended December 31, 1993, 1992 and 1991

(Dollars in thousands)

COLUMN A ----- DESCRIPTION -----	COLUMN B ----- BALANCE AT BEGINNING OF PERIOD -----	COLUMN C ----- ADDITIONS CHARGED TO COSTS AND EXPENSES -----	COLUMN D ----- DEDUCTIONS (1) -----	COLUMN E ----- BALANCE AT END OF PERIOD -----
1993				
Restructuring Reserve	\$39,130 =====	\$ =====	\$12,016 =====	\$27,114 =====
Goodwill Amortization	\$22,040 =====	\$ 8,024 (2) =====	\$ 5,661 =====	\$24,403 =====
Allowance for Doubtful Accounts	\$ 3,511 =====	\$ 5,537 (2) =====	\$ 2,534 =====	\$ 6,514 =====
1992				
Restructuring Reserve	\$ 9,871 =====	\$42,000 =====	\$12,741 =====	\$39,130 =====
Goodwill Amortization	\$19,333 =====	\$ 3,854 =====	\$ 1,147 =====	\$22,040 =====
Allowance for Doubtful Accounts	\$ 3,671 =====	\$ 1,737 =====	\$ 1,897 =====	\$ 3,511 =====
1991				
Restructuring Reserve	\$18,115 =====	\$ =====	\$ 8,244 =====	\$ 9,871 =====
Goodwill Amortization	\$18,657 =====	\$ 3,450 =====	\$ 2,774 =====	\$19,333 =====
Allowance for Doubtful Accounts	\$ 2,508 =====	\$ 2,496 =====	\$ 1,333 =====	\$ 3,671 =====

(1) Includes amounts written off, translation adjustments and payments.

(2) Increase in additions charged to costs and expenses in 1993 is related to acquisitions.

 SCHEDULE IX - SHORT-TERM BORROWINGS

for the years ended December 31, 1993, 1992 and 1991

(Dollars in thousands)

Column A -----	Column B -----	Column C -----	Column D -----	Column E -----	Column F -----
Category of Aggregate Short-Term Borrowings (1)	Balance at End of Period	Weighted Average Interest Rate at End of Period	Maximum Amount Out- standing During the Period	Average Amount Outstanding During the Period (2)	Weighted Average Interest Rate During the Period(3)
-----	-----	-----	-----	-----	-----
Year Ended December 31, 1993					
Notes Payable - Banks	\$56,666	6%	\$64,426	\$52,631	7%
Year Ended December 31, 1992					
Notes Payable - Banks	\$61,799	9%	\$75,118	\$66,871	10%
Year Ended December 31, 1991					
Notes Payable - Banks	\$43,503	11%	\$48,762	\$40,452	12%

(1) Represents borrowings consisting primarily of foreign denominated debt, under revolving lines of credit and term notes, excluding commercial paper borrowings which are classified as long-term.

(2) Based on daily loan balances outstanding during the year.

(3) Based on actual interest rates in effect during the year weighted by the loan balances outstanding.

SONOCO PRODUCTS COMPANY AND CONSOLIDATED SUBSIDIARIES

SCHEDULE X - SUPPLEMENTARY INCOME STATEMENT INFORMATION

for the years ended December 31, 1993, 1992 and 1991

(Dollars in thousands)

Column A -----	COLUMN B -----		
Description -----	CHARGED TO COSTS AND EXPENSES -----		
	1993 -----	1992 -----	1991 -----
Maintenance and repairs	\$96,854 =====	\$94,075 =====	\$86,845 =====

Amounts for depreciation and amortization of intangible assets, pre-operating costs and similar deferrals, taxes other than payroll and income taxes, royalties and advertising costs are not presented as such amounts are less than 1% of total sales.

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, on this 29th day of March 1994.

SONOCO PRODUCTS COMPANY

/s/ C. W. Coker
-----C. W. Coker
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report is signed below by the following persons on behalf of the Registrant and in the capacities indicated on this 29th day of March 1994.

/s/ F. T. Hill, Jr.
-----F. T. Hill, Jr.
Vice President - Finance
(Principal Accounting Officer)

SIGNATURES, Continued

/s/ C. W. Coker ----- C. W. Coker	Chief Executive Officer and Director (Principal Executive Officer)
/s/ R. C. King, Jr. ----- R. C. King, Jr.	President and Chief Operating Officer and Director
/s/ T. C. Coxe, III ----- T. C. Coxe, III	Senior Executive Vice President and Director (Principal Financial Officer)
/s/ L. Benatar ----- L. Benatar	Director
/s/ C. J. Bradshaw ----- C. J. Bradshaw	Director
----- R. J. Brown	Director
/s/ F. L. H. Coker ----- F. L. H. Coker	Director
----- J. L. Coker	Director
/s/ A. T. Dickson ----- A. T. Dickson	Director
----- R. E. Elberson	Director
/s/ J. C. Fort ----- J. C. Fort	Director
/s/ P. Fulton ----- P. Fulton	Director
/s/ E. H. Lawton, Jr. ----- E. H. Lawton, Jr.	Director
/s/ H. L. McColl, Jr. ----- H. L. McColl, Jr.	Director
/s/ E. C. Wall, Jr. ----- E. C. Wall, Jr.	Director

EXHIBIT (11)

COMPUTATION OF EARNINGS PER SHARE
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE)

	YEARS ENDED DECEMBER 31		
	1993 (A)	1992	1991
Primary earnings			
Net income available to common shareholders	\$ 117,570	\$ 43,359	\$ 94,805
Common shares			
Weighted average number of shares outstanding	87,315,677	86,732,210	86,304,578
Assuming exercise of options (at yearly average) reduced by the number of shares that could have been purchased with proceeds from exercise of such options	857,331	810,786	470,983
Weighted average number of shares outstanding as adjusted	88,173,008	87,542,996	86,775,561
Primary earnings per common share			
Net income available to common shareholders	\$ 1.33	\$.50	\$ 1.09
Assuming full dilution			
Net income available to common shareholders	\$ 117,570	\$ 43,359	\$ 94,805
Common shares			
Weighted average number of shares outstanding	87,315,677	86,732,210	86,304,578
Assuming exercise of options (at the higher of the end-of-year price or the yearly average) reduced by the number of shares that could have been purchased with proceeds from exercise of such options	857,331	1,090,620	470,983
Weighted average number of shares outstanding as adjusted	88,173,008	87,822,830	86,775,561
Earnings per common share assuming full dilution			
Net income available to common shareholders	\$ 1.33	\$.49	\$ 1.09

(A) The Company issued 3,450,000 shares of Series A Cumulative Convertible Preferred Stock in October 1993. The convertible preferred stock and the related dividend had an anti-dilutive effect on earnings per share in 1993 and are therefore excluded from the above computation.

(Dollars in thousands except per share)	First	Second	Third	Fourth	Year
	Quarter*	Quarter*	Quarter*	Quarter	Year
1993					
Net Sales.....	\$466,938	\$478,508	\$462,324	\$539,454	\$1,947,224
Gross Profit.....	101,716	107,435	100,561	111,841	421,553
Net income available to common shareholders.....	26,908	31,808	28,504	30,350	117,570
Per common share					

Net income available to common shareholders.....	.31	.36	.33	.35	1.35
Dividends - common.....	.125	.135	.135	.135	.53
Book value per common share.....					7.04
Market price - high.....	24-7/8	24-3/4	24	22-1/2	24-7/8
- low.....	21-7/8	21-3/4	20-1/2	19-3/4	19-3/4

1992 * *					
Net Sales.....	\$429,793	\$461,574	\$462,603	\$484,056	\$1,838,026
Gross Profit.....	85,775	100,582	98,448	101,969	386,774
Income before cumulative effect of changes in accounting principles.....	22,128	28,854	27,156	3,113	81,251
Cumulative effect of changes in accounting for postretirement benefits and income taxes.....	(37,892)				(37,892)
Net income (loss).....	(15,764)	28,854	27,156	3,113	43,359
Per common share					

Income before cumulative effect of changes in accounting principles.....	.26	.33	.31	.04	.94
Cumulative effect of changes in accounting for postretirement benefits and income taxes.....	(.44)				(.44)
Net income (loss).....	(.18)	.33	.31	.04	.50
Dividends - common.....	.115	.125	.125	.125	.49
Book value per common share.....					6.45
Market price - high.....	21-3/8	21	24-3/8	25-1/4	25-1/4
- low.....	17-5/8	18-3/8	19	21-1/2	17-5/8

Per share amounts reflect the two-for-one stock split on June 10, 1993.

* First, second and third quarters restated to reflect the reclassification of certain costs.

** First quarter 1992 includes a \$38,000 after-tax charge, or \$.44 per share, to comply with the accounting changes required by FAS 106 and FAS 109, described in Notes 12 and 13 to the Financial Statements. Fourth quarter 1992 includes a \$25,000 after-tax, or \$.29 per share, restructuring charge described in Note 4, to the Financial Statements.

1993 - THE YEAR IN REVIEW

JANUARY

- - Completed acquisition of the OPV/Durener Group, Germany's second largest manufacturer of tubes and cores.
- - Purchased Crellin Holding, Inc., a major manufacturer of molded plastics.

MARCH

- - Sold the European operations of the High Density Film Products Division.

APRIL

- - Announced a two-for-one split of Sonoco common stock effective June 10, 1993.
- - Robert Brown elected to Sonoco's Board of Directors.
- - Sold Edgeboard operations.

MAY

- - Completed purchase of the Jefferson Smurfit composite can operation in Mexico.
- - Sold liquid packaging operations to Liqui-Box Corporation.

SEPTEMBER

- - Began producing Engineered Cushion Fibre (ECF) protective packaging in the United States

and Singapore.

- - Made tender offer to purchase Engraph, Inc.

OCTOBER

- - Acquired Engraph, Inc. after a successful tender offer. Acquisition valued at approximately \$300 million, net of debt assumed.
- - Leo Benatar, Chairman and CEO of Engraph, joined Sonoco and was named to the Board of Directors.
- - Peter Browning, former Chairman and CEO of National Gypsum, joined Sonoco as Executive Vice President responsible for the global operation of the Industrial Products and Paper businesses.
- - Completed successful offering of \$172 million in convertible preferred stock and \$175 million in long-term notes.

DECEMBER

- - Completed the year with a 10% decrease in the Sonoco Personal Injury Rate, which was a record low .98.
- - Posted best annual sales and earnings in the 95-year history of Sonoco.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Results of Operations 1993-1992

Consolidated net sales for 1993 were \$1.95 billion compared with \$1.84 billion in 1992, an increase of 5.9%. The sales gain included acquisitions and base business growth offset by operations sold as part of the 1992 restructuring and exchange rate changes in 1993. The acquisitions of Engraph, Crellin, OPV/Durener and a composite can plant in Mexico added \$154 million in sales in 1993. Edgeboard, European plastic bags, liquid packaging, packaging tapes and U.K. reel operations were sold, reducing sales in 1993 by \$38.6 million compared with 1992. The exchange rate losses associated with the stronger dollar in 1993 were \$35 million, or 1.9% of 1992 sales.

Net income for 1993 was \$117.6 million, or \$1.35 per share, compared with a restated 1992 income of \$106.3 million, or \$1.23 per share. The \$1.23 per share in 1992 has been restated to exclude the 1992 cumulative effect of FAS 106 and FAS 109, as well as the restructuring reserve (all of which had a total negative impact of \$.73 per share). The 1993 earnings represent a 10.7% increase over restated 1992 earnings. The 1993 profit included a non-operating gain of \$.04 per share, as described in Note 3 to the financial statements.

On a consolidated basis, the gross profit margin in 1993 increased to 21.6% from 21% in 1992. While some of our major industrial packaging operations felt the impact of poor business conditions, our consumer businesses performed well. The increase also reflects restructuring actions the Company has taken and investments made over the past couple of years. Further information on sales and profits is included in the segment discussion below. Acquisitions had a significant impact on 1993 earnings, which is expected to continue in the future. The aggregate cost of these acquisitions, net of debt assumed, was \$393 million. With the additional goodwill (\$292 million) and preferred stock and debt financing, dilution of approximately \$.04 per share is expected in 1994, declining in 1995, with no dilution anticipated in 1996.

Capital expenditures in 1993 of \$115.6 million include projects to expand capacity and improve productivity and quality. Research and development costs charged to expense in 1993 were \$12.9 million as compared with \$11.7 million in 1992.

Sonoco's effective tax rate in 1993 was 39% compared with 39.5% in 1992.

CONVERTED PRODUCTS SEGMENT. The converted products segment consists of businesses that manufacture fibre and plastic tubes, cores and cones--used primarily as industrial carriers; composite canisters--used to package a variety of products including frozen concentrates, snack foods, nuts, solid shortening, refrigerated dough, biscuits and pastries, powdered beverages, coffee, paints, cleansers and other products; caulking cartridges--used for packaging adhesives and sealants; fibre drums, plastic drums, intermediate bulk containers--used for packaging a wide variety of products for bulk packaging; protective packaging products like solid fibre partitions, Sonopost(R) corner posts and Engineered Cushion Fibre; injection molded plastic products, pressure-sensitive labels and package inserts, screen printing for fleet graphics and vending machines, paperboard cartons, flexible packaging and specialties. Converted products is the largest of Sonoco's business segments representing approximately 60% of the Company's consolidated sales and profits.

Trade sales for this segment in 1993 were \$1.19 billion compared with \$1.07 billion in 1992, an increase of 11.2%. This increase is primarily due to the acquisition of Engraph and Crellin. Demand in our industrial businesses was down, reflecting the depressed state of many of the major markets served. Selling price pressures were intense due to competition and customer profit pressures in these markets. The economic improvement experienced in the fourth quarter of 1993, and expected to continue in 1994, should improve the sales growth outlook for our industrial businesses in 1994. Our consumer businesses also experienced selling price pressure and low growth in 1993.

The overall operating profit for the converting segment was \$122.5 million compared with \$94.4 million in 1992. The 1992 results included a restructuring charge of \$9.7 million. Profits in the converting segment increased due to acquisitions, lower material costs and the benefits of the restructuring actions taken in 1992.

Capital spending rose to \$37.9 million in 1993 from \$33.8 million in 1992. Major projects included actions to expand capacity and improve productivity and quality.

PAPER SEGMENT. The paper segment consists of 21 U.S. cylinder board

(Graph)

NET SALES BY SEGMENT
(Millions \$)

MANAGEMENT'S DISCUSSION AND ANALYSIS

machines, one Fourdrinier paper machine and Paper Stock Dealers, Inc., a recovered paper collection and processing subsidiary.

The Fourdrinier paper machine, located in Hartsville, S.C., has an annual capacity of approximately 176,000 tons. This machine produces corrugated medium sold under contract to Georgia-Pacific Corporation.

Sonoco's U.S. cylinder board capacity is approximately 750,000 tons a year. Most of the board produced on these machines is sold to Sonoco's paper converting operations with about 18% of the capacity going to external customers.

Paper Stock Dealers has more than 20 collection facilities purchasing and processing recovered paper for use by Sonoco paper mills and for sale to external customers. Sonoco annually recycles more than a million tons of recovered paper and much of this is provided through this subsidiary and mill-site collections.

Total domestic paper sales, including both internal and external, for 1993 were \$278.9 million, a decrease of 1.3%, compared with \$282.6 million for 1992. Lower prices in corrugated medium (which began to rise late in 1993 indicating a strengthening in the domestic market) coupled with flat industrial products sales and lower fibre drum sales were the primary factors affecting this segment.

Operating profits for 1993 were \$57.9 million, 11.5% below the \$65.4 million in 1992. The decline in profits is due to lower volume and reduced prices in corrugated medium; lower external cylinder board volume and prices slightly below 1992 levels; and higher costs in several areas.

Capital spending of \$20.5 million in 1993 compared with \$15.6 million in 1992. Projects were primarily focused on process improvements and productivity enhancements on cylinder board machines.

INTERNATIONAL SEGMENT. The international segment includes all of Sonoco's non-U.S. operations, the largest of which are in the United Kingdom, Canada, France, Mexico, Australia and Germany. These operations are similar to the U.S. operations in products and markets served.

Trade sales in the international segment totaled \$404.1 million in 1993 compared with \$444.7 million in 1992. Unfavorable exchange rates and the disposition of several business units that were a part of the 1992 restructuring program, accounted for \$35 million and \$37 million, respectively, of the sales decline. Sales were also negatively impacted by depressed paper markets in Canada, Mexico and Europe. Partially offsetting these were additional sales from acquisitions completed during 1993 and increased sales in the Asia Pacific region.

Operating profits in the international segment totaled \$11.9 million as compared with a loss in 1992 of \$12.4 million. Included in the 1992 results is a \$31.8 million restructuring charge. Excluding this charge, profits in 1993 were \$7.5 million lower than 1992. Although Canada, Mexico and Australia had profit improvements in their converting operations, these improvements were more than offset by inefficiencies in consolidating businesses in Europe, exchange rate losses, and lower paper volume and prices due to several weak economies.

Capital spending in this segment was \$41.2 million compared with \$48.3 million in 1992. Major projects include the start-up of a tape core operation in Italy and a project in Canada to generate power for internal use.

MISCELLANEOUS SEGMENT. The miscellaneous segment is made up of several operations, the largest being High Density Film Products, producers of plastic bags for the grocery and retail industries, agricultural mulch film and other products. Also included is Baker Reels, a national manufacturer of nailed wood and metal reels for the wire and cable industries.

Trade sales were \$244 million in 1993, or 14.5% more than the \$213 million in 1992. Volume increased in both operations. In addition, selling prices were increased in our reels business in response to higher lumber cost.

Operating profits for the miscellaneous segment were \$34.9 million in 1993 compared with \$23.5 million in 1992. The improved profit in this segment is due to increased volume and excellent cost control.

Capital spending in this segment was \$9.1 million compared with \$5.5 million in 1992. Major projects included capacity expansion at several High Density Film Products plants.

(Graph)

Identifiable Assets By Segment
(Millions \$)

MANAGEMENT'S DISCUSSION AND ANALYSIS

CORPORATE. Interest income, interest expense and unallocated corporate expenses are excluded from the operating profits by segment and are shown under Corporate. Interest expense in 1993 was \$31.2 million compared with \$30.4 million in 1992. In 1993, the benefit of declining global short-term interest rates was more than offset by higher average debt levels as a result of acquisitions. Corporate operating profit in 1993 includes a non-operating gain of \$5.8 million described in Note 3.

Results of Operations 1992-1991

Consolidated net sales for 1992 were \$1.84 billion, an increase of 8.2% compared with 1991 sales of \$1.70 billion. This sales increase was due to strong demand at some of our operations, selling price increases and the effect of several small acquisitions. Net income for 1992 was \$43.4 million, or \$.50 per share, compared with \$94.8 million, or \$1.10 per share, in 1991. Results in 1991 included a \$.05 per share gain from the sale of Sonoco's 40% interest in Sonoco Graham.

Income in 1992 was reduced by a charge to comply with adoption of accounting standards FAS 106 ("Employers' Accounting for Postretirement Benefits Other Than Pensions") and FAS 109 ("Accounting for Income Taxes"). The net impact of these two accounting changes was a non-cash, after-tax charge of \$38 million, or \$.44 per share, retroactive to the beginning of 1992. Adoption of FAS 106 also resulted in an incremental, annual retiree benefit expense of approximately \$3 million after-tax, or \$.03 per share, which was retroactively charged over all four quarters in 1992. The accounting changes are described more fully in Notes 12 and 13. In addition to accounting changes, income was reduced by a one-time, after-tax charge of \$25 million, or \$.29 per share, that was taken in the fourth quarter to cover costs associated with restructuring several of the Company's operations, primarily at foreign locations. The restructuring included closing, consolidating or relocating several plants worldwide.

Earnings adjusted for the accounting changes and restructuring charge would have been \$109 million, or \$1.26 per share, in 1992, an increase of 20% over the comparable \$1.05 per share from operations reported in 1991.

On a consolidated basis, the gross profit margin in 1992 increased to 21% from 20.5% in 1991. This performance reflected the rebound of our operations from the worldwide economic conditions that negatively impacted performance during 1991. These results also reflected actions the Company had taken and investments made over the past two years to enhance competitiveness in our markets.

Capital expenditures in 1992 were \$109.3 million. This spending included projects undertaken as part of our continuous improvement efforts to increase quality, reduce costs and improve safety throughout the Company.

Research and development costs charged to expense increased in 1992 to \$11.7 million compared with \$9.9 million in 1991. This increased spending focused on projects related to Sonoco's primary businesses and reflects our commitment to ensure the Company is the technology leader in our markets.

Also during 1992, the Company invested approximately \$10 million in outside consultants to assist us on a variety of projects. This investment began to pay off during the year and will show continued results. This level of investment did not continue in 1993.

Sonoco's effective tax rate in 1992 was 39.5% compared with 40.8% in 1991.

CONVERTED PRODUCTS SEGMENT. Trade sales in this segment totaled \$1.07 billion in 1992, an increase of 4.9% over the \$1.02 billion in 1991. Sales increased in all of our traditional businesses due primarily to improved demand and selling prices in some markets coupled with two smaller acquisitions completed during the first quarter of 1992.

Operating profits in this segment were \$94.4 million compared with \$92.8 million in 1991. Included in the 1992 operating profits is a \$9.7 million restructuring charge for the consolidation and relocation of several plants. In addition, the incremental cost of adopting FAS 106 to this segment was \$2.8 million. Excluding these charges, operating profits would have been \$106.9 million. The profit improvement was due to improved demand, increased selling prices and the acquisitions during the year.

Capital spending in this segment was \$33.8 million in 1992 compared with \$25.5 million in 1991. Major projects included the completion of a new corner post plant and a new industrial carrier research and development facility, as well as other projects to enhance productivity and improve quality.

(Graph)

Operating Income by Segment
(millions \$)

MANAGEMENT'S DISCUSSION AND ANALYSIS

PAPER SEGMENT. Total segment sales, including both internal and external paper sales, were \$282.6 million in 1992, a 5% increase over the \$269.1 million in 1991. Internal consumption of Sonoco's cylinder board remained about the same as 1991.

Corrugated medium volume increased 6.6% in 1992, reflecting an increase in demand from Georgia-Pacific. Selling prices, which had been down because of adverse market conditions, increased about 2% in 1992.

Operating profits in this segment were \$65.4 million compared with \$56.6 million in 1991 due primarily to increased selling prices and lower recovered paper cost.

Capital spending of \$15.6 million was invested to improve processes and productivity on several of the cylinder board machines as paper operations worked to focus certain mills on specific grades of board.

INTERNATIONAL SEGMENT. Trade sales in the international segment were \$444.7 million in 1992, an 18.3% increase over the \$375.9 million in 1991. This sales increase is due primarily to the acquisition of the Trent Valley paper mill in Canada during the first quarter of 1992, as well as the impact of full-year sales from several 1991 acquisitions--Sonoco Containers Inc., Rollex and Coretech-Sonoco Limited.

Operating losses in the international segment totaled \$12.4 million in 1992, compared with profits of \$14.4 million in 1991. Included in the 1992 results is a \$31.8 million restructuring charge for the closing and consolidation of several plants, as well as elimination of some operations that drained profits. Excluding the restructuring charge, profits for this segment would have been \$19.4 million. The profit increase was attributed to increased volume due to acquisitions in Canada and improved operating performance in the European and South American regions. Profits in this segment were adversely impacted by consulting costs in support of efforts to position the Company for longer-term international growth.

Capital spending for 1992 was \$48.3 million compared with \$40.7 million in 1991. Major projects included significant reinvestment in Mexico to enhance tube and core quality, a new tube and core plant in Malaysia and a new partitions plant in Mexico. It also included a new research and development facility in France.

MISCELLANEOUS SEGMENT. Trade sales in 1992 were \$213 million compared with \$197.9 million in 1991. The sales increase is due primarily to the increased volume in the plastic bag operations. Operating profits for 1992 were \$23.5 million compared with \$21.1 million in 1991. Selling prices for plastic bags declined in 1992 due to competitive pressures. However, the selling price decline was more than offset by volume increases, high-capacity utilization and improved productivity.

Capital spending in this segment was \$5.5 million in 1992 compared with \$9.7 million in 1991. Spending was primarily focused on projects to improve processes and quality in the plastic bag operations. During 1992, Baker Reels acquired a West Coast reel manufacturer.

CORPORATE. Interest expense in 1992 was \$30.4 million compared with \$28.2 million in 1991. In 1992, the benefit of declining short-term interest rates was more than offset by slightly higher average debt levels and a higher average ratio of fixed-to-floating rate debt as compared to 1991. The \$8.5 million pretax gain from the sale of Sonoco Graham was included under Corporate in 1991.

Corporate capital expenditures were \$6.1 million in 1992 compared with \$1.9 million in 1991, representing a return to normal spending levels and includes several projects delayed in 1991 due to cost containment efforts.

Financial Position, Liquidity and Capital Resources

Sonoco's financial position remained strong in 1993 and 1992. The debt to total capital ratio was 38% at December 31, 1993, compared with 35.1% and 30.6% at December 31, 1992 and 1991, respectively. Debt increased \$200 million to \$515.8 million at December 31, 1993, primarily due to increased spending on acquisitions, partially offset by \$42.5 million in proceeds from asset dispositions and \$33.7 million from the early repayment of the 10.9% Sonoco Graham note. Debt increased \$32.8 million in 1992 to \$316 million, due to increased capital spending and acquisitions. Capital spending, including acquisitions, was \$508.5 million in 1993 compared with \$144.3 million in 1992 and \$102 million in 1991.

In September 1993, the Company entered into a \$375 million term-loan agreement (the "bridge facility") in order to obtain the financing required for the acquisition of the outstanding shares of Engraph, Inc., to repay certain existing facilities, and to pay related expenses. As of December 31, 1993, the commitment under the bridge facility had been terminated and all advances had been repaid primarily from the proceeds of the debt and convertible preferred stock as described later.

In October 1993, the Company filed a shelf registration with the Securities and Exchange Commission for the future issuance of

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Graph)

CAPITAL SPENDING BY SEGMENT
(millions \$)

up to an additional \$225 million of debt securities, thereby increasing the amount of registered debt securities available for issuance to \$325 million (including \$100 million previously filed under the June 1991 registration), referred to collectively as the "registered debt securities." The Company issued \$100 million of 5.875% notes, due November 1, 2003, of its registered debt securities in October. The net proceeds were used to reduce the bridge facility.

The Company issued \$75 million of 5.49% notes, due April 15, 2000, of its registered debt securities directly to an institutional investor (the "direct placement") on November 18, 1993. Approximately \$41 million of the proceeds of the direct placement were used to prepay the outstanding balance of 9.3% privately placed notes due 1994 through 1998 (including a make-whole premium of \$3.2 million), with the balance used for repayment of other indebtedness. The Company has \$150 million of registered debt securities available for issuance at December 31, 1993.

The Company also filed a registration statement with the Securities and Exchange Commission for the issuance of up to 3,450,000 shares of \$2.25 Series A Cumulative Convertible Preferred Stock in October 1993. The sale of these securities at \$50.00 per share, convertible to the Company's common stock at a price of \$25.31, was completed in October, providing \$172.5 million in funds before fees. The net proceeds from this issue were used to reduce the bridge facility.

In 1993, the Company increased the authorized commercial paper program from \$200 million to \$250 million and increased the fully committed bank lines of credit supporting the program by a like amount.

The Company expects internally generated cash flow along with borrowings under its existing credit facilities to be sufficient to meet operating and normal capital expenditure requirements. Capital spending for 1994 is expected to be approximately \$121 million.

Acquisitions are expected to continue to be an important part of the Company's strategy for growth. The Company would expect to acquire additional companies with market and technology positions that provide meaningful opportunities when consistent with its overall goals and strategies.

Net working capital was \$210 million at December 31, 1993, as compared with \$152 million and \$164 million at December 31, 1992 and 1991, respectively. Working capital increased in 1993 primarily as a result of working capital acquired through acquisitions. Working capital decreased in 1992 primarily because of an increase in the restructuring reserve. The ratio of current assets to current liabilities was 1.7 at December 31, 1993, as compared with 1.5 and 1.6 at December 31, 1992 and 1991, respectively. Excluding restructuring accruals, the ratio was approximately 1.9 in 1993 and 1.7 in 1992 and 1991.

Shareholders' equity of \$788.4 million in 1993, which includes \$172.5 million for the issuance of preferred stock, compares with \$561.9 million in 1992. The book value per common share in 1993 was \$7.04 compared with \$6.45 per common share in 1992. This increase was attributable to higher net income in 1993 as compared with 1992. Return on common equity was 19.9% in 1993 compared with 13.7% in 1992 (excluding the cumulative effect of accounting changes) and 17.8% in 1991. Excluding the impact of the restructuring costs and accounting changes, return on equity was 18.2% in 1992.

On April 21, 1993, the Board of Directors authorized a two-for-one split of common stock and increased the dividend, after giving effect to the stock split, to \$.135 per share from the \$.125 per share that had been paid since the second quarter of 1992. The Company plans to increase dividends as earnings justify.

The Company is subject to various federal, state and local environmental laws and regulations, concerning among other matters, wastewater effluent and air emissions. Compliance costs have not been significant due to the nature of the materials and processes used in manufacturing operations. The Company has been named as a potentially responsible party at five sites in the Northeast. These sites are believed to represent the Company's largest potential environmental problems. The Company has presently accrued \$3.1 million as of December 31, 1993, with respect to these sites. Due to the complexity of determining clean-up costs associated with the sites, an estimate of the ultimate cost to the Company cannot be determined; however, costs will be accrued once reasonable estimates are determined.

During 1993, 1992 and 1991, inflation had an immaterial effect on the Company's operations.

SELECTED ELEVEN-YEAR FINANCIAL DATA (UNAUDITED)
Sonoco Products Company

(Dollars and shares in thousands except per share data)	1993	1992**	1991
OPERATING RESULTS			
Net sales	\$1,947,224	\$1,838,026	\$1,697,058
Cost of sales and operating expenses	1,734,980	1,641,075	1,528,543
Interest expense	31,154	30,364	28,186
Interest income	(6,017)	(6,416)	(6,870)
Unusual items*	(5,800)	42,000	(8,525)
Income from operations before income taxes	192,907	131,003	155,724
Taxes on income	75,200	51,800	63,600
Equity in earnings of affiliates	1,127	2,048	2,681
Net income before discontinued operations and cumulative effect of changes in accounting principles	118,834	81,251	94,805
Loss from discontinued operations, net of tax			
Cumulative effect of changes in accounting principles (FAS 106 and FAS 109)		(37,892)	
Net income	118,834	43,359	94,805
Preferred dividends	(1,264)		
Net income available to common shareholders	117,570	43,359	94,805
Returns before cumulative effect of changes in accounting principles			
Return on weighted-average common shareholders' equity	19.9%	13.7%	17.8%
Return on net sales	6.1%	4.4%	5.6%
Per common share:(1)			
Net income before discontinued operations and cumulative effect of changes in accounting principles	1.35	.94	1.10
Loss from discontinued operations, net of tax			
Cumulative effect of changes in accounting principles		(.44)	
Net income available to common shareholders	1.35	.50	1.10
Dividends declared - common53	.49	.46
Average common shares outstanding(1)	87,316	86,732	86,304
Actual common shares outstanding at December 31(1)	87,447	87,144	86,490
FINANCIAL POSITION			
Net working capital	209,932	152,478	163,860
Property, plant and equipment	737,154	614,018	580,787
Total assets	1,707,125	1,246,531	1,135,940
Long-term debt	455,262	240,982	227,528
Shareholders' equity	788,364	561,890	562,306
Current ratio	1.7	1.5	1.6
Total debt to total capital	38.0%	35.1%	30.6%
Book value per common share(1)	7.04	6.45	6.50
OTHER DATA			
Depreciation, depletion and amortization expense	95,745	83,309	76,561
Dividends declared - common	46,333	42,443	39,703
Market price per common share (ending)(1)	22.00	23.88	17.25

* See Note 3 to Consolidated Financial Statements.

**Includes restructuring charges of \$42,000 pretax, or \$25,000 after-tax, in 1992 and \$75,000 pretax, or \$54,650 after-tax, in 1990 (see Note 4 to Consolidated Financial Statements). Also includes acquisition consolidation charges of \$10 million pretax, or \$5,600 after-tax in 1987.

(1) Prior years' data adjusted for stock splits.

1990**	1989	1988	1987**	1986	1985	1984	1983
\$1,669,142	\$1,655,830	\$1,599,751	\$1,312,052	\$963,796	\$869,598	\$740,869	\$668,628
1,481,271	1,470,877	1,413,912	1,174,777	858,680	773,910	661,457	601,098
28,073	29,440	25,175	18,593	8,552	8,686	4,420	5,104
(2,196)	(2,573)	(1,517)	(1,045)	(602)	(1,782)	(1,006)	(708)
75,000			10,000				
86,994	158,086	162,181	109,727	97,166	88,784	75,998	63,134
43,934	60,906	67,029	48,714	44,435	41,871	35,282	28,085
7,308	6,381	1,125	469	1,945	2,496	1,819	2,225
50,368	103,561	96,277	61,482	54,676	49,409	42,535	37,274 (3,740)
50,368	103,561	96,277	61,482	54,676	49,409	42,535	33,534
50,368	103,561	96,277	61,482	54,676	49,409	42,535	33,534
9.6%	21.3%	23.0%	17.0%	17.4%	17.7%	16.9%	16.2%
3.0%	6.3%	6.0%	4.7%	5.7%	5.7%	5.7%	5.6%
.58	1.18	1.10	.70	.63	.57	.49	.43 (.04)
.58	1.18	1.10	.70	.63	.57	.49	.39
.45	.41	.32	.25	.21	.18	.16	.14
87,110	87,794	87,632	87,730	87,612	87,450	87,264	87,166
86,100	87,454	87,722	87,532	87,636	87,580	87,330	87,210
184,066	193,035	188,085	143,972	104,614	105,070	90,430	79,098
562,591	494,290	533,427	482,357	267,353	245,990	201,211	199,712
1,113,594	995,132	977,459	877,625	559,459	500,833	408,205	383,203
279,135	226,240	275,535	263,489	58,440	73,383	31,469	42,140
512,828	511,574	454,486	379,912	332,890	295,743	260,640	236,609
1.7	2.1	2.0	1.8	1.9	2.1	2.2	2.2
34.7%	30.4%	36.8%	38.6%	17.7%	19.9%	12.4%	16.7%
5.96	5.85	5.18	4.34	3.80	3.38	2.99	2.72
72,152	67,263	69,055	57,086	35,654	31,182	27,324	25,806
39,216	35,583	28,046	21,942	17,963	15,746	13,634	11,987
16.25	18.50	17.13	10.63	9.50	7.69	4.91	5.53

CONSOLIDATED BALANCE SHEETS
Sonoco Products Company

(Dollars and shares in thousands)	December 31	
	1993	1992
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 25,858	\$ 38,068
Trade accounts receivables, net of allowances for doubtful amounts of \$6,514 and \$3,511, respectively	232,628	202,837
Other receivables	22,989	18,794
Inventories		
Finished and in process	83,660	67,714
Materials and supplies	102,465	91,864
Prepaid expenses	30,750	28,670
Deferred income taxes	14,760	17,000
	513,110	464,947
Property, Plant and Equipment	737,154	614,018
Cost in Excess of Fair Value of Assets Purchased	339,653	59,003
Other Assets	117,208	108,563
	\$1,707,125	\$1,246,531
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Payable to suppliers	\$ 129,389	\$ 109,777
Accrued expenses and other	60,407	53,774
Accrued wages and other compensation	22,633	16,039
Restructuring reserve	27,114	39,130
Notes payable and current portion of long-term debt	60,564	75,028
Taxes on income	3,071	18,721
	303,178	312,469
Long-Term Debt	455,262	240,982
Postretirement Benefit Obligation	99,165	97,993
Deferred Income Taxes and Other	61,156	33,197
Commitments and Contingencies		
Shareholders' Equity		
Serial preferred stock, no par value		
Authorized 30,000 shares		
Issued 3,450 shares	172,500	
Common shares, no par value		
Authorized 150,000 shares		
Issued 91,841 shares	7,175	7,175
Capital in excess of stated value	62,277	61,608
Translation of foreign currencies	(39,016)	(19,952)
Retained earnings	623,500	552,263
Treasury shares at cost (1993--4,394 shares; 1992--4,697 shares)	(38,072)	(39,204)
	788,364	561,890
	\$1,707,125	\$1,246,531

Shares reflect the two-for-one stock split on June 10, 1993.

The Notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF INCOME
Sonoco Products Company

(Dollars and shares in thousands except per share)	YEARS ENDED DECEMBER 31		
	1993	1992	1991
Net sales	\$1,947,224	\$1,838,026	\$1,697,058
Cost of sales	1,525,671	1,451,252	1,348,489
Selling, general and administrative expenses	209,309	189,823	180,054
Interest expense	31,154	30,364	28,186
Interest income	(6,017)	(6,416)	(6,870)
Unusual items	(5,800)	42,000	(8,525)
Income from operations before income taxes and cumulative effect of changes in accounting principles	192,907	131,003	155,724
Taxes on income	75,200	51,800	63,600
Income from operations before equity in earnings of affiliates and cumulative effect of changes in accounting principles	117,707	79,203	92,124
Equity in earnings of affiliates	1,127	2,048	2,681
Income before cumulative effect of changes in accounting principles	118,834	81,251	94,805
Cumulative effect of changes in accounting for postretirement benefits (Note 12) and income taxes (Note 13)		(37,892)	
Net income	118,834	43,359	94,805
Preferred dividends	(1,264)		
Net income available to common shareholders	\$ 117,570	\$ 43,359	\$ 94,805
Per common share			
Income before cumulative effect of changes in accounting principles	\$ 1.35	\$.94	\$ 1.10
Cumulative effect of changes in accounting for postretirement benefits and income taxes		(.44)	
Net income available to common shareholders	\$ 1.35	\$.50	\$ 1.10
Dividends - common	\$.53	\$.49	\$.46
Average common shares outstanding	87,316	86,732	86,304

Shares and per-share data reflect the two-for-one stock split on June 10, 1993

The Notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 Sonoco Products Company

(Dollars and shares in thousands except per share)	Common Shares		Preferred Stock Amount	Capital in Excess of Stated Value	Translation of Foreign Currencies	Retained Earnings	Treasury Shares Amount
	Outstanding	Amount					
JANUARY 1, 1991	86,100	\$7,175	\$	\$ 50,643	\$2,583	\$496,245	\$ (43,818)
Net income						94,805	
Dividends, \$.46 per share						(39,703)	
Translation loss					(10,812)		
Issuance of treasury shares under							
Stock option plan	352			1,795			2,761
Employee stock ownership plan	244			2,383			1,925
Treasury shares acquired	(206)						(3,676)
DECEMBER 31, 1991	86,490	7,175		54,821	(8,229)	551,347	(42,808)
Net income						43,359	
Dividends, \$.49 per share						(42,443)	
Translation loss					(11,723)		
Issuance of treasury shares under							
Stock option plan	682			3,894			4,864
Employee stock ownership plan	224			2,893			1,854
Treasury shares acquired	(252)						(3,114)
DECEMBER 31, 1992	87,144	7,175		61,608	(19,952)	552,263	(39,204)
Net income						118,834	
Dividends							
Preferred						(1,264)	
Common, \$.53 per share						(46,333)	
Translation loss					(19,064)		
Issuance of 3,450 preferred shares			172,500	(3,968)			
Issuance of treasury shares under							
Stock option plan	208			1,388			1,493
Employee stock ownership plan	235			3,249			2,001
Treasury shares acquired	(140)						(2,362)
DECEMBER 31, 1993	87,447	\$7,175	\$172,500	\$ 62,277	\$ (39,016)	\$623,500	\$ (38,072)

Shares and per share data reflect the two-for-one stock split on June 10, 1993.

The Notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
Sonoco Products Company

(Dollars in thousands)	Years ended December 31		
	1993	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$118,834	\$ 43,359	\$94,805
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation, depletion and amortization	95,745	83,309	76,561
Cumulative effect of changes in accounting principles		37,892	
Restructuring charge		39,130	
Loss on assets retired	836	2,941	5,987
Equity in earnings of affiliates, net of dividends	(975)	(1,893)	(2,532)
Deferred taxes	22,361	(13,619)	(328)
Gain on sale of investment in affiliate	(15,299)		(8,525)
Changes in assets and liabilities, net of effects from acquisitions, dispositions and foreign currency adjustments			
Accounts receivable	860	(13,178)	(8,917)
Inventories	5,545	(3,719)	5,555
Prepaid expenses	(1,411)	831	2,675
Payables and taxes	(45,881)	(7,930)	(3,644)
Other assets and liabilities	(17,771)	(9,711)	(5,155)
Net cash provided by operating activities	162,844	157,412	156,482
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(115,596)	(109,305)	(90,557)
Cost of acquisitions, exclusive of cash	(392,950)	(34,964)	(11,413)
Proceeds from the sale of assets	42,467	6,626	21,735
Proceeds from collection of a note receivable	33,672		
Net cash used by investing activities	(432,407)	(137,643)	(80,235)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of debt	662,800	168,072	199,256
Principal repayment of debt	(523,817)	(132,163)	(241,882)
Cash dividends	(46,333)	(42,443)	(39,703)
Treasury shares acquired	(2,362)	(3,114)	(3,676)
Treasury shares issued	2,428	7,781	3,935
Preferred shares issued	172,500		
Net cash provided (used) by financing activities	265,216	(1,867)	(82,070)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	(7,863)	(8,456)	(5,482)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(12,210)	9,446	(11,305)
Cash and cash equivalents at beginning of year	38,068	28,622	39,927
Cash and cash equivalents at end of year	\$ 25,858	\$38,068	\$28,622
SUPPLEMENTAL CASH FLOW DISCLOSURES			
Interest paid	\$ 31,504	\$29,265	\$23,431
Income taxes paid	\$ 75,374	\$65,224	\$61,798

Excluded from the consolidated statements of cash flows was the effect of certain non-cash activities. The Company assumed \$75,000 and \$16,300 of debt obligations in 1993 and 1991, respectively, in conjunction with acquisitions. The Company also received a note for \$33,700 in conjunction with the sale of the Sonoco Graham Company in 1991.

The Notes are an integral part of these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Sonoco Products Company

(Dollars in thousands except per share)

The following notes are an integral part of the consolidated financial statements. The accounting principles followed by the Company appear in bold type.

1 PRINCIPLES OF CONSOLIDATION.

The consolidated financial statements include the accounts of Sonoco Products Company and its United States and international subsidiaries after elimination of intercompany accounts and transactions. Investments in affiliated companies in which the Company owns 20% to 50% of the voting stock are included on the equity method of accounting.

2 ACQUISITIONS/DISPOSITIONS.

During the first quarter of 1993, the Company completed several acquisitions totaling approximately \$100,000. The most notable was the acquisition of all the outstanding stock of Crellin Holding, Inc., an international manufacturer, designer and marketer of molded plastics products.

In October 1993, the Company acquired Engraph, Inc. following the successful conclusion of a cash tender offer and merger transaction. The tender offer of approximately \$300,000 reflects a price of \$15.63 per share for each of Engraph's outstanding shares of common stock. Engraph's markets include labels and package inserts, flexible packaging, screen process printing and paperboard cartons and specialties.

Debt assumed in connection with the above acquisitions was approximately \$75,000. The Company has accounted for each of these acquisitions as a purchase and, accordingly, has included their results of operations in consolidated net income from the date of acquisition. The aggregate excess purchase price over the fair value of assets purchased was \$292,000 and is being amortized over 40 years.

Pro forma sales for the twelve months ended December 31, 1993 and 1992, giving effect to the acquisitions described above as though they occurred January 1, 1992, would have been approximately \$2,100,000 for both years. Pro forma net income for the same period would have been approximately \$105,000 and \$72,000, or \$1.21 and \$.83 per share. Net income for 1992 includes a \$25,000 after-tax restructuring charge but excludes the \$37,892 cumulative effect of changes in accounting principles.

Also during 1993, the Company disposed of several operations whose businesses were not consistent with the long-term strategic direction of the Company. These dispositions were provided for as a part of the 1992 restructuring plan as discussed in Note 4. Operations sold in 1993 included the European bag, the bag-in-box liquid packaging, the Edgeboard and packaging tapes operations. The net proceeds from these sales were approximately \$42,000.

3 UNUSUAL ITEMS.

Included in 1993 and 1991 were gains on the sale of Sonoco Graham. The 1993 gain from the early payment of a note issued in connection with the sale was partially offset by charges for refinancing debt related to the Engraph acquisition and various other unusual items. The 1992 unusual items represent restructuring reserves, which are discussed more fully in Note 4.

4 RESTRUCTURING CHARGES IN 1992 AND 1990.

During the fourth quarter of 1992, the Company recorded a charge to earnings for costs associated with the restructuring, closing, consolidating and relocating of various plants, principally at foreign locations. The restructuring reduced income before taxes, net income and earnings per share by \$42,000, \$25,000 and \$.29, respectively.

During the third quarter of 1990, the Company restructured several operations to improve its cost and competitive position associated primarily with domestic operations. The restructuring reduced income before taxes, net income and earnings per share by \$75,000, \$54,650 and \$.63, respectively.

5 CASH AND CASH EQUIVALENTS.

Cash equivalents are composed of all highly liquid investments with an original maturity of three months or less.

At December 31, 1993 and 1992, \$18,751 and \$25,005, respectively, of outstanding checks were included in Payables to Suppliers.

6 INVENTORIES.

Inventories are stated at the lower of cost or market. The last-in, first-out (LIFO) method was used to determine costs of approximately 44% of total inventories in 1993 and 40% in 1992. The remaining inventories are determined on the first-in, first-out (FIFO) method.

If the FIFO method of accounting had been used for all inventories, the totals would have been higher by \$7,885 in 1993 and \$10,061 in 1992.

7 PROPERTY, PLANT and EQUIPMENT.

Plant assets represent the original cost of land, buildings and equipment less depreciation computed under the straight-line method over the estimated useful life of the asset. Equipment lives range from 5 to 11 years, buildings from 20 to 30 years.

Timber resources are stated at cost. Depletion is charged to operations based on the number of units of timber cut during the year.

Depreciation and depletion expense amounted to \$87,721 in 1993; \$79,455 in 1992 and \$73,111 in 1991.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Sonoco Products Company
 (Dollars in thousands except per share)

Note 7: PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Details of property, plant and equipment at December 31 are as follows:

	1993	1992
Land	\$ 25,694	\$ 19,151
Timber resources	25,349	24,420
Buildings	267,933	226,758
Machinery & equipment	935,247	820,553
Construction in progress	61,473	44,118
	-----	-----
	1,315,696	1,135,000
Accumulated depreciation and depletion	(578,542)	(520,982)
	-----	-----
	\$ 737,154	\$ 614,018
	=====	=====

Estimated costs for completion of authorized capital additions under construction totaled approximately \$63,000 at December 31, 1993.

Certain operating properties and equipment are leased under non-cancellable operating leases. Total rental expense under operating leases was \$26,400, \$23,400 and \$23,700 in 1993, 1992 and 1991, respectively. Future minimum rentals under non-cancellable operating leases with terms of more than one year are as follows: 1994 - \$15,400; 1995 - \$14,000; 1996 - \$11,400; 1997 - \$8,500; 1998 - \$7,300; 1999 and thereafter - \$12,700.

8 COST IN EXCESS OF FAIR VALUE OF ASSETS PURCHASED.

Goodwill arising from business acquisitions (\$292,000 in 1993) is amortized on the straight-line basis over periods ranging from 20 to 40 years. Amortization expense amounted to \$8,024 in 1993; \$3,854 in 1992 and \$3,450 in 1991. Accumulated amortization at December 31, 1993 and 1992 was \$24,403 and \$22,040, respectively.

9 DEBT.

Debt at December 31 was as follows:

	1993	1992
Commercial paper, average rate of 3.2% in 1993 and 3.7% in 1992	\$146,500	\$ 80,000
9.2% notes due August 2021	99,920	99,917
5.875% notes due November 2003	99,339	
5.49% notes due April 2000	75,000	
Private placement notes payable, interest at 9.3%		42,860
Foreign denominated debt, average rate of 6.8% at December 31, 1993 and 9.8% at December 31, 1992	70,618	78,001
Other notes	24,449	15,232
	-----	-----
Total debt	515,826	316,010
Less current portion and short-term notes	60,564	75,028
	-----	-----
Long-term debt	\$455,262	\$240,982
	=====	=====

The Company sold \$100,000 of 5.875% notes due November 2003 and \$75,000 of 5.49% notes due April 2000 in October 1993 and November 1993, respectively. Net proceeds were used primarily for the Engraph acquisition and to repay other indebtedness, including the 9.3% privately placed notes due 1994 through 1998 and the related make-whole premium of \$3.2 million.

In 1993, the Company increased the authorized commercial paper program from \$200 million to \$250 million and increased the fully committed bank lines of credit supporting the program by a like amount. These bank lines expire in 1998. Accordingly, commercial paper borrowings are classified as long-term debt.

The Company has entered into various agreements with banks for managing exposure to interest rates. The differential to be paid or received is accrued as interest rates change. All of the Company's interest rate swap agreements mature in 1994.

The estimated fair value of debt, including the impact of interest rate swaps, is \$539,200 at December 31, 1993. This estimate is based on quoted market prices or by discounting future cash flows using interest rates available to the Company for issues with similar terms and average maturities.

The approximate principal requirements of debt maturing in the next five

Note 9: Debt - continued

years are: 1994 - \$60,600; 1995 - \$2,400; 1996 - \$5,400; 1997 - \$1,400; and 1998 - \$1,600. It is management's intent to extend indefinitely the line of credit agreements supporting the commercial paper program. Accordingly, no principal repayments are projected through 1998.

Certain of the Company's debt agreements impose restrictions with respect

to the maintenance of financial ratios and the disposition of assets. The most restrictive covenant currently requires that tangible net worth at the end of each fiscal quarter be greater than \$200,000 through April 3, 1994, and \$365,000 thereafter.

In addition to the Committed availability under the commercial paper program, unused lines of credit for general Company Purposes at December 31, 1993, were approximately \$48,000 with interest at mutually agreed upon rates.

10 STOCK OPTIONS.

The Company has stock option plans under which common shares are reserved for sale to certain employees. Options granted under the plans were at the market value of the shares at the date of grant. Options are generally exercisable one year after the date of grant, and expire 10 years after the date of grant. At December 31, 1993, 2,594,000 shares were reserved for future grants.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Sonoco Products Company
 (Dollars in thousands except per share)

Note 10: STOCK OPTIONS - CONTINUED

Information with respect to the Company's stock option plans follows:

	Option Shares	Option Price Range

1991		
Outstanding at beginning		
of year	2,776,250	\$ 5.02-\$17.38
Granted	826,900	\$16.88-\$18.25
Exercised	(410,132)	\$ 5.02-\$17.00
Cancelled	(70,150)	\$15.25-\$17.63

Outstanding at end		
of year	3,122,868	\$ 5.02-\$18.25
1992		
Granted	862,350	\$18.75
Exercised	(683,234)	\$ 5.02-\$17.63
Cancelled	(48,400)	\$10.50-\$18.75

Outstanding at end		
of year	3,253,584	\$ 5.02-\$18.75
1993		
Granted	957,300	\$20.75-\$24.13
Assumed - Engraph	623,156	\$ 3.73-\$18.40
Exercised	(208,274)	\$ 5.02-\$18.75
Cancelled	(5,900)	\$24.13

Outstanding at end		
of year	4,619,866	\$ 3.73-\$24.13
	=====	
Options exercisable at		
December 31, 1993	3,507,893	

Number of shares and share price restated to reflect the two-for-one stock split on June 10, 1993.

11 RETIREMENT BENEFIT PLANS.

Non-contributory defined benefit pension plans cover substantially all U.S. employees. Under the plans, retirement benefits are based either on both years of service and compensation or on service only. IT IS THE COMPANY'S POLICY TO FUND THESE PLANS, AT A MINIMUM, IN AMOUNTS REQUIRED UNDER ERISA. Plan assets consist primarily of common stocks, bonds and real estate.

The Company also maintains a plan to supplement executive benefits limited through qualified plans. Benefits are based on years of service and compensation. The plan is partially funded through a grantor trust as defined under Section 671 of the Internal Revenue Service Code of 1986.

The Company's subsidiaries in the United Kingdom have contributory pension plans covering about 70% of the groups' employees. Pension benefits are based either on the employee's salary in the year of retirement or the average of the final three years. THE FUNDING POLICY IS TO CONTRIBUTE ANNUALLY AT ACTUARIALLY DETERMINED RATES THAT ARE INTENDED TO REMAIN A LEVEL PERCENTAGE OF SALARY.

Net pension cost for the domestic and United Kingdom plans included the following components:

	Combined Plans		
	1993	1992	1991

Service cost-benefits earned			
during year	\$ 9,555	\$ 9,074	\$ 9,334
Interest cost on projected			
benefit obligation	23,881	22,196	20,559
Actual return on plan			
assets	(32,165)	(19,510)	(49,456)
Net amortization and			
deferral	2,031	(9,581)	25,819
	-----	-----	-----
	\$ 3,302	\$ 2,179	\$ 6,256
	=====	=====	=====

The following table sets forth the funded status of the plans at December 31:

	Over-Funded Plan		Under-Funded Plan	
	1993	1992	1993	1992
Projected benefit obligation				
Vested benefits	\$271,733	\$196,641	\$	\$
Non-vested benefits	9,757	7,862	14,473	12,548
Accumulated benefit obligation	281,490	204,503	14,473	12,548
Effect of assumed increase in compensation levels . .	35,768	39,060	1,369	1,048
Projected benefit obligation	317,258	243,563	15,842	13,596
Plan assets at fair value . .	341,669	300,365	12,502	10,446
Plan assets in excess of (less than) projected benefit obligation	24,411	56,802	(3,340)	(3,150)
Unrecognized net loss (gain)	26,729	(14,178)	1,142	1,356
Unrecognized prior service cost	3,333	2,527	2,235	555
Unrecognized net transition (asset) obligation from initial application of FAS 87	(6,150)	(6,426)	1,599	1,826
Adjustment required to recognize minimum liability			(3,607)	(2,382)
Prepaid (accrued) pension cost	\$ 48,323	\$ 38,725	\$ (1,971)	\$ (1,795)

Prepaid pension costs of \$7,011 and \$8,189 were included in Prepaid Expenses in 1993 and 1992, respectively. In addition, \$41,312 and \$30,536 were included in Other Assets in 1993 and 1992, respectively.

A weighted-average discount rate of 7%, and a 4% rate of increase in future compensation levels, were used in determining the actual present value of the projected benefit obligations in 1993. A 9% discount rate, and 6% rate of compensation increase, were used in 1992 and 1991. The expected long-term rate of return on assets was 9.5% for all years presented.

The Company's other international subsidiaries have pension plans covering most of its employees. The cost for these plans is considered immaterial.

The Company's Employee Savings and Stock Ownership Plan provides that all eligible employees may contribute 1% to 16% of their gross pay to the Plan subject to Internal Revenue Service regulations. The Company may make matching contributions in an amount to be determined annually by the Company's Board of Directors. The Company's contributions, made entirely in Company stock for 1993, 1992 and 1991, were \$5,250, \$4,747 and \$4,308, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Sonoco Products Company
 (Dollars in thousands except per share)

12 POSTRETIREMENT BENEFITS OTHER THAN PENSIONS.

Postretirement medical and life insurance benefits are offered to substantially all U.S. employees. In 1992, the Company adopted Statement of Financial Accounting Standard 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (FAS 106). This standard requires accrual for postretirement benefits other than pensions over an employee's career, rather than expensing these costs when paid, as had been the Company's practice prior to 1992. The cost of these benefits included as expense for 1991 was \$5,442. The Company elected to immediately recognize the cumulative effect of the change in accounting for postretirement benefits of \$93,500 pretax, or \$58,000 after-tax, which represents the accumulated postretirement benefit obligation (APBO) existing at January 1, 1992. Also, adoption of FAS 106 resulted in an incremental annual retiree benefit expense of \$4,500 pretax, or \$2,700 after-tax, which represents the difference between pay-as-you-go amounts and estimated 1992 non-pension retirement benefits. THE COMPANY CONTINUES TO FUND BENEFIT COSTS PRINCIPALLY ON A PAY-AS-YOU-GO BASIS, WITH THE RETIREE PAYING A PORTION OF THE COSTS. In situations where full-time employees retire from the Company between age 55 and age 65, most are eligible to receive, at a cost to the retiree equal to the cost for an active employee, certain health-care benefits identical to those available to active employees. After attaining age 65, an eligible retiree's health-care benefit coverage becomes coordinated with Medicare. For purposes of projecting future benefit payments, early retiree contributions were assumed to increase at the health-care cost trend.

Non-pension retirement benefit expense includes the following:

	1993	1992
Service cost-benefits earned during year	\$ 2,482	\$ 2,283
Interest cost on APBO	8,196	8,239
Actual return on plan assets	(1,063)	(304)
Net periodic postretirement benefit cost	\$ 9,615	\$10,218

The following sets forth the accrued obligation included in the accompanying December 31 balance sheet applicable to each employee group for non-pension retirement benefits:

	1993	1992
Accumulated postretirement benefit obligation		
Retired employees	\$ 57,610	\$56,048
Active employees-fully eligible	18,514	13,446
Active employees-not yet eligible	50,460	28,499
Accumulated benefit obligation	126,584	97,993
Plan assets at fair value	10,776	4,748
Accumulated benefit obligation greater than plan assets	115,808	93,245
Unrecognized net loss from changes in assumptions	(28,964)	
Unrecognized prior service cost	1,545	
Accrued postretirement benefit cost	\$ 88,389	\$93,245

Prepaid postretirement medical costs of \$10,776 and \$4,748 were included in Other Assets in 1993 and 1992, respectively.

The discount rate used in determining the APBO was 7% in 1993 and 9% in 1992. The assumed health-care cost-trend rate used in measuring the APBO was 12% in 1993 declining to 6.5% in the year 2010. Increasing the assumed trend rate for health-care costs by one percentage point would result in an increase in the APBO of approximately \$10,000 at December 31, 1993, and an increase of \$1,000 in the related 1993 expense. Plan assets are the result of funding these benefit costs in amounts representing the maximum allowable under Section 401(H) of the Internal Revenue Code. These assets are commingled with the pension plan assets and consist primarily of common stocks, bonds and real estate. The expected long-term rate of return on assets was 9.5% in 1993.

13 INCOME TAXES.

The Company adopted Statement of Financial Accounting Standard 109, "Accounting for Income Taxes" (FAS 109), effective January 1, 1992. The cumulative effect, which was recorded in 1992, increased earnings by \$20,100.

The provision (benefit) for taxes on income for the years ending December 31 consists of the following:

	1993	1992	1991

Pretax income			
Domestic	\$189,122	\$160,637	\$153,500
Foreign	3,785	(29,634)	2,224
Total	<u>\$192,907</u>	<u>\$131,003</u>	<u>\$155,724</u>
=====			
Current			
Federal	\$ 43,998	\$ 50,642	\$ 48,620
State	7,320	8,731	8,434
Foreign	1,521	6,046	6,874
Total current	<u>52,839</u>	<u>65,419</u>	<u>63,928</u>

Deferred			
Federal	14,005	(455)	3,206
State	2,924	(96)	692
Foreign	5,432	(13,068)	(4,226)
Total deferred	<u>22,361</u>	<u>(13,619)</u>	<u>(328)</u>

Total taxes	<u>\$ 75,200</u>	<u>\$ 51,800</u>	<u>\$ 63,600</u>
=====			

Deferred income tax expense (benefit) results from temporary differences in the recognition of revenue and expense for tax and financial statement purposes. The source of these differences and the tax effect of each are as follows:

	1993	1992	1991

Restructuring charge	\$ 8,711	\$ (15,065)	\$10,220
Sale of an affiliate	6,409		(14,810)
Depreciation expense	1,163	700	5,253
Benefit plan costs	7,379	2,643	3,773
Other items, net	(1,301)	(1,897)	(4,764)
Total deferred	<u>\$22,361</u>	<u>\$ (13,619)</u>	<u>\$ (328)</u>
=====			

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Sonoco Products Company
 (Dollars in thousands except per share)

NOTE 13: INCOME TAXES - CONTINUED

Deferred tax liabilities (assets) are comprised of the following at December 31:

	1993	1992
Depreciation	\$ 62,975	\$ 45,811
Employee benefits	15,410	13,281
Other	9,762	5,129
Gross deferred tax liabilities . .	88,147	64,221
Restructuring	(5,403)	(18,046)
Retiree health benefits	(23,910)	(27,084)
Loss carry-forwards (foreign and domestic)	(11,684)	(5,879)
Employee benefits	(11,494)	(8,400)
Other	(7,303)	(10,741)
Gross deferred tax assets	(59,794)	(70,150)
Valuation allowance on deferred tax assets	4,899	5,879
Total deferred taxes, net	\$ 33,252	\$ (50)

The net decrease in the valuation allowance in 1993 resulted from the disposal of a European entity; this decrease was partially offset by the inclusion of current net operating losses from various foreign subsidiaries. Approximately \$12,000 of net operating losses remain available in various foreign subsidiaries at December 31, 1993. Their use is limited to future taxable earnings of those foreign subsidiaries. No benefit has been recognized in the financial statements for any of these loss carry-forwards.

The principal differences between the effective tax rate and the federal statutory rate are as follows:

	1993		1992		1991	
Statutory tax rate. . .	\$67,517	35.0%	\$44,587	34.0%	\$52,946	34.0%
State income taxes, net of federal tax benefit	7,039	3.6	4,983	3.8	6,023	3.9
Net effect of foreign income at lower rates and foreign losses with no tax benefit. .	2,155	1.1	2,360	1.8	2,853	1.8
Goodwill	1,694	.9	524	.4	487	.3
Company owned life insurance	(1,570)	(.8)				
Other, net	(1,635)	(.8)	(654)	(.5)	1,291	.8
Total taxes	\$75,200	39.0%	\$51,800	39.5%	\$63,600	40.8%

Undistributed earnings of international subsidiaries totaled \$36,634 at December 31, 1993. There have been no United States income taxes provided on the undistributed earnings since the Company considers the earnings to be indefinitely reinvested to finance international growth and expansion. If such amounts were remitted, loaned to the Company or the stock in the foreign subsidiaries sold, these earnings could become subject to tax; however, the Company believes United States foreign tax credits would substantially eliminate any tax due.

14 COMMITMENTS AND CONTINGENCIES.

The Company is a party to various legal proceedings incidental to its business and is subject to a variety of environmental and pollution control laws and regulations in all jurisdictions in which it operates. As is the case with other companies in similar industries, the Company faces exposure from actual or potential claims and legal proceedings. The Company has been named as a potentially responsible party at five sites in the Northeast. As of December 31, 1993, the Company has \$3,100 accrued for these contingencies. This compares with \$1,900 accrued as of December 31, 1992. Although the level of future expenditures for legal and environmental matters is impossible to determine with any degree of probability, it is management's opinion that such costs when finally determined will not have a material adverse effect on the consolidated financial position of the Company.

15 INTERNATIONAL OPERATIONS.

Following are operating profits, net assets and dividends received by the Company from international operations. Restructuring costs of \$31,800 are included in 1992 results.

Operating profits (loss)	\$ 11,923	\$ (12,398)
Net assets	185,723	229,641
Dividends	2,087	1,473

Following are sales to unaffiliated customers, operating profit and total assets for Europe. Restructuring costs of \$28,200 are included in 1992 results.

	1993	1992	1991
Sales to unaffiliated customers	\$180,044	\$226,127	\$215,677
Operating (loss) profit	(890)	(20,325)	7,375
Total assets	171,073	222,164	218,354

16 STOCKHOLDERS' EQUITY.

On April 21, 1993, the Board of Directors approved a two-for-one stock split effective June 10, 1993. All references in these financial statements to dividends paid, numbers of common shares, stock prices and earnings per share amounts have been restated to give retroactive effect to the stock split.

On October 26, 1993, the Company issued 3,450,000 shares of \$2.25 Series A Cumulative Convertible Preferred Stock for \$172,500, or \$50.00 per share. These securities are convertible into the Company's common stock at a price of \$25.31 per share. This stock is redeemable at the option of the Company, on or after November 8, 1996, at a redemption price of \$51.575 per share and decreasing ratably annually to \$50 per share on or after November 1, 2003. Dividends on the Convertible Preferred Stock accrue and are cumulative from the date of original issuance and are payable quarterly commencing on February 1, 1994.

Fully diluted earnings per share is not presented as it approximates primary earnings per share.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Sonoco Products Company

FINANCIAL REPORTING FOR BUSINESS SEGMENTS
(Years ended December 31)

The Financial Reporting for Business Segments should be read in conjunction with the Management's Discussion and Analysis (which describes the segments in detail).

(Dollars in thousands)	Converted Products	Paper	International	Misc.	Corporate	Consolidated
TOTAL REVENUE						
1993	\$1,200,225	\$278,904	\$406,914	\$266,261		\$2,152,304
1992	1,078,611	282,583	447,029	233,324		2,041,547
1991	1,027,715	269,077	376,119	219,170		1,892,081
INTERSEGMENT SALES						
1993	\$ 6,333	\$173,640	\$ 2,825	\$ 22,282		\$ 205,080
1992	5,294	175,629	2,280	20,318		203,521
1991	4,271	169,266	255	21,231		195,023
SALES TO UNAFFILIATED CUSTOMERS						
1993	\$1,193,892	\$105,264	\$404,089	\$243,979		\$1,947,224
1992	1,073,317	106,954	444,749	213,006		1,838,026
1991	1,023,444	99,811	375,864	197,939		1,697,058
OPERATING PROFIT*						
1993	\$ 122,538	\$ 57,867	\$ 11,923	\$ 34,888	\$ (34,309)	\$ 192,907
1992	94,397	65,437	(12,398)	23,509	(39,942)	131,003
1991	92,848	56,579	14,406	21,138	(29,247)	155,724
IDENTIFIABLE ASSETS						
1993	\$ 884,280	\$140,406	\$349,144	\$133,776	\$199,519	\$1,707,125
1992	392,511	130,486	390,644	136,808	196,082	1,246,531
1991	378,929	125,124	351,032	139,492	141,363	1,135,940
DEPRECIATION, DEPLETION AND AMORTIZATION						
1993	\$ 36,923	\$ 12,974	\$ 26,135	\$ 14,437	\$ 5,276	\$ 95,745
1992	27,447	12,746	23,897	15,020	4,199	83,309
1991	26,140	12,456	20,124	13,818	4,023	76,561
CAPITAL EXPENDITURES						
1993	\$ 37,891	\$ 20,450	\$ 41,209	\$ 9,078	\$ 6,968	\$ 115,596
1992	33,824	15,581	48,317	5,459	6,124	109,305
1991	25,516	12,705	40,656	9,735	1,945	90,557

Intersegment sales are recorded at a market-related transfer price.

*Interest income, interest expense and unallocated corporate expenses are excluded from the operating profits by segment and are shown under corporate. In addition, 1993 and 1991 corporate operating profit includes \$5,800 and \$8,525, respectively, for unusual items, as described in Note 3 to the financial statements.

Identifiable assets are those assets used by each segment in its operations. Corporate assets consist primarily of cash and cash equivalents, investments in affiliates, headquarters facility and prepaid expenses. Identifiable assets in the converted products segment more than doubled in 1993 as a result of the acquisitions. The decrease in 1993 in the international segment is due to dispositions and exchange rate changes.

See Note 4 regarding restructuring charges in 1992. These costs have been allocated to the appropriate segments.

CORPORATE OFFICES.
North Second Street
Hartsville, SC 29550
(803) 383-7000
Fax: (803) 339-6078

INDEPENDENT ACCOUNTANTS.
Coopers & Lybrand
NationsBank Corporate Center
100 North Tryon Street, Suite 3400
Charlotte, NC 28202

TRANSFER AGENT.
Wachovia Bank of North Carolina, N.A.
Corporate Trust Department
P.O. Box 3001
Winston-Salem, NC 27102

LEGAL COUNSEL
Sinkler & Boyd, P.A.
P.O. Box 11889
Columbia, SC 29211

SHAREHOLDER RELATIONS
Sonoco Products Company
Treasurer
P.O. Box 160
Hartsville, SC 29551
(803) 383-7277

CORPORATE COMMUNICATION.
Sonoco Products Company
Corporate Communication - A09
P.O. Box 160
Hartsville, SC 29551
(803) 383-7437

ANNUAL MEETING OF SONOCO
SHAREHOLDERS. The annual meeting of
shareholders will be held at the Center
Theater on Fifth Street in Hartsville, SC,
at 11 a.m., Wednesday, April 20, 1994.

COMMON STOCK. Sonoco Products
Company common stock is traded
on the national over-the-counter
securities market. NASDAQ Symbol:
SONO.

FORM 10-K AVAILABLE. A copy of
the Company's annual report filed with
the Securities and Exchange Commission
on Form 10-K may be obtained by
shareholders without charge after April
1, 1994, by writing to :
Sonoco Products Company
Treasurer
P.O. Box 160
Hartsville, SC 29551

DIVIDEND REINVESTMENT. A dividend
reinvestment plan is available to
registered Sonoco shareholders. For
more information write to:
Wachovia Bank of North Carolina, N.A.
Corporate Trust Department
P.O. Box 3001
Winston-Salem, NC 27102

DIRECT DEPOSIT OF DIVIDENDS.
Sonoco shareholders may request
automatic deposit of cash dividends
to checking, savings or money market
accounts that participate in the
Automatic Clearinghouse System. If you
would like this service, please contact:
Wachovia Bank of North Carolina, N.A.
Corporate Trust Department
P.O. Box 3001
Winston-Salem, NC 27102

SHARE ACCOUNT INFORMATION
Stockholders with inquiries concerning
their accounts may call Wachovia Bank

of North Carolina, N.A. on their toll-free line. The number is 1-800-633-4236.

DIVIDENDS DECLARED - COMMON
(millions \$)

(Graph)

MARKET VS. BOOK VALUE PER COMMON SHARE
(\$)

(Graph)

MARKET PRICE OF STOCK AT YEAR END
(\$)

(Graph)

Visual Aids Contained in Annual Report Pages Incorporated By Reference

Exhibit 13

Page Number	Chart or Picture Described
2	Graph reflecting net sales by operating segment for 5 years.
2	Picture of a wooden reel produced by Sonoco.
3	Graph reflecting identifiable assets by segment for 5 years.
3	Picture of a filter tube produced by Sonoco.
4	Graph reflecting operating income by segment for 5 years.
4	Picture of a SonoLoc(R) tube produced by Sonoco.
5	Picture of a dough can produced by Sonoco.
6	Graph reflecting capital spending by segment for 5 years.
6	Picture of a paper core produced by Sonoco.
19	Graph reflecting dividends declared on common stock for 5 years.
19	Graph reflecting market verses book value per common share for 10 years.
19	Graph reflecting market price of stock at year end for 5 years.
19	Picture of a toner cartridge produced by Sonoco.
19	Picture of a paper tube produced by Sonoco.

SONOCO PRODUCTS COMPANY AND CONSOLIDATED SUBSIDIARIES

EXHIBIT (21)

SUBSIDIARIES AND AFFILIATES OF THE REGISTRANT

- A. Subsidiaries of Sonoco Products Company, pursuant to Regulation S-K 601, as of December 31, 1993 are:
1. KMI Continental Fibre Drum, Inc., 100%-owned domestic subsidiary incorporated in the State of Delaware.
 - a. Sonoco Fibre Drum, Inc., 100%-owned domestic subsidiary, incorporated in the State of Delaware.
 2. Paper Stock Dealers, Inc., 100%-owned domestic subsidiary, incorporated in the State of North Carolina.
 3. Sonoco Plastic Drum, Inc., 100%-owned domestic subsidiary, incorporated in the State of Illinois.
 - a. Sonoco Plastic Drum Southwest Division, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Texas.
 - b. Sonoco Plastic Drum Southeast Division, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Kentucky.
 4. Southern Plug & Manufacturing Co. Inc., 100%-owned domestic subsidiary, incorporated in the State of Louisiana.
 - a. Pelican Plug, 100%-owned domestic subsidiary, incorporated in the State of Louisiana.
 - b. Boltz Manufacturing, 100%-owned domestic subsidiary, incorporated in the State of Louisiana.
 - c. Memphis Wood Products, 100%-owned domestic subsidiary, incorporated in the State of Tennessee.
 5. Grupo Sonoco, S.A. de C.V., 100%-owned Mexican subsidiary.
 - a. Sonoco de Mexico, S.A. de C.V., 100%-owned Mexican subsidiary.
 - b. Manufacturas Gargo, S.A. de C.V., 100%-owned Mexican subsidiary.
 - c. Fibro Tambor, S.A. de C.V., 100%-owned Mexican subsidiary.
 1. Direccion Ejecutiva, S.A. de C.V., 100%-owned Mexican subsidiary.
 - d. Especialidades Cilindricas de Carton, S.A. de C.V., 100%-owned Mexican subsidiary.
 - e. Inmobliaria Sonomex Direccion, S.A. de C.V., 100%-owned Mexican subsidiary.
 - f. Direccion Integral Industries, S.A., 100%-owned Mexican subsidiary.
 - g. Sonoco Envases, S.A. de C.V., a 100%-owned Mexican subsidiary.

SUBSIDIARIES AND AFFILIATES OF THE REGISTRANT, Continued

6. Inversiones Sm C.A., 45%-owned Venezuelan subsidiary, (45%-owned by Sonoco International).
 - a. Sonoco de Venezuela, C.A., 45%-owned Venezuelan subsidiary, (45% owned by Sonoco International).
 - b. A Manufacturas de Envases de Fibra, C.A., 45%-owned Venezuelan subsidiary (45%-owned by Sonoco International).
7. SPC Management, Inc., 100%-owned domestic subsidiary, incorporated in the State of Delaware.
 - a. SPC Capital Management, Inc., 100%-owned domestic subsidiary, incorporated in the State of Delaware.
 - b. SPC Resources, Inc., 100%-owned domestic subsidiary, incorporated in the State of Delaware.
8. Sonoco-Crellin, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Delaware.
 - a. Crellin International, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Delaware, holder of securities in:
 1. Crellin, Inc., a 100%-owned domestic subsidiary, incorporated in the State of New York.
 - a. Crellin Europe B.V., a 100%-owned Dutch subsidiary.
 1. Crellin B.V., 100%-owned Dutch subsidiary.
 2. Sebro Plastics, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Michigan.
 3. Injecto Mold, a 100%-owned domestic subsidiary, incorporated in the State of Illinois.
9. Engraph, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Delaware.
 - a. Engraph Puerto Rico, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Delaware.
 1. Ramallo Escribano & Co., a 50%-owned Puerto Rican partnership.
 - b. E L R, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Delaware.
 1. Screen Graphics, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Tennessee.
 2. Graphic Resources, Inc., a 100%-owned domestic subsidiary, incorporated in the State of Kentucky.
 - c. Polaris, Inc., a 100%-owned domestic subsidiary, incorporated in the State of New Jersey.
 - d. Engraph Mexico S.A. de C.V., a 100%-owned Mexican subsidiary.

SONOCO PRODUCTS COMPANY AND CONSOLIDATED SUBSIDIARIES

SUBSIDIARIES AND AFFILIATES OF THE REGISTRANT, Continued

10. Polysack A/S, Inc., a 100%-owned domestic subsidiary, incorporated in the State of South Carolina.
11. Sonoco International, Inc., 100%-owned domestic subsidiary, incorporated in the State of Delaware, holder of securities in:
 - a. Sonoco Containers, Inc., a 100%-owned Canadian subsidiary.
 - b. Sonoco Limited, 100%-owned Canadian subsidiary.
 1. Coretech Sonoco Holdings Limited, 50%-owned Canadian subsidiary.
 - a. Coretech Sonoco Limited, a 50%-owned Canadian subsidiary.
 - b. Roll Packaging Technology, Inc., 50%-owned Canadian subsidiary.
 2. Montreal Recycled Paperboard, 50%-owned Canadian subsidiary.
 3. Ontario Inc., a 50%-owned Canadian subsidiary.
 - a. Fibre Resource Recovery Corp, 50%-owned Canadian subsidiary.
 4. SW, Inc., a 60%-owned Canadian subsidiary.
 - a. Cascades Conversion Inc., a 30%-owned Canadian subsidiary.
 - c. Sonoco Colombiana, S.A., 100%-owned Colombian subsidiary.
 - d. Sonoco of Puerto Rico, Inc., 100%-owned domestic subsidiary, incorporated in the State of South Carolina.
 - e. Sonoco U.K. Ltd. Inc., 100%-owned subsidiary incorporated in the State of Delaware, holder of securities in:
 1. Sonoco Products Company U.K. Limited, 100%-owned U.K. subsidiary.
 - a. Sonoco Holdings Limited, 100%-owned English subsidiary. The subsidiaries and affiliate of Sonoco Holdings Limited include:
 1. Sonoco Board Mills, Ltd.
 2. Sonoco Limited (a U.K. corporation).

SUBSIDIARIES AND AFFILIATES OF THE REGISTRANT, Continued

3. Sonoco U.K. Leasing Limited.
 4. Sonoco Europe Limited (a U.K. corporation).
 5. Sonoco Polysack, Ltd. (a U.K. corporation).
 6. CMB Sonoco Composites Ltd., 51%-owned English subsidiary.
 - a. CMB Sonoco France, a 51%-owned French subsidiary.
 7. T.P.T. Board Mills Limited, 100%-owned U.K. subsidiary.
 8. T.P.T. Limited, 100%-owned U.K. subsidiary.
 9. Capseals Limited, 100%-owned U.K. subsidiary.
2. Sonoco Packaging, Ltd., 100%-owned U.K. subsidiary. Subsidiaries of Sonoco Packaging, Limited, all of which are 100%-owned U.K. companies, include:
- a. Sonoco Capseals Liners, Ltd.
 - b. Sonoco Packaging Tapes, Ltd.
 - c. Sonoco Reels.
 1. Unit Reels and Drums Limited.
 - d. Grove Paper Mill Limited.
 - e. Capseals Liners Limited.
 - f. Healthfield Reels Limited.
 - g. Nathaniel Lloyd & Co. Limited.
 - h. Cap Liners Limited.
- e. Sonoco Espana, S.A., 100%-owned Spanish subsidiary.
- f. Sonoco Nederland B.V., 99.8%-owned Dutch subsidiary.
- g. Sonoco Deutschland Holdings GmbH, 100%-owned German subsidiary.

SUBSIDIARIES AND AFFILIATES OF THE REGISTRANT, Continued

1. Sonoco Deutschland GmbH, 100%-owned German subsidiary.
2. Sonoco Plastics GmbH, 100%-owned German subsidiary.
3. Sonoco IPD GmbH, 100%-owned German subsidiary.
 - a. Sonoco MBS GmbH, 100%-owned German subsidiary.
 - b. OPV Oberrhein GmbH, 100%-owned German subsidiary.
 - c. Sonoco MBS GmbH and Company, 100%-owned German partnership.
 - d. OPV Textilhul GmbH, 100%-owned German partnership.
4. Caprex AG, 100%-owned Swiss subsidiary.
- h. Sonoco Norge A/S, 100%-owned Norwegian subsidiary.
- i. Sonoco Europe, S.A., 100%-owned Belgian subsidiary.
- j. Sonoco Australia Pty., Ltd., 100%-owned Australian subsidiary.
- k. Sonoco Singapore Pte., Ltd., 100%-owned Singapore subsidiary.
 - a. Sonoco Malaysia, SDN BHD, 70%-owned Malaysian subsidiary.
- l. Sonoco New Zealand Pty., Ltd., 100%-owned New Zealand subsidiary.
- m. Sonoco Asia, 70%-owned British Virgin Islands subsidiary.
 1. Sonoco Taiwan, 70%-owned Republic of China subsidiary.
 2. Sonoco Thailand, 49%-owned Thai subsidiary.
- n. Colombiana P.M., Inc., 100%-owned Delaware Corporation.
 1. Andina de Cartones Especiales, S.A., 100%-owned Colombian subsidiary.

SUBSIDIARIES AND AFFILIATES OF THE REGISTRANT, Continued

- o. Sonoco Societe en Nom Collectis, 100%-owned French partnership with the following subsidiaries and affiliate:
 - 1. Sonoco Holdings, 100%-owned French subsidiary.
 - a. Lhomme S.A., 100%-owned French subsidiary.
 - 1. Euro Core, 100%-owned Belgian subsidiary
 - 2. Sonoco Tubnor SA, 100%-owned French subsidiary.
 - 3. Papeteries Du Rhin, 47%-owned French affiliate.
 - 4. Pages, S.A., 100%-owned French subsidiary.
- p. Cascades-Sonoco, Inc., 30%-owned Canadian subsidiary.
- q. Sonoco Italia, 100%-owned Italian subsidiary.

B. Affiliate companies are:

- 1. Showa Products Company, Ltd., Japanese company 20%-owned by Sonoco Products Company. Showa's subsidiary and affiliate are:
 - a. Hiyoshimaru Shiko Company, Ltd., 55.6%-owned Japanese subsidiary.
 - b. Cosmos-Showa Products Company, Ltd., 33.2%-owned Republic of China affiliate.

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference into the registration statements of Sonoco Products Company on Form S-8 (filed September 1, 1981, September 5, 1985, June 3, 1988, November 27, 1989, February 5, 1992 and November 22, 1993) and Form S-3 (filed June 6, 1991, File No. 33-40538; filed October 4, 1993, File No. 33-50501; filed October 4, 1993, File No. 33-50503) of our report, which includes an explanatory paragraph indicating that the Company changed its method of accounting for postretirement benefits other than pensions and income taxes in 1992, dated January 28, 1994, on our audits of the consolidated financial statements and financial statement schedules of Sonoco Products Company as of December 31, 1993 and 1992, and for each of the three years in the period ended December 31, 1993, which report is included in this Annual Report on Form 10-K.

/s/ Coopers & Lybrand

COOPERS & LYBRAND

Charlotte, North Carolina
March 29, 1994

Arthur Andersen & Co.

CONSENT OF INDEPENDENT ACCOUNTANTS

As independent public accountants, we hereby consent to the use of our report dated June 28, 1993 related to our audit of the financial statements of the Engraph, Inc, Retirement Plus Plan for the year ended December 31, 1992 and to all references to our firm included in Form 11-K (an exhibit to Sonoco Products Company's Annual Report on Form 10-K).

/s/ Arthur Andersen & Co.

Arthur Andersen & Co.

Atlanta, Georgia
March 25, 1994

[LOGO]

SONOCO PRODUCTS COMPANY

POST OFFICE BOX 160
ONE NORTH SECOND STREET
HARTSVILLE, SOUTH CAROLINA 29551-0160 U.S.A.

March 18, 1994

TO OUR SHAREHOLDERS:

As a shareholder of Sonoco Products Company, you are cordially invited to attend the Annual Shareholders' Meeting to be held at the Center Theater, 212 North Fifth Street, Hartsville, South Carolina, 29550, on Wednesday, April 20, 1994, at 11:00 A.M.

The accompanying Notice of Meeting and Proxy Statement cover the details of matters to be presented at the meeting which consists of the election of directors, a proposal to amend the Restated Articles of Incorporation (including related amendments to the By-Laws) and the election of independent auditors.

A copy of the 1993 Annual Report, which reviews the Company's past year's events, is enclosed unless you have signed a statement indicating that you have access to another copy at your address.

Whether or not you plan to attend the meeting, you are urged to participate by completing and returning your proxy in the enclosed business reply envelope. If you later find you can be present or for any reason desire to revoke your proxy, you can do so at any time before the voting. Your vote is important and will be greatly appreciated.

/s/ Charles W. Coker

Charles W. Coker
Chairman and
Chief Executive Officer

SONOCO PRODUCTS COMPANY

POST OFFICE BOX 160
 ONE NORTH SECOND STREET
 HARTSVILLE, SOUTH CAROLINA 29551-0160

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TIME..... 11:00 A.M. on Wednesday, April 20, 1994.
 PLACE..... The Center Theater, 212 North Fifth Street, Hartsville, South
 Carolina, 29550.
 PURPOSES..... (1) To elect six members of the Board of Directors, five for
 the next three years and one for the next year to complete an
 unexpired term.
 (2) To act upon a proposal to amend the Restated Articles of
 Incorporation and the By-Laws to (a) delete the present
 fifteen person maximum number of directors the Company
 can have, (b) give directors the ability to set the size
 of the Board of Directors, as well as to create and fill
 vacancies on the Board of Directors, (c) require that
 nominations for directors to be elected at any Annual
 Meeting of Shareholders, other than incumbent directors,
 be made in writing at least sixty days prior to the
 Annual Meeting, and (d) recognize that the holders of the
 Company's \$2.25 Cumulative Convertible Preferred Stock
 have been given the right to elect two directors during
 any period in which payment of dividends on the Preferred
 Stock is in arrears, and make it clear that any such
 directors are in addition to the directors elected by the
 Common Shareholders.
 (3) To elect independent auditors.
 (4) To transact such other business as may properly come
 before the meeting or any adjournments thereof.
 RECORD DATE..... Holders of Common Stock of record at the close of business
 March 4, 1994, are entitled to vote at the meeting.
 ANNUAL REPORT..... The Annual Report of the Company for the year 1993 is
 enclosed unless you have signed a statement indicating that
 you have access to another copy at your address.

PROXY VOTING..... It is important that your shares be represented and voted at the meeting. Please MARK, SIGN, DATE, and RETURN PROMPTLY the enclosed proxy card in the envelope furnished. Any proxy so given can be revoked in the manner described in the accompanying Proxy Statement at any time prior to its exercise at the meeting.

James L. Coker, Secretary

March 18, 1994

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS OF
SONOCO PRODUCTS COMPANY
APRIL 20, 1994

GENERAL INFORMATION

The solicitation of the enclosed proxy is made by the Board of Directors of Sonoco Products Company, whose principal address is Post Office Box 160, One North Second Street, Hartsville, South Carolina, 29551-0160, for use at the Annual Meeting of Shareholders, to be held at 11:00 A.M. on Wednesday, April 20, 1994, and at any adjournments thereof.

Any shareholder who executes and delivers a proxy has the right to revoke it at any time before it is voted. The proxy can be revoked by giving notice of revocation at the Annual Meeting, or by delivery to the Secretary of the Company, Post Office Box 160, One North Second Street, Hartsville, South Carolina, 29551-0160, of an instrument which by its terms revokes the proxy, or by delivery to the Secretary of a duly executed proxy bearing a later date. Any shareholder who desires to do so can attend the meeting and vote in person in which case the proxy will not be used.

The Annual Report to shareholders, including financial statements for the year ended December 31, 1993, is enclosed unless you have signed a statement indicating that you have access to another copy at your address. The Annual Report, Proxy Statement and Proxy were first mailed to shareholders on or about March 18, 1994.

The expense of the solicitation of proxies will be borne by the Company. Solicitations will be made by the use of the mails and, if necessary, officers and regular employees of the Company can make solicitations of proxies by telephone or telefacsimile or by personal calls. It is contemplated that brokerage houses, nominees and fiduciaries will forward the proxy soliciting material to the beneficial owners of the stock held of record by such persons and that the Company will reimburse them for their charges and expenses in connection therewith.

The Company has authorized two classes of stock consisting of 150,000,000 authorized shares of no par value Common Stock, of which 86,861,963 shares are outstanding and 30,000,000 authorized shares of no par value Preferred Stock of which 3,450,000 shares of \$2.25 Cumulative Convertible Preferred Stock are outstanding. Each share of the Company's Common Stock will be entitled to one vote on each matter submitted at the Annual Meeting. Only shareholders of record of the Company's Common Stock at the close of business on March 4, 1994, will be entitled to vote at the meeting. The shareholders of the Company's \$2.25 Cumulative Convertible Preferred Stock, issued in November, 1993, will not be entitled to vote at the Annual Meeting.

A majority of the shares entitled to be voted at the Annual Meeting constitutes a quorum. If a share is represented for any purpose at the Annual Meeting by the presence of the registered owner or a person holding a valid proxy for the registered owner, it is deemed to be present for purposes of establishing a quorum. Therefore, valid proxies which are marked "Abstain" or "Withhold" and shares that are not voted, including

proxies submitted by brokers that are the record owners of shares (so-called "broker non-votes"), will be included in determining the number of votes present or represented at the Annual Meeting.

If a quorum is present at the meeting, directors will be elected by a plurality of the votes cast by shares present and entitled to vote at the meeting. Votes that are withheld or that are not voted in the election of directors will have no effect on the outcome of election of directors. Cumulative voting is not permitted.

Approval of the amendments to Article 9(a) of the Restated Articles of Incorporation and to Article III, Sections 1 and 2 of the By-Laws requires the affirmative vote of two-thirds of the outstanding shares. Accordingly, proxies marked "Abstain" and shares that are not voted will have the same effect as votes against the amendments.

Approval of the amendment to Article III, Section 5 of the By-Laws requires the affirmative vote of a majority of the outstanding shares. Accordingly, proxies marked "Abstain" and shares that are not voted will have the same effect as a vote against the amendment.

Shares represented by all properly executed proxies, delivered pursuant to this solicitation, will be voted at the Annual Meeting or any adjournments thereof. Where the proxy card specifies a choice with respect to any matters to be voted upon, the shares will be voted in accordance with the specifications so made. Where the proxy card does not specify a choice with respect to an item, the proxy will be voted FOR such item.

There is no person known by the management of the Company to own of record or beneficially more than 5% of the outstanding voting shares of the Company.

ELECTION OF DIRECTORS

At this Annual Meeting six directors are to be elected. Five shall hold office for the next three years, their terms expiring at the Annual Shareholders' Meeting in 1997, and one shall hold office for the next year, his term expiring at the Annual Shareholders' Meeting in 1995, or until their successors are duly elected and qualified. It is the intention that the persons named on the enclosed form of proxy will vote such proxy FOR the election of the six persons named herein (or if any of the persons nominated is unexpectedly unavailable, for such substitutions as the Board of Directors may designate) unless authority is withheld for all or any of the nominees. Proxies will not be voted for a greater number of persons than the number of nominees named. Each nominee has been recommended for election by the Board of Directors.

INFORMATION CONCERNING NOMINEES

NOMINEES TO BE ELECTED FOR THREE-YEAR TERMS:

NAME, AGE, PRINCIPAL OCCUPATION FOR LAST FIVE YEARS AND DIRECTORSHIPS IN PUBLIC CORPORATIONS	SERVED AS A DIRECTOR SINCE
----- - ----- *C. W. COKER (60). Mr. Coker is Chairman and Chief - ----- Executive Officer of the Company, a position held since - ----- 1990. He was President of the Company from 1970 to 1990. - ----- He is a director of NationsBank Corporation, Springs - ----- Industries, Inc., Sara Lee Corporation and Carolina Power - ----- and Light Company. - ----- - -----	1962
----- - ----- A. T. DICKSON (62). Mr. Dickson is President and Director - ----- of Ruddick Corporation (a diversified holding company), - ----- Charlotte, North Carolina, a position held since 1968. He - ----- is a director of Lance, Inc., NationsBank Corporation, - ----- Royal Group, Inc. and Bassett Furniture Industries, Inc. - ----- - -----	1981

* C. W. Coker and F. L. H. Coker are brothers and are first cousins of J. L. Coker.

NAME, AGE, PRINCIPAL OCCUPATION FOR LAST FIVE YEARS AND DIRECTORSHIPS IN PUBLIC CORPORATIONS	SERVED AS A DIRECTOR SINCE
----- R. E. ELBERSON (65). Mr. Elbersen is a retired executive and director of Sara Lee Corporation (manufacturer and marketer of consumer products), Chicago, Illinois. He served as Vice Chairman of Sara Lee Corporation from 1986 to 1989 and as President and Chief Operating Officer from 1983 to 1986. Mr. Elbersen is a director of W. W. Grainger, Inc. -----	1985
----- J. C. FORT (67). Mr. Fort is President and Director of Trust Company of South Carolina, Inc. (insurance brokers), Hartsville, South Carolina. Until his retirement from the Company in 1987, Mr. Fort served as Senior Vice President, a position held since 1986. He served as Senior Vice President -- International Group from 1983 to 1986. -----	1969
----- R. C. KING, JR. (59). Mr. King is President and Chief Operating Officer of the Company, a position held since 1990. He was Senior Vice President from 1987 to 1990. Mr. King is a director of United Dominion Industries. -----	1991

NOMINEE TO BE ELECTED FOR ONE-YEAR TERM:

NAME, AGE, PRINCIPAL OCCUPATION FOR LAST FIVE YEARS AND DIRECTORSHIPS IN PUBLIC CORPORATIONS	SERVED AS A DIRECTOR SINCE
<p>----- LEO BENATAR (63). Mr. Benatar is Senior Vice President of the Company, a position held since 1993, and Chairman and Chief Executive Officer of Engraph, Inc. (printer and fabricator of roll labels, decals, specialty paperboard items and flexible packaging), Atlanta, Georgia, a position held since 1981. Engraph, Inc. became a wholly owned subsidiary of the Company as a result of a merger of the two companies on October 21, 1993. He was President of Mead Packaging, a division of the Mead Corporation, from 1972 to 1981. Mr. Benatar is a director of Interstate Bakeries Corporation, Mohawk Industries, Inc. and Riverwood International Corporation, and is Deputy Chairman of the Federal Reserve Bank of Atlanta.</p>	1993

All nominees previously have been elected to the Board of Directors by the Common Shareholders, except Mr. Benatar, who was elected by the Board of Directors at their October 20, 1993, meeting to fill the vacancy on the Board created by the resignation on February 3, 1993, of Mr. P. J. Rizzo. Mr. Benatar is recommended by the Nominating Committee of the Board of Directors for election by the Common Shareholders to fill the unexpired term of Mr. Rizzo, which will expire at the Annual Meeting of Shareholders in 1995.

The Nominating Committee recommends to the Board of Directors nominees to fill vacancies on the Board as they occur and recommends candidates for election as directors at Annual Meetings of Shareholders. The committee will consider persons recommended to be nominees by shareholders upon submission in writing to the Nominating Committee of the Company of the names of such persons, together with their qualifications for service and evidence of their willingness to serve. If the amendment to Article 9(a) of the Company's Restated Articles of Incorporation is adopted at the Annual Meeting, nominations for any person who is not then a director of the Company, whether made by the Nominating Committee or any shareholder, will be required to be submitted to the Secretary not less than sixty days prior to the Annual Meeting for which such nominations are made.

INFORMATION CONCERNING DIRECTORS WHOSE TERMS WILL CONTINUE:

Members of the Board of Directors whose terms of office will continue until the Annual Shareholders' Meeting in 1995 are:

NAME, AGE, PRINCIPAL OCCUPATION FOR LAST FIVE YEARS AND DIRECTORSHIPS IN PUBLIC CORPORATIONS	SERVED AS A DIRECTOR SINCE
<p>-----</p> <p>*F. L. H. COKER (58). Mr. Coker is retired. He was President and Director of Sea Corporation of Myrtle Beach, Inc. (private investments), Myrtle Beach, South Carolina, from 1983 to 1989. Until his retirement from the Company in 1979, Mr. Coker was Senior Vice President, a position held since 1976.</p> <p>-----</p>	1964
<p>-----</p> <p>T. C. COXE, III (63). Mr. Coxe is Senior Executive Vice President of the Company, a position held since 1993. He was Executive Vice President from 1985 to 1993. He is a director of South Carolina National Corporation and The South Carolina National Bank.</p> <p>-----</p>	1982
<p>-----</p> <p>E. H. LAWTON, JR. (64). Mr. Lawton is President and Director of Hartsville Oil Mill (vegetable oils processor), Darlington, South Carolina, a position held since 1962. He is a director of NationsBank of South Carolina, N.A.</p> <p>-----</p>	1968

* C. W. Coker and F. L. H. Coker are brothers and are first cousins of J. L. Coker.

NAME, AGE, PRINCIPAL OCCUPATION FOR LAST FIVE YEARS AND DIRECTORSHIPS IN PUBLIC CORPORATIONS	SERVED AS A DIRECTOR SINCE
E. C. WALL, JR. (56). Mr. Wall is President and Director of Canal Industries (forest products), Conway, South Carolina, a position held since 1969. He is a director of Ruddick Corporation, SCANA Corporation and Blue Cross-Blue Shield of South Carolina.	1976

Members of the Board of Directors whose terms of office will continue until the Annual Shareholders' Meeting in 1996 are:

NAME, AGE, PRINCIPAL OCCUPATION FOR LAST FIVE YEARS AND DIRECTORSHIPS IN PUBLIC CORPORATIONS	SERVED AS A DIRECTOR SINCE
C. J. BRADSHAW (57). Mr. Bradshaw is President and Director of Bradshaw Investments, Inc. (private investments), Georgetown, South Carolina, a position held since 1986. He served as President and Chief Operating Officer of Transworld Corporation, New York, New York, from 1984 to 1986 and Chairman of the Board and Chief Executive Officer of Spartan Food Systems, Inc., Spartanburg, South Carolina, from 1961 to 1986. Mr. Bradshaw is a director of South Carolina National Corporation and The South Carolina National Bank.	1986
R. J. BROWN (59). Mr. Brown is Founder, Chairman and Chief Executive Officer of B&C Associates, Inc. (a management consulting, marketing research and public relations firm), High Point, North Carolina, a position held since 1973. He is a director of First Union Corporation and Pacific Financial Group.	1993

NAME, AGE, PRINCIPAL OCCUPATION FOR LAST FIVE YEARS AND DIRECTORSHIPS IN PUBLIC CORPORATIONS	SERVED AS A DIRECTOR SINCE
<p>*J. L. COKER (53). Mr. Coker is Secretary of the Company, a position held since 1969. He is President of JLC Enterprises (private investments), Stonington, Connecticut, a position held since 1979. He was President of Sonoco Limited, Canada, from 1972 to 1979.</p>	1969
<p>PAUL FULTON (59). Mr. Fulton is Dean of The Kenan-Flagler Business School, The University of North Carolina, Chapel Hill, North Carolina, a position he assumed on January 1, 1994. He was President of Sara Lee Corporation (manufacturer and marketer of consumer products), Chicago, Illinois, from 1988 through 1993. He served as Executive Vice President from 1987 to 1988 and as Senior Vice President of Sara Lee Corporation and President of the Hanes Group of Sara Lee Corporation from 1981 to 1986. Mr. Fulton is a director of NationsBank Corporation and Bassett Furniture Industries Inc.</p>	1989
<p>H. L. MCCOLL, JR. (58). Mr. McColl is Chairman of the Board and Chief Executive Officer and Director of NationsBank Corporation, Charlotte, North Carolina, and Chief Executive Officer of each of its subsidiary banks. He served as Chairman of the Board of NationsBank Corporation (formerly NCNB Corporation) from 1983 until December 31, 1991, and was reappointed Chairman on December 31, 1992. He is a director of CSX Corporation, Ruddick Corporation, Jefferson-Pilot Corporation and Jefferson-Pilot Life Insurance Company.</p>	1972

* C. W. Coker and F. L. H. Coker are brothers and are first cousins of J. L. Coker.

BOARD COMMITTEES

During 1993 the Board of Directors held four regularly scheduled meetings and three special meetings to review significant developments affecting the Company and to act on matters requiring Board approval. To assist it in the discharge of its responsibilities, the Board has established four committees:

COMMITTEE NAME	PURPOSE	CURRENT MEMBERS	NUMBER OF 1993 MEETINGS
Audit Committee	Responsible for the scope of both internal and external audit programs in order to fully protect assets of the Company.	E. C. Wall, Jr. -- Chairman R. J. Brown F. L. H. Coker J. L. Coker A. T. Dickson J. C. Fort	2
Executive Compensation Committee	Responsible for establishing and maintaining officer-level salaries and administering executive compensation plans.	A. T. Dickson -- Chairman C. J. Bradshaw R. E. Elberson Paul Fulton E. C. Wall, Jr.	4
Nominating Committee	Responsible for recommending to the directors qualified candidates to fill vacancies on the Board.	F. L. H. Coker -- Chairman R. E. Elberson J. C. Fort E. H. Lawton, Jr. H. L. McColl, Jr.	2
Finance Committee	Responsible for evaluating the Company's financial status, advising corporate management and the full Board on financial matters, and reviewing the Company's long-term financial requirements and plans.	H. L. McColl, Jr. -- Chairman C. J. Bradshaw R. J. Brown J. L. Coker Paul Fulton E. H. Lawton, Jr.	3

All directors attended 75% or more of the aggregate number of meetings of the Board and committees.

SECURITY OWNERSHIP OF MANAGEMENT AS OF DECEMBER 31, 1993

NAME	POSITION	COMMON STOCK BENEFICIALLY OWNED	
		NUMBER (1)	PERCENTAGE (2)
Leo Benatar	Senior Vice President and Director	135,606	
C. J. Bradshaw	Director	20,846	
R. J. Brown	Director	400	
F. L. H. Coker	Director	1,148,565	1.3
J. L. Coker	Secretary and Director	142,801	
A. T. Dickson	Director	59,616	
R. E. Elberson	Director	17,000	
J. C. Fort	Director	1,154,911	1.3
Paul Fulton	Director	5,400	
E. H. Lawton, Jr.	Director	712,899	
H. L. McColl, Jr.	Director	15,432	
E. C. Wall, Jr.	Director	81,610	
C. W. Coker	Chairman & Chief Executive Officer and Director	1,375,504	1.6
R. C. King, Jr.	President & Chief Operating Officer and Director	252,514	
T. C. Coxe, III	Senior Executive Vice President and Director	296,393	
H. E. DeLoach, Jr.	Group Vice President	1,753,956(3)	2.0
H. J. Moran	Group Vice President	124,403	
All Executive Officers and Directors (26 persons)		8,243,527(4)	9.4

- - - - -

(1) Shareholdings represent the number of shares beneficially owned directly or indirectly by each named director and executive officer as of December 31, 1993. The number includes shares subject to currently exercisable options granted by the Company under the 1983 Key Employee Stock Option Plan and the 1991 Key Employee Stock Plan for the following directors and named executive officers: C. W. Coker -- 345,500, R. C. King, Jr. -- 184,550, T. C. Coxe, III -- 78,940, H. E. DeLoach, Jr. -- 71,600, H. J. Moran -- 106,800, and Leo Benatar -- 111,232.

Also included are shares held in the Company's Dividend Reinvestment Plan (6,616), the Employee Savings and Stock Ownership Plan (42,533), and share equivalents in deferred compensation plans (16,174).

(2) Percentages not shown are less than 1%.

(3) Includes 1,584,778 shares of Common Stock owned by an estate for which Mr. DeLoach is executor. Mr. DeLoach disclaims beneficial ownership of such shares.

(4) Includes 1,687,442 shares of Common Stock which the executive officers have a right to acquire pursuant to options granted by the Company.

EXECUTIVE COMPENSATION COMMITTEE'S REPORT TO SHAREHOLDERS

The Executive Compensation Committee of the Board of Directors (the "Committee") is responsible for setting the remuneration levels for executives of the Company. It also oversees the Company's various executive compensation plans, as well as the overall management compensation program. The Committee periodically evaluates the Company's executive compensation program in terms of appropriateness, including competitive positioning relative to other companies' practices. The Committee obtains independent and impartial advice from external compensation consulting firms in order to maintain objectivity in executing its responsibilities. The Committee met four times during 1993, and had met once in 1994 as of the printing of this report.

PHILOSOPHY

The executive compensation program has been designed to attract, motivate, reward, and retain senior management by providing competitive total compensation opportunities based on performance, teamwork, and the creation of shareholder value. It is a basic program consisting of salary, annual cash bonus awards, annual stock option awards, perquisites, and employee benefits.

In order to determine competitive compensation levels, the Company participates in a number of surveys conducted by independent consulting firms, and from time to time contracts with these firms to perform customized studies of companies in our industry groups and/or with companies showing similar long-term financial performance results. In these surveys executive compensation levels are developed by looking at large numbers of similar positions across American industry. The results reflect adjustments based upon Company revenues. Companies in the Dow Jones Containers and Packaging Group also are included, as available, among the companies whose survey data is used in our studies. This group, which includes the Company, was used in the five year shareholder return performance graph that appears on Page 20.

The total compensation package for executives is structured to be competitive with the median total pay practices for executives of other large corporations. The base salary ranges are targeted to be at the median of surveyed market rates. Incentive compensation, consisting of the annual cash bonus plan and the annual stock option awards, is targeted to provide median market compensation for expected Company performance, and is leveraged upward to motivate and reward executives for exceptional performance. Executive perquisites are limited and provide a lower benefit than the market median. The benefits program for executives provides an overall level that is slightly higher than the market median. This benefits program, in particular the retirement and life insurance plans, is designed to enhance retention of executives until normal retirement age.

Following is a discussion of the elements of the executive compensation program, along with a description of the decisions and actions taken by the Committee with regard to 1993 compensation. Also included is a specific discussion of the decisions regarding Mr. Coker's compensation for performing the duties of Chairman and Chief Executive Officer ("CEO"). The tables and accompanying narrative and footnotes which follow this report reflect the decisions covered by the discussions below.

SALARY

The Company's salary ranges and resulting salaries are based on a relative valuing of the duties and responsibilities of each position, as well as the annual revenues of the Company or applicable business unit. The Company reviews the base salaries of all salaried employees on an annual basis. Merit salary increases are awarded from a table which considers each individual's performance rating and position in his or her salary range. The Committee used the identical process and table to determine salary adjustments for each of the executive officers, including Mr. Coker, whose most recent increase was effective June 1, 1993.

ANNUAL BONUS AWARDS

The Company has a bonus plan which for 1993 provided for cash incentive opportunities based upon achievement of pre-determined annual financial performance goals, as well as attainment of key individual strategic and operational objectives. The purpose of this plan was to link a significant portion of executive pay to both the Company's operating performance for the year and critical issues affecting the long-term health of the Company.

Financial performance goals were weighted from 80% to 86% of the total bonus opportunity. For executives with total corporate responsibility, the plan's financial goals were based on corporate earnings per share from ongoing operations. For executives with business unit responsibility, one half of the bonus opportunity available for financial performance was based on corporate earnings per share and the remainder was based on business unit profit before interest and taxes. Consistent with prior years, unusual non-recurring items, such as gains resulting from the sale of businesses and restructuring charges, were excluded in determining operating performance.

The key strategic and operational objectives for 1993, which were weighted from 14% to 20% of the total bonus opportunity, varied by individual and were in areas such as employee safety, customer satisfaction, business development, strategic acquisitions, technology innovation, management succession and employee development, process improvement, total quality management, and environmental protection.

On February 2, 1994, the Committee reviewed and approved the 1993 annual bonus awards for executive officers. Initial bonus amounts were assigned to each executive officer based on the scoring of financial goal attainment and subjective evaluations of how well the personalized objectives were met. In some cases the Committee used additional discretion based on its assessment of individual performance and internal equity in the determination of final bonus amounts. Mr. Coker's earned award under the plan reflected both the Company's financial performance, based on earnings per share from ongoing operations in accordance with the predetermined bonus plan formula, and the Committee's assessment of how well he met his key strategic and operational objectives for the year.

STOCK OPTIONS

In 1993 Mr. Coker, the executive officers, and other key management employees received options to purchase shares of Common Stock under a plan which previously had been approved by the Company's shareholders. The price of these options was set at the prevailing market price on the date the options were awarded. Accordingly, these options will be valuable to the recipients only if the market price of the

Company's stock increases. The size of each option award, including Mr. Coker's, in conjunction with annual cash bonus opportunity, reflects median competitive incentive compensation opportunities as reported by independent consulting firms.

OTHER

On October 21, 1993, Engraph, Inc., a publicly traded company, merged with the Company. In conjunction with this merger, the Company assumed all outstanding Engraph, Inc. stock options for sixty-five additional individuals, one of whom became an executive officer of the Company. As a part of this assumption, these option holders were awarded rights that would preserve their gains in Engraph, Inc. options on the merger date.

Beginning in 1994, tax law changes restrict a publicly traded company's right to deduct certain types of compensation payments to the CEO or to any of the four other named executives for amounts in excess of one million dollars. The Company previously adopted a deferred compensation plan and shareholders have approved a stock option program which, under present tax laws and regulations, affords the Company sufficient opportunity to ensure complete tax deductability of all applicable compensation payments.

Tax law changes further limit the amounts that the Company can award to employees participating in the Employee Savings and Stock Ownership Plan, and reduce the amount of retirement income that executives can receive from tax-qualified retirement plans. As a result of that legislation, the Company adopted a non-qualified benefits restoration plan to keep employees whole with respect to benefits now limited by tax law under the Company's qualified employee benefit plans.

A. T. Dickson, Chairman C. J. Bradshaw R. E. Elberson J. C. Fort
P. Fulton E. C. Wall, Jr.

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION (1)		LONG-TERM COMPENSATION AWARDS	ALL OTHER COMPENSATION (3)
		SALARY	BONUS	NUMBER OF OPTIONS (2)	
C. W. Coker	1993	\$575,834	\$451,567	62,000	\$ 184,233
Chairman and Chief Executive Officer	1992	541,831	460,556	80,000	178,813
R. C. King, Jr.	1993	431,157	298,696	40,600	76,592
President and Chief Operating Officer	1992	401,581	356,848	60,000	86,856
T. C. Coxe, III	1993	316,668	200,999	26,600	48,975
Senior Executive Vice President and Executive Vice President	1992	297,759	211,409	36,000	47,059
H. E. DeLoach, Jr.	1993	220,351	172,690	12,600	25,398
Group Vice President and Vice President - Film, Plastics and Special Products	1992	206,460	110,487	16,000	22,010
H. J. Moran	1993	209,411	140,724	12,600	27,731
Group Vice President and Vice President - Consumer Products	1992	192,304	125,000	16,000	25,812
	1991	180,166	90,444	13,000	49,838

(1) None of the executive officers received perquisites or personal benefits which totaled the lesser of \$50,000 or 10% of their respective salary plus bonus payments.

(2) All amounts reflect a two-for-one stock split effective June 10, 1993.

(3) All other compensation for 1993 consisted of the following:

NAME	SPLIT-DOLLAR LIFE INSURANCE	ABOVE MARKET DEFERRED COMPENSATION ACCRUALS	COMPANY CONTRIBUTIONS AND ACCRUALS TO DEFINED CONTRIBUTION RETIREMENT PLANS (2)
C. W. Coker	\$141,020 (1)	\$33,213	\$ 10,000
R. C. King, Jr.	46,696	19,896	10,000
T. C. Coxe, III	14,506	24,469	10,000
H. E. DeLoach, Jr.	6,518	8,955	9,925
H. J. Moran	17,731	-0-	10,000

(1) Includes additional insurance which was purchased for Mr. Coker in exchange for cancellation of previously-granted stock options that had a market price gain of \$497,875 at the time of the transaction.

(2) Comprised of contributions to the Company's Employee Savings and Stock Ownership Plan (ESSOP) and accruals to individual accounts in the Company's non-qualified benefits restoration plan, as described on Page 15, in order to keep employees whole with respect to certain ESSOP benefits that were limited by tax law.

OPTION EXERCISES AND YEAR-END VALUES TABLE
AGGREGATED OPTION EXERCISES IN 1993 AND 1993 YEAR END VALUES

NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS EXERCISED	VALUE REALIZED (1)	NUMBER OF SHARES UNDERLYING UNEXERCISED OPTIONS AS OF DECEMBER 31, 1993 (2)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AS OF DECEMBER 31, 1993 (3)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
C. W. Coker	-0-	\$ -0-	283,500	62,000	\$ 1,410,188	\$ -0-
R. C. King, Jr.	-0-	-0-	143,950	40,600	775,516	-0-
T. C. Coxe, III	36,000	108,000	52,340	26,600	735,386	-0-
H. E. DeLoach, Jr.	11,000	88,000	59,000	12,600	258,875	-0-
H. J. Moran	16,000	280,750	94,200	12,600	720,600	-0-

(1) The difference between the exercise price paid and the value of the acquired shares based on the closing price of the Company's stock on the exercise date.

(2) Reflects a two-for-one stock split effective June 10, 1993.

(3) Based on \$22.00 per share, the December 31, 1993, closing price.

OPTION GRANTS TABLE
1993 STOCK OPTION GRANTS

INDIVIDUAL GRANTS					POTENTIAL REALIZABLE VALUE AND RESULTING COMPANY STOCK PRICE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR 10 YEAR OPTION TERM(2)	
NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED(1)	% OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN 1993	EXERCISE PRICE (PER SHARE)	EXPIRATION DATE	5% (\$39.297)	10% (\$62.574)
C. W. Coker	62,000	6.5	\$24.125	2/3/2003	\$ 940,664	\$ 2,383,838
R. C. King, Jr.	40,600	4.2	24.125	2/3/2003	615,983	1,561,029
T. C. Coxe, III	26,600	2.8	24.125	2/3/2003	403,575	1,022,743
H. E. DeLoach, Jr.	12,600	1.3	24.125	2/3/2003	191,167	484,457
H. J. Moran	12,600	1.3	24.125	2/3/2003	191,167	484,457
Comparable gain in shareholder value for the 87,167,880 shares outstanding as of February 3, 1993, the grant date.					1,322,511,075	3,351,517,818

(1) These options were granted on February 3, 1993, at the closing market price, became exercisable on February 3, 1994, and were granted for a period of ten years, subject to earlier expiration in certain events related to termination of employment. The exercise price and tax obligations can be paid by cash or the delivery of previously-owned shares. Tax obligations also can be paid by an offset of the underlying shares.

(2) The amounts in these columns are the result of calculations set by the Securities and Exchange Commission and are based on hypothetical 5% and 10% stock price appreciation over ten years. They are not intended to forecast possible future appreciation, if any, of the price of the Company's stock.

All amounts have been adjusted to reflect a two-for-one stock split effective June 10, 1993.

PENSION TABLE

Executive officers participate in a non-contributory defined benefit program which provides for a maximum annual lifetime retirement benefit equal to 60% of final average compensation computed as a straight life annuity based on the highest three of the last seven calendar years. In order to receive the full benefit, the executive must have at least fifteen years of applicable service and retire no earlier than age sixty-five. Qualified spouses receive survivor benefits at a rate of 75% of the benefit paid to the executives. The total benefit provided by the Company is offset by 100% of primary U.S. Social Security.

FINAL AVERAGE COMPENSATION (1)	AGE 65 RETIREMENT YEARS OF SERVICE					
	10	15	20	25	30	35+
\$ 300,000	\$120,000	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
400,000	160,000	240,000	240,000	240,000	240,000	240,000
500,000	200,000	300,000	300,000	300,000	300,000	300,000
600,000	240,000	360,000	360,000	360,000	360,000	360,000
700,000	280,000	420,000	420,000	420,000	420,000	420,000
800,000	320,000	480,000	480,000	480,000	480,000	480,000
900,000	360,000	540,000	540,000	540,000	540,000	540,000
1,000,000	400,000	600,000	600,000	600,000	600,000	600,000
1,100,000	440,000	660,000	660,000	660,000	660,000	660,000
1,200,000	480,000	720,000	720,000	720,000	720,000	720,000
1,300,000	520,000	780,000	780,000	780,000	780,000	780,000

(1) Covered final average compensation includes salary, bonus, and cash awards from the Company's former long-term incentive plan. Age, years of service, and final average compensation, if computed as of December 31, 1993, for the named officers are as follows:

NAME	AGE	YEARS OF SERVICE	FINAL AVERAGE COMPENSATION
C. W. Coker	60	36	\$919,612
R. C. King, Jr.	59	37	632,365
T. C. Coxe, III	63	41	498,580
H. E. DeLoach, Jr.	49	8	325,531
H. J. Moran	61	11	296,436

COMPARATIVE COMPANY PERFORMANCE

The following line graph compares cumulative total shareholder return for the Company with the S&P 500 Stock Index, and a recognized industry index, the Dow Jones Containers and Packaging Group (which includes the Company), from December 31, 1988, through December 31, 1993.

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN (*)
 AMONG SONOCO PRODUCTS COMPANY, THE S&P 500 STOCK INDEX,
 AND THE DOW JONES CONTAINERS & PACKAGING GROUP (**)

MEASUREMENT PERIOD (FISCAL YEAR COVERED)	S&P 500 STOCK INDEX	DOW JONES CONTAINERS & PACKAGING GROUP	SONOCO PROD- UCTS COMPANY
1988	100	100	100
1989	132	108	111
1990	127	93	100
1991	166	146	109
1992	179	160	154
1993	197	153	145

ASSUMES \$100 INVESTED ON DECEMBER 31, 1988, IN SONOCO PRODUCTS COMPANY COMMON STOCK, THE S&P 500 STOCK INDEX, AND THE DOW JONES CONTAINERS & PACKAGING GROUP.

* TOTAL RETURN ASSUMES REINVESTMENT OF DIVIDENDS

** FISCAL YEAR ENDING DECEMBER 31

DIRECTOR'S COMPENSATION

Employee directors receive no additional compensation for their services as members of the Board of Directors. Effective July 1, 1992, non-employee directors were paid an \$8,500 quarterly retainer fee and a \$1,000 attendance fee for special meetings. On July 1, 1993, the quarterly retainer fee was increased to \$9,000.

Directors are able to defer part or all of their fees. Directors can choose to earn market rate interest credits on their deferrals or have their deferrals treated as if invested in equivalent units of Sonoco Products Company Common Stock. In the latter account they earn dividend equivalent credits which are reinvested in stock equivalent units. The directors can choose a fixed period, commencing the January following termination from the Board of Directors, over which the account balances will be paid in annual installments.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Messrs. A. T. Dickson, C. J. Bradshaw, R. E. Elbersson, and E. C. Wall, Jr. served on the Company's Executive Compensation Committee during the year ended December 31, 1993. Mr. J. C. Fort, a former employee of the Company, who served as Senior Vice President -- International Group from 1983 to 1986, and Senior Vice President from 1986 until his retirement in 1987, resigned from the Executive Compensation Committee on October 20, 1993, prior to the meeting of the committee on that date. Mr. Paul Fulton was appointed to the committee on January 1, 1994.

Mr. A. T. Dickson and Mr. Paul Fulton, directors of NationsBank Corporation, and Mr. C. J. Bradshaw, a director of The South Carolina National Bank and South Carolina National Corporation, are members of the Executive Compensation Committee. On October 8, 1987, the Company entered into a seven-year \$50,000,000 interest rate swap agreement with NCNB National Bank, now NationsBank of North Carolina, N.A., to exchange a floating interest rate payment for a fixed rate payment. On October 1, 1993, NationsBank of North Carolina, N.A., also extended to the Company, as a backstop facility for its commercial paper program and general corporate purposes, a five-year committed line of credit for \$75,000,000. The South Carolina National Bank has extended a similar line for \$65,000,000. These committed lines of credit from NationsBank of North Carolina, N.A., and The South Carolina National Bank have been in place since 1987 and have been renewed and increased or decreased according to the Company's needs. Additionally, NationsBank of North Carolina, N.A., has extended other lines of credit to the Company as support for letters of credit, overdrafts and other corporate needs. NationsBank of North Carolina, N.A., also provides treasury management services to the Company and investment management services through its trust department. The Company pays fees to NationsBank of North Carolina, N.A., for these services and for the availability of the lines of credit, as well as interest on borrowed funds. All transactions were handled on a competitive basis. Management is convinced that the rates and provisions were as favorable to the Company as otherwise could have been obtained.

Mr. H. L. McColl, Jr., an executive officer of NationsBank Corporation, is a member of the Company's Board but is not a member of the Company's Executive Compensation Committee. Mr. C. W. Coker, Chairman and Chief Executive Officer of the Company, is a member of NationsBank Corporation's Compensation Committee.

TRANSACTIONS WITH MANAGEMENT

Mr. H. L. McColl, Jr. is Chairman, Chief Executive Officer and Director of NationsBank Corporation. Mr. C. W. Coker, Mr. A. T. Dickson and Mr. Paul Fulton are directors of NationsBank Corporation. Mr. C.J. Bradshaw and Mr. T. C. Coxe, III are directors of The South Carolina National Bank and South Carolina National Corporation. See the "Compensation Committee Interlocks and Insider Participation" section above.

During 1993 the Company purchased lumber from a company of which Mr. E. C. Wall, Jr., a director of the Company, is Chairman of the Board and more than a 10% beneficial owner. The aggregate purchase price of the lumber was \$837,293. The Company also purchased timber during the year from a trust of which Mr. T. C. Coxe, III, a director and executive officer of the Company, is trustee and more than a 10% beneficial owner. The aggregate purchase price of the timber was approximately \$282,000. Management of the Company believes the prices and terms were comparable to those the Company could have obtained from unaffiliated third parties.

AMENDMENTS TO THE RESTATED ARTICLES OF INCORPORATION AND THE BY-LAWS

The Board of Directors recommends to the shareholders of the Company the approval of certain amendments to the Company's Restated Articles of Incorporation and the By-Laws. The amendments would delete the present fifteen person maximum number of directors the Company can have, would give the directors the ability to set the size of the Board of Directors, as well as to create and fill vacancies on the Board of Directors, and would require that nominations for directors to be elected at any Annual Meeting of Shareholders, other than incumbent directors, be made in writing at least sixty days prior to the Annual Meeting.

The proposed amendments also recognize that the holders of the Company's \$2.25 Cumulative Convertible Preferred Stock have been given the right to elect two directors during any period in which payment of dividends on the Preferred Stock is in arrears and make it clear that any such directors are in addition to the directors elected by the Common Shareholders.

Although the proposed amendments would give the Board of Directors the ability to change the size of the Board, under South Carolina corporate law, the directors are prohibited from increasing or decreasing by more than 30% the number of directors last approved by the shareholders; only the shareholders can approve a greater increase or decrease. Furthermore, any persons elected by the Board to fill vacancies on the Board of Directors, whether such vacancies arise by reason of resignation, death, increase in number of directors, or otherwise, can serve only until the next Annual Meeting of Shareholders.

The proposed amendments relating to size of the Board of Directors and giving directors the ability to fill vacancies between Annual Meetings are intended to give the Board greater flexibility in controlling its size. For example, it is often an important negotiating point in an acquisition to be able to offer associates of the target company one or more Board seats. The additional flexibility also would give the directors the ability to add persons who offer special talents to the Board or who are able to add other dimensions to the Board. To be able to offer seats, however, the seats must be available. The current Restated Articles of Incorporation and

the By-Laws fix the maximum number of directors at fifteen and do not give the Board the ability to increase the number of directors by creating and filling a vacancy. Similarly, vacancies can occur from time to time which do not need to be filled. The proposed amendments would allow the Board to reduce its size rather than fill a vacancy.

The proposed amendment relating to advance notice of nominations to the Board is intended to provide for an orderly nomination process and to give the Board time to determine the credentials of nominees and to take a position with respect thereto.

The proposed amendments may have the impact of making a change in control of the Company somewhat more difficult to effect, but the increased difficulty is most likely to relate primarily to timing and not to the ultimate ability to effect a change in the composition of the Board.

The full text of the proposed amendments to the Restated Articles of Incorporation and the By-Laws is set forth below.

The Restated Articles of Incorporation of Sonoco Products Company are to be amended by replacing Article 9(a) thereof with the following language:

(a) Board of Directors. Notwithstanding anything in Item 7 of the Restated Articles of Incorporation, the number of directors of the corporation shall be (i) the number fixed from time to time by the Board of Directors, which shall not be less than nine, plus (ii) any directors elected exclusively by the holders of Preferred Stock as provided in these articles. Except for any director elected exclusively by the holders of Preferred Stock, the directors shall continue to be divided into three classes of as nearly equal size as possible. Each class shall be elected to serve a term of three years. At each Annual Meeting of Shareholders, directors shall be elected to fill any vacancies in any class of the Board of Directors. Directors so elected shall serve until the Annual Meeting of Shareholders in the year in which their terms expire. No person who is not then already a director of the corporation shall be eligible to be elected as a director at the Annual Meeting of Shareholders unless such person shall have been nominated in writing, with such notice delivered to the Secretary of the corporation, not less than sixty days prior to such Annual Meeting.

Article III, Section 1 of the By-Laws is to be amended to read as follows:

1. THE MANAGEMENT of all the affairs, property and the business of the corporation shall be vested in a Board of Directors. The number of directors of the corporation shall be (i) the number fixed from time to time by the Board of Directors, which number shall not be less than nine, plus (ii) any directors elected exclusively by the holders of Preferred Stock as provided in the corporation's Restated Articles of Incorporation. Directors shall be shareholders, each owning not less than one hundred (100) shares of the voting stock of the corporation. The directors need not be residents of the State of South Carolina.

Article III, Section 2 of the By-Laws is to be amended to read as follows:

2. THE BOARD OF DIRECTORS shall be divided into three classes of as nearly equal size as possible in accordance with the provisions of the Restated Articles of Incorporation, as amended.

Article III, Section 5 of the By-Laws is to be amended to provide that any increase in the number of directors can be filled by the Board of Directors, and thereby to read as follows:

5. ALL VACANCIES OCCURRING IN THE BOARD OF DIRECTORS whether caused by resignation, death, increase in number of directors, or otherwise, can be filled by a majority vote of the remaining directors attending a regular or special meeting.

The Board of Directors urges you to vote FOR the amendments.

ELECTION OF INDEPENDENT AUDITORS

Independent auditors are to be elected by the shareholders for the calendar year 1994. The firm of Coopers & Lybrand, Certified Public Accountants, has audited the books and records of the Company for many years, and the Audit Committee of the Board of Directors recommends continuing the services of this firm. Representatives of Coopers & Lybrand will be present and available to answer any questions that may arise at the Annual Meeting and may make a statement if they so desire.

The Board of Directors recommends that you vote FOR the election of Coopers & Lybrand as independent auditors for the Company for the current year.

COMPLIANCE WITH THE SECURITIES EXCHANGE ACT OF 1934

As required by Section 16(a) of the Securities Exchange Act of 1934, the Company's directors, its executive officers and certain individuals are required to report periodically their ownership of the Company's Common Stock and any changes in ownership to the Securities and Exchange Commission and the National Association of Securities Dealers, Inc.

The Company failed to file on a timely basis one report for Mr. Leo Benatar's shares in Engraph, Inc.'s Retirement Plus Plan 401(k). Mr. Benatar is Senior Vice President and a director of the Company. This information should have been filed on 1993's year-end Form 5, due February 14, 1994, but was reported on February 28, 1994, on Form 5.

SHAREHOLDER PROPOSALS FOR NEXT ANNUAL MEETING

A shareholder proposal to be presented at the next Annual Meeting must be received by the Company not later than November 4, 1994, in order to be included in the Proxy Statement and Proxy.

OTHER MATTERS

As of the date of this statement management knows of no business which will be presented for consideration at the meeting other than that stated in the notice of the meeting. As to other business, if any, that may properly come before the meeting, it is intended that proxies in the accompanying form will be voted in respect thereof in accordance with the best judgment of the person or persons voting the proxies.

TO ASSURE YOUR REPRESENTATION AT THE MEETING, PLEASE MARK, SIGN, DATE, AND RETURN YOUR PROXY AS PROMPTLY AS POSSIBLE. PLEASE SIGN EXACTLY AS YOUR NAME APPEARS ON THE ACCOMPANYING PROXY.

James L. Coker, Secretary

March 18, 1994

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 11-K

ANNUAL REPORT

PURSUANT TO SECTION 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1993

SONOCO PRODUCTS COMPANY
1983 KEY EMPLOYEE STOCK OPTION PLAN

AND

SONOCO PRODUCTS COMPANY
1991 KEY EMPLOYEE STOCK PLAN

SONOCO PRODUCTS COMPANY
NORTH SECOND STREET
HARTSVILLE, SOUTH CAROLINA 29550

SONOCO PRODUCTS COMPANY
KEY EMPLOYEE STOCK OPTION PLAN

The Financial Statements and Notes to Consolidated Financial Statements of Sonoco Products Company represent the financial statements of the Plans and are hereby incorporated by reference in this Form 11-K Annual Report.

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 11-K

ANNUAL REPORT

PURSUANT TO SECTION 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1993

SONOCO PRODUCTS COMPANY
EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

SONOCO PRODUCTS COMPANY
NORTH SECOND STREET
HARTSVILLE, SOUTH CAROLINA 29550

SONOCO PRODUCTS COMPANY
EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Administrative Committee of the
Sonoco Products Company Employee Savings
and Stock Ownership Plan:

We have audited the accompanying statements of net assets available for plan benefits of the Sonoco Products Company Employee Savings and Stock Ownership Plan as of December 31, 1993 and 1992, and the related statements of changes in net assets available for plan benefits for each of the three years in the period ended December 31, 1993. These financial statements are the responsibility of the Administrative Committee. Our responsibility is to express an opinion on these 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 the Administrative Committee, as well as the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Sonoco Products Company Employee Savings and Stock Ownership Plan as of December 31, 1993 and 1992, and the changes in net assets available for plan benefits for each of the three years in the period ended December 31, 1993, in conformity with generally accepted accounting principles.

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 for investment and reportable transactions as of and for the year ended December 31, 1993, are presented for purposes of complying with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are not a required part of the basic financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audit 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.

Charlotte, North Carolina
March 23, 1994

/s/ COOPERS & LYBRAND

COOPERS & LYBRAND

SONOCO PRODUCTS COMPANY AND CONSOLIDATED SUBSIDIARIES

SONOCO PRODUCTS COMPANY

EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

as of December 31, 1993 and 1992
(Dollars in thousands)

	1993					Total
	Sonoco Stock Fund	Balanced Fund	Growth Fund	Equity Fund	Income Fund	
ASSETS						
Investments	\$37,191	\$ 7,673	\$13,652	\$ 9,608	\$100,996	\$169,120
Contributions receivable - Sonoco	454					454
Employee loans receivable					8,207	8,207
Other						
	-----	-----	-----	-----	-----	-----
	\$37,645	\$ 7,673	\$13,652	\$ 9,608	\$109,203	\$177,781
	=====	=====	=====	=====	=====	=====
LIABILITIES AND NET ASSETS						
AVAILABLE FOR PLAN BENEFITS						
Accounts Payable, trustee	\$	\$	\$	\$	\$ 96	\$ 96
Net assets available for plan benefits	37,645	7,673	13,652	9,608	109,107	177,685
	-----	-----	-----	-----	-----	-----
	\$37,645	\$ 7,673	\$13,652	\$ 9,608	\$109,203	\$177,781
	=====	=====	=====	=====	=====	=====
1992						
	1992					Total
	Sonoco Stock Fund	Balanced Fund	Growth Fund	Equity Fund	Income Fund	
ASSETS						
Investments	\$31,833	\$ 4,974	\$ 7,061	\$10,127	\$100,340	\$154,335
Contributions receivable - Sonoco	407					407
Employee loans receivable					6,473	6,473
Other						
	-----	-----	-----	-----	-----	-----
	\$32,240	\$ 4,974	\$ 7,061	\$10,127	\$106,813	\$161,215
	=====	=====	=====	=====	=====	=====
LIABILITIES AND NET ASSETS						
AVAILABLE FOR PLAN BENEFITS						
Accounts Payable, trustee	\$	\$	\$	\$	\$ 113	\$ 113
Net assets available for plan benefits	32,240	4,974	7,061	10,127	106,700	161,102
	-----	-----	-----	-----	-----	-----
	\$32,240	\$ 4,974	\$ 7,061	\$10,127	\$106,813	\$161,215
	=====	=====	=====	=====	=====	=====

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

EXHIBIT (99-3)

SONOCO PRODUCTS COMPANY

EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

for the years ended December 31, 1993 and 1992
(Dollars in thousands)

	1993					
	Sonoco Stock Fund	Balanced Fund	Growth Fund	Equity Fund	Income Fund	Total
Investment income						
Net appreciation (depreciation)	\$ (2,841)	\$ 419	\$ 938	\$ (87)	\$	\$ (1,571)
Interest and dividends	1,043	628	1,073	766	5,125	8,635
	(1,798)	1,047	2,011	679	5,125	7,064
Investment expenses	(93)	(13)	(20)	(67)	(260)	(453)
Net investment income (loss)	(1,891)	1,034	1,991	612	4,865	6,611
Contributions:						
Sonoco Products Company	5,250					5,250
Employees	1,218	1,062	1,491	1,105	8,503	13,379
Fund transfers	2,050	681	3,351	(1,740)	(4,342)	
Withdrawals and terminations	(1,222)	(78)	(242)	(496)	(6,619)	(8,657)
Increase in net assets available for plan benefits	5,405	2,699	6,591	(519)	2,407	16,583
Net assets available for plan benefits:						
Beginning of year	32,240	4,974	7,061	10,127	106,700	161,102
End of year	\$37,645	\$7,673	\$13,652	\$ 9,608	\$109,107	\$177,685
	=====	=====	=====	=====	=====	=====
	1992					
	Sonoco Stock Fund	Balanced Fund	Growth Fund	Equity Fund	Income Fund	Total
Investment income						
Net appreciation (depreciation)	\$ 8,055	\$ (58)	\$ (547)	\$ 212	\$	\$ 7,662
Interest and dividends	611	366	898	429	8,100	10,404
	8,666	308	351	641	8,100	18,066
Investment expenses	(17)	(6)	(8)	(62)	(273)	(366)
Net investment income (loss)	8,649	302	343	579	7,827	17,700
Contributions:						
Sonoco Products Company	4,747					4,747
Employees	953	879	705	950	8,452	11,939
Fund transfers	(362)	3,929	6,247	(1,134)	(8,680)	
Withdrawals and terminations	(1,123)	(136)	(234)	(636)	(7,683)	(9,812)
Increase in net assets available for plan benefits	12,864	4,974	7,061	(241)	(84)	24,574
Net assets available						

for plan benefits:						
Beginning of year	19,376	-----	-----	10,368	106,784	136,528
	-----	-----	-----	-----	-----	-----
End of year	\$32,240	\$4,974	\$ 7,061	\$10,127	\$106,700	\$161,102
	=====	=====	=====	=====	=====	=====

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

SONOCO PRODUCTS COMPANY AND CONSOLIDATED SUBSIDIARIES

SONOCO PRODUCTS COMPANY

EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS, continued

as of December 31, 1991
(Dollars in thousands)

	1991			
	Stock Fund	Equity Fund	Income Fund	Total
Investment income				
Net appreciation	\$ 777	\$ 1,714	\$	\$ 2,491
Interest and dividends	471	397	9,764	10,632
	1,248	2,111	9,764	13,123
Investment expenses		(30)	(136)	(166)
Net investment income (loss)	1,248	2,081	9,628	12,957
Contributions:				
Sonoco Products Company	4,309			4,309
Employees	1,381	921	8,981	11,283
Fund transfers	(68)	443	(375)	
Withdrawals and terminations	(1,594)	(885)	(9,041)	(11,520)
Increase in net assets available for plan benefits	5,276	2,560	9,193	17,029
Net assets available for plan benefits:				
Beginning of year	14,100	7,808	97,591	119,499
End of year	\$19,376	\$10,368	\$106,784	\$136,528

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

SONOCO PRODUCTS COMPANY

EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies:

CONTRIBUTIONS - Contributions from Sonoco Products Company (the "Company") are recorded in the year and in the amount authorized by the Company's Board of Directors. The receivable from Sonoco Products Company represents amounts authorized at year-end, but not yet received by the Plan. Contributions from employees of Sonoco Products Company are recorded in the year in which the employee contributions are withheld.

INVESTMENT VALUATION - Investments in the Income Fund are valued principally at contract value. Investments in the Aetna Equity Fund are valued at fair value as determined by Aetna Life Insurance Company. Investments in the Sonoco Products Company Common Stock Fund are valued at quoted market prices. Investments in the Growth Fund and the Balanced Fund are valued at fair value as determined by Fidelity Institutional Retirement Services Company, Inc.

NET APPRECIATION OR DEPRECIATION - The Plan presents in the Statements of Changes in Net Assets Available for Plan Benefits the net appreciation or depreciation in the fair value of its investments that consists of the realized gains or losses and the unrealized appreciation or depreciation on those investments.

2. Description of Plan

The Plan is a defined contribution plan covering substantially all U.S. full-time non-union employees (to exclude the recent acquisitions of Engraph and Crellin) with one year of service. Participants may elect to defer up to 16% of gross pay through payroll deductions. Contributions may be pre-tax, after-tax or a combination thereof. The maximum annual pre-tax contribution for any participant is \$8,994. Total annual contributions, including employer matching contributions, are limited to \$30,000 or 25% of gross pay whichever is less. The Company provides employer matching contributions of Company stock or cash to be used to purchase Company stock in amounts to be determined annually by the Company's Board of Directors. The Company may elect to provide additional contributions at the discretion of its Board. Participants vest in Company contributions and earnings thereon at a rate of 20% per year beginning after two years of service, becoming fully vested after six years of service or at retirement, death, upon reaching age 55 or permanent disability, if earlier. Participants are fully vested in their own contributions and earnings thereon at all times. Under the Plan, participants may elect to have their account balances invested in 5% increments in an equity fund, a Company stock fund, a growth fund, a balanced fund or an interest income fund.

SONOCO PRODUCTS COMPANY
 EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
 NOTES TO FINANCIAL STATEMENTS

2. Description of Plan, Continued

Upon termination of service, a participant may elect to receive a lump-sum distribution in either cash or Company stock, or in five equal annual installments of cash, or receive a distribution quarterly of an amount no less than \$1,000.

Participants may borrow against their account balances. The minimum amount of any loan is \$1,000 and the maximum is \$50,000 or 50% of a participant's total vested balance, whichever is less. Principal and interest is due not less than quarterly over no more than five years for a personal loan or twenty years for a residential loan. Interest is determined based on the prime rate plus 1%.

Forfeitures of account balances reduce Company contributions.

Participants should refer to the Plan agreement for a more complete description of the Plan.

3. Investments:

The Income Fund invests in guaranteed insurance contracts. These contracts are credited or charged for guaranteed investment earnings, benefit withdrawals or investment expenses. The fund contracts have no material restrictions as to withdrawal amounts by participants except as otherwise provided by the plan. The Equity fund invests in the Aetna Growth and Income Equity Account which consists of common stocks and securities that are convertible to common stock together with all income and accretion thereon. The Growth Fund invests in the Fidelity Magellan Fund which holds common stocks and securities convertible to common stocks with the goal of capital appreciation. The Balanced Fund invests in the Fidelity Balanced Fund which holds a broadly diversified portfolio of securities including common stocks, preferred stocks, and bonds with the goal of generating income. Also, employees may elect to invest in the Sonoco Stock Fund which consists solely of investments in Sonoco Products Company common stock.

Allocation of contributions to investment funds, in 5% increments, is based on each participant's election. The number of participants in each fund is summarized as follows:

	DECEMBER 31		
	1993	1992	1991
	-----	-----	-----
Income Fund	4,909	4,867	4,928
Sonoco Stock Fund	1,599	1,203	1,016
Equity Fund	1,199	1,107	1,025
Growth Fund	1,262	880	
Balanced Fund	765	540	

SONOCO PRODUCTS COMPANY
EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

3. Investments, continued

A summary of the Plan's investments by account type as of December 31, 1993 and 1992 is as follows:

	1993		
	(DOLLARS IN THOUSANDS)		
	UNIT/SHARES	MARKET VALUE	COST
Income Fund:			

Aetna Life Insurance Company Participating Accumulation Fund, 5.82%		\$ 150	\$ 150
Bankers Trust Guaranteed Insurance Contract, 4.99%	10,235,704	10,236	10,236
Bankers Trust Guaranteed Insurance Contract, 3.66%	4,062,286	4,062	4,062
J. P. Morgan Guaranteed Insurance Contract, 7.00%	13,864,922	13,866	13,866
Lincoln National Life Guaranteed Insurance Contract, 6.74%	10,649,232	10,649	10,649
Lincoln National Life Guaranteed Insurance Contract, 5.67%	5,252,457	5,252	5,252
Metropolitan Life Guaranteed Insurance Contract, 6.75%	10,650,194	10,650	10,650
John Hancock Mutual Life Guaranteed Insurance Contract, 7.25%	14,546,386	14,546	14,546
Provident Life Contract Guaranteed Insurance Contract, 5.40%	10,605,316	10,605	10,605
Prudential Insurance Company Guaranteed Insurance Contract, 4.85%	10,390,828	10,391	10,391
State Mutual Guaranteed Insurance Contract, 4.55%	5,202,706	5,203	5,203
Sun Mutual Life Guaranteed Insurance Contract, 6.23%	5,385,892	5,386	5,386
		-----	-----
		100,996	100,996
Equity Fund:			

Aetna Growth and Income Equity Account (unit value \$1.06)	9,763,240	9,608	9,075
Growth Fund:			

Fidelity Magellan Fund (market value \$70.85)	175,609	13,652	13,252

SONOCO PRODUCTS COMPANY

EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

3. Investments, continued

1993			
(DOLLARS IN THOUSANDS)			
UNIT/SHARES	MARKET VALUE	COST	
-----	-----	-----	-----
Balanced Fund:			

Fidelity Balanced Fund (market value \$13.39)	590,172	7,673	7,337
Sonoco Stock Fund:			

Sonoco Common Stock* (market value per share \$22.00)	1,690,500	37,191	29,393
		-----	-----
		\$169,120	\$160,053
		=====	=====
1992			

(Dollars in thousands)			
Unit/Shares	Market Value	Cost	
-----	-----	-----	-----
Income Fund:			

Aetna Life Insurance Company Participating Accumulation Fund, 7.57%		\$ 58,868	\$ 58,868
J. P. Morgan Guaranteed Insurance Contract, 7.00%	13,784,445	13,785	13,785
John Hancock Mutual Life Guaranteed Insurance Contract, 7.25%	14,750,966	14,751	14,751
Provident Life Contract Guaranteed Insurance Contract, 5.40%	7,891,544	7,892	7,892
Sun Mutual Life Guaranteed Insurance Contract, 6.23%	5,044,072	5,044	5,044
		-----	-----
		100,340	100,340
Equity Fund:			

Aetna Growth and Income Equity Account (unit value - \$8.72)	1,159,404	10,127	8,859
Growth Fund:			

Fidelity Magellan Fund (market value \$63.01)	112,062	7,061	7,595
Balanced Fund:			

Fidelity Balanced Fund (market value \$12.29)	404,719	4,974	5,030
Sonoco Stock Fund:			

Sonoco Common Stock* (market value per share \$23.88)	1,333,320	31,833	20,941
		-----	-----
		\$154,335	\$142,765
		=====	=====

*Shares and share price restated to reflect the two-for-one stock split effective June 10, 1993.

SONOCO PRODUCTS COMPANY
 EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
 NOTES TO FINANCIAL STATEMENTS

3. Investments, Continued

The Plan's investments appreciated (depreciated) in value as follows:

	Year ended December 31		

	(Dollars in thousands)		
	1993	1992	1991
	-----	-----	-----
Equity Fund	\$ (87)	\$ 212	\$1,714
Sonoco Stock Fund	(2,841)	8,055	777
Growth Fund	938	(547)	
Balanced Fund	419	(58)	
	-----	-----	-----
	\$ (1,571)	\$7,662	\$2,491
	=====	=====	=====

4. Employee Loans Receivable:

Employee loans must be repaid over a period not longer than five years from the date of the loan except loans for purposes related to acquiring, building, or substantially rehabilitating a primary residence may be repaid during a period of up to twenty years. Interest is charged at a fixed rate for the full term of the loan based on the prime rate plus 1% (7% at December 31, 1993). Approximate minimum repayments of employee loans receivable due in 1994 are \$1,589,151.

5. Tax Status

The Company has requested an updated determination letter from the Internal Revenue Service under which the Plan would qualify for favorable tax treatment under Sections 401(k), 401(a) and 4975(e)(7) of the Internal Revenue Code and therefore be exempt from federal income taxes under provisions of Section 501(a).

A participant must pay regular income tax plus a 10% excise tax for withdrawal of any portion of his accumulated pre-tax account balance, or the portion of his after-tax account balance representing Company contributions or earnings prior to retirement, disability or attaining age 59-1/2. The 10% excise tax is waived if withdrawal is to cover uninsured medical bills that are otherwise deductible for tax purposes. Withdrawal of the pre-tax account balance, or the portion of the after-tax account balance representing Company contributions or earnings, after retirement, disability or attaining age 59-1/2 is subject to regular income tax.

6. Contributions

For fiscal years ended December 31, 1993, 1992 and 1991, the amount of employer contributions made entirely in Company stock under the Plan were \$5,249,796; \$4,746,522; and \$4,308,987, respectively.

SONOCO PRODUCTS COMPANY
 EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
 ITEM 27 (A) ASSETS HELD FOR INVESTMENT PURPOSES
 AS OF DECEMBER 31, 1993

IDENTITY OF ISSUE -----	DESCRIPTION OF INVESTMENT -----	COST -----	MARKET VALUE -----
		(DOLLARS	IN THOUSANDS)
Aetna Life Insurance Company	Participating Accumulation Fund	\$ 150	\$ 150
J. P. Morgan	Guaranteed Insurance Contract	13,866	13,866
John Hancock Mutual Life	Guaranteed Insurance Contract	14,546	14,546
Provident Life	Guaranteed Insurance Contract	10,605	10,605
Sun Mutual Life	Guaranteed Insurance Contract	5,386	5,386
Aetna Life Insurance Company	Growth and Income Equity Account	9,075	9,608
Fidelity Institutional Retirement Services	Fidelity Magellan Growth Fund	13,252	13,652
Fidelity Institutional Retirement Services	Fidelity Balanced Fund	7,337	7,673
Sonoco Products Company	Common Stock - 1,690,500 shares	29,393	37,191
Bankers Trust	Guaranteed Insurance Contract	10,236	10,236
Bankers Trust	Guaranteed Insurance Contract	4,062	4,062
Lincoln National Life of Georgia	Guaranteed Insurance Contract	10,649	10,649
Lincoln National Life of Georgia	Guaranteed Insurance Contract	5,252	5,252
Metropolitan Life	Guaranteed Insurance Contract	10,650	10,650
Prudential Insurance Company	Guaranteed Insurance Contract	10,391	10,391
State Mutual Life	Guaranteed Insurance Contract	5,203	5,203
		-----	-----
Total Investments		\$160,053	\$169,120
		=====	=====

SONOCO PRODUCTS COMPANY
EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN

ITEM 27 (d) REPORTABLE TRANSACTIONS

(DOLLARS IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 1993

Identity of Party Involved and Description of Assets	Transactions	Purchase Price (A)	Selling Price (A)	Cost of Asset	Realized Net Gain (Loss)

Any single transaction within the Plan year in securities involving an amount in excess of 5% of the current value of Plan assets.					
Aetna Life Insurance Company Deposit Contracts	1 sale		\$19,717	\$19,717	
	1 sale		19,778	19,778	
	1 sale		19,667	19,667	
W B DTF Short-Term Investment Fund	1 purchase	\$ 9,888			
	1 purchase	20,419			
	1 sale		9,953	9,953	
	1 sale		11,693	11,693	
	1 sale		8,587	8,587	
Lincoln National Life	1 purchase	10,000			
Metropolitan Life Contract	1 purchase	10,000			
Bankers Trust Contract 93-529	1 purchase	10,000			
Prudential Insurance Company	1 purchase	8,735			
Bankers Trust Contract #93551	1 purchase	8,294			

(A) Fair value at date of transaction is equal to purchase or sale price.

SONOCO PRODUCTS COMPANY
 EMPLOYEE SAVINGS AND STOCK OWNERSHIP PLAN
 ITEM 27(d) REPORTABLE TRANSACTIONS
 (DOLLARS IN THOUSANDS)
 FOR THE YEAR ENDED DECEMBER 31, 1993

IDENTITY OF PARTY INVOLVED AND DESCRIPTION OF ASSETS	TRANSACTIONS	PURCHASE PRICE (B)	SELLING PRICE (B)	COST OF ASSET	REALIZED NET GAIN (LOSS)
Any series of transactions within the Plan year in securities, of the same issue or by the same broker, when aggregated, involves an amount in excess of 5% of the current value of Plan assets - (Note A).					
Aetna Life Insurance Company Deposit Contracts	2 purchases, 5 sales	\$ 583	\$59,316	\$59,316	
W B DTF Short-Term Investment Fund	241 purchases, 204 sales	39,950	39,765	39,765	
Provident Life Contract	12 purchases, 14 sales	6,432	4,270	4,270	
Lincoln National Life	1 purchase	10,000			
Metropolitan Life Contract	1 purchase	10,000			
Bankers Trust Contract 93-529	2 purchases, 2 sales	10,311	520	520	
Prudential Insurance Co.	45 purchases, 42 sales	18,658	8,597	8,597	
Bankers Trust Contract 93551	1 purchase, 10 sales	8,294	4,433	4,433	
Sonoco Products Co.	73 purchases, 20 sales	9,586	1,049	805	\$ 244

(A) Purchases and sales transactions made on various occasions during the Plan year are aggregated here.

(B) Fair value at date of transaction is equal to purchase or sale price.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT

Pursuant to Section 15(d) of the
Securities Exchange Act of 1934

For the Fiscal Year Ended December 31, 1993

SONOCO PRODUCTS COMPANY

ENGRAPH, INC. RETIREMENT PLUS PLAN

SONOCO PRODUCTS COMPANY

NORTH SECOND STREET

HARTSVILLE, SOUTH CAROLINA 29550

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Plan Administrator of the
Engraph, Inc. Retirement Plus Plan:

We have audited the accompanying statement of net assets available for plan benefits of the Engraph, Inc. Retirement Plus Plan (the "Plan") as of December 31, 1993, and the related statement of changes in net assets available for plan benefits for the year then ended. These financial statements are the responsibility of the plan sponsor. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Engraph, Inc. Retirement Plus Plan for the year ended December 31, 1992, were audited by other auditors, whose report dated June 28, 1993, expressed an unqualified opinion on those statements.

We conducted our audit 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Engraph, Inc. Retirement Plus Plan as of December 31, 1993, and the changes in net assets available for plan benefits for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes and reportable transactions as of and for the year ended December 31, 1993 are presented for purposes of complying with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are not a required part of the basic financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audit 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/ Coopers and Lybrand

Coopers & Lybrand

Charlotte, North Carolina
March 11, 1994

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Plan Administrator of the
Engraph, Inc. Retirement Plus Plan:

We have audited the accompanying statement of net assets available for benefits of the ENGRAPH, INC. RETIREMENT PLUS PLAN as of December 31, 1992 and the related statements of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the plan sponsor. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Engraph, Inc. Retirement Plus Plan as of December 31, 1992 and the changes in its net assets available for benefits for the year then ended in conformity with generally accepted accounting principles.

/s/ Arthur Andersen & Co.

Arthur Andersen & Co.

Atlanta, Georgia
June 28, 1993

Exhibit 99-4

ENGRAPH INC. RETIREMENT PLUS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
December 31, 1993 and 1992

	Company Stock Fund		Money Market Fund		Equity Fund	
	1993	1992	1993	1992	1993	1992
	----	----	----	----	----	----
Assets:						
Investments, at current value:						
Sonoco Products Company common stock (Note 1)	\$13,750,000	\$	\$	\$	\$	\$
Engraph, Inc. common stock (Note 1)		11,600,959				
Equity fund					8,026,351	3,420,320
Investment contract fund						
Short-term investment fund	389,638	284,644	2,137,418	2,560,504		41,447
Employee loans receivable						
	-----	-----	-----	-----	-----	-----
	14,139,638	11,885,603	2,137,418	2,560,504	8,026,351	3,461,767
	-----	-----	-----	-----	-----	-----
Other assets:						
Contributions receivable, Company	853,365	529,921	106,321	171,512	344,904	205,287
Contributions receivable, employee	61,374	38,917	6,508	20,891	18,085	21,965
Other employer contributions receivable	2,504	3,774	82	1,567	384	123
Accrued income	18,329	627	6,443	8,392		
	-----	-----	-----	-----	-----	-----
	935,572	573,239	119,354	202,362	363,373	227,375
	-----	-----	-----	-----	-----	-----
Total assets	15,075,210	12,458,842	2,256,772	2,762,866	8,389,724	3,689,142
	-----	-----	-----	-----	-----	-----
Liabilities:						
Accounts payable	16,518	2,187	3,247	3,101	15,427	7,690
Accrued forfeitures	14,412	6,214	3,575	654	9,275	1,761
	-----	-----	-----	-----	-----	-----
Total liabilities	30,930	8,401	6,822	3,755	24,702	9,451
	-----	-----	-----	-----	-----	-----
Net assets available for plan benefits	\$15,044,280	\$12,450,441	\$2,249,950	\$2,759,111	\$8,365,022	\$3,679,691
	=====	=====	=====	=====	=====	=====

	Investment Contract Fund	
	1993	1992
	----	----
Assets:		
Investments, at current value:		
Sonoco Products Company common stock (Note 1)	\$	\$
Engraph, Inc. common stock (Note 1)		
Equity fund		
Investment contract fund	8,686,061	5,932,325
Short-term investment fund		51,170
Employee loans receivable		
	-----	-----
	8,686,061	5,983,495
	-----	-----
Other assets:		
Contributions receivable, Company	331,488	320,500
Contributions receivable, employee	6,835	31,315
Other employer contributions receivable	23,289	24,780
Accrued income		
	-----	-----
	361,612	376,595
	-----	-----
Total assets	9,047,673	6,360,090
	-----	-----
Liabilities:		
Accounts payable	7,448	5,594
Accrued forfeitures	20,012	
	-----	-----
Total liabilities	27,460	5,594
	-----	-----
Net assets available for plan benefits	\$9,020,213	\$6,354,496
	=====	=====

ENGRAPH, INC. RETIREMENT PLUS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS, Continued

	Loan Fund		PPFC Fund		Total	
	1993	1992	1993	1992	1993	1992
	-----	-----	-----	-----	-----	-----
Assets:						
Investments, at current value:						
Sonoco Products Company common stock (Note 1)	\$	\$	\$	\$	\$13,750,000	\$
Engraph, Inc. common stock (Note 1)					8,026,351	11,600,959
Equity fund					8,686,061	3,420,320
Investment contract fund				1,527,122	2,527,056	5,932,325
Short-term investment fund					1,142,838	4,464,887
Employee loans receivable	1,142,838	936,532			1,142,838	936,532
	-----	-----			-----	-----
	1,142,838	936,532		1,527,122	34,132,306	26,355,023
	-----	-----		-----	-----	-----
Other assets:						
Contributions receivable, Company					1,636,078	1,227,220
Contributions receivable, employee					92,802	113,088
Other employer contributions receivable					26,259	30,244
Accrued income				4,943	24,772	13,962
				-----	-----	-----
				4,943	1,779,911	1,384,514
	-----	-----		-----	-----	-----
Total assets	1,142,838	936,532		1,532,065	35,912,217	27,739,537
	-----	-----		-----	-----	-----
Liabilities:						
Accounts payable				1,491	42,640	20,063
Accrued forfeitures					47,274	8,629
				-----	-----	-----
Total liabilities				1,491	89,914	28,692
	-----	-----		-----	-----	-----
Net assets available for plan benefits	\$1,142,838	\$936,532	\$ -0-	\$1,530,574	\$35,822,303	\$27,710,845
	=====	=====	=====	=====	=====	=====

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

ENGRAPH, INC. RETIREMENT PLUS PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
for the years ended December 31, 1993 and 1992

	Company Stock Fund		Money Market Fund		Equity Fund	
	1993	1992	1993	1992	1993	1992
Investment income:						
Net appreciation (depreciation)	\$ 4,379,180	\$ 2,695,568	\$	\$	\$ 608,862	\$ 324,985
Dividends	94,844	113,498				
Interest	100,668	10,568	101,437	103,537	93,947	742
Interest on loans	36,296	36,345	9,795	12,035	11,234	14,559
	4,610,988	2,855,979	111,232	115,572	714,043	340,286
Fees and other expenses	(26,780)	(7,283)	(14,366)	(12,249)	(50,955)	(29,655)
Net investment income	4,584,208	2,848,696	96,866	103,323	663,088	310,631
Contributions:						
Employee	866,174	647,168	241,637	286,542	415,588	310,441
Company Match	608,754	476,684				
Company Basic	707,640	444,568	106,321	188,578	344,904	214,835
Other employer contributions and transfers	2,504	7,414	82	1,568	384	1,798
Rollover	15,513	36,388		31,501	17,453	40,546
	2,200,585	1,612,222	348,040	508,189	778,329	567,620
Participant withdrawals, at market value	(607,572)	(526,308)	(238,814)	(203,003)	(226,371)	(208,625)
Forfeitures	(43,690)	(34,234)	(9,291)	(14,970)	(25,739)	(16,980)
Interfund transfers, net	(3,539,692)	(151,012)	(705,962)	(160,615)	3,496,024	252,258
Increase (decrease) in net assets available for plan benefits	2,593,839	3,749,364	(509,161)	232,924	4,685,331	904,904
Net assets available for plan benefits at beginning of year	12,450,441	8,701,077	2,759,111	2,526,187	3,679,691	2,774,787
Net assets available for plan benefits at end of year	\$15,044,280	\$12,450,441	\$2,249,950	\$2,759,111	\$8,365,022	\$3,679,691

	Investment Contract Fund	
	1993	1992
Investment income:		
Net appreciation (depreciation)	\$ 319,288	\$ 391,705
Dividends		
Interest	103,264	1,692
Interest on loans	17,865	19,291
	440,417	412,688
Fees and other expenses	(28,114)	(25,521)
Net investment income	412,303	387,167
Contributions:		
Employee	452,444	480,852
Company Match		
Company Basic	331,488	340,272
Other employer contributions and transfers	23,289	24,780
Rollover	1,323	31,542
	808,544	877,446
Participant withdrawals, at market value	(556,858)	(334,805)
Forfeitures	(45,681)	(15,750)
Interfund transfers, net	2,047,409	14,842
Increase (decrease) in net assets available for plan benefits	2,665,717	928,900
Net assets available for plan benefits at beginning of year	6,354,496	5,425,596
Net assets available for plan benefits at end of year	\$9,020,213	\$6,354,496

ENGRAPH, INC. RETIREMENT PLUS PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS, Continued

	Loan Fund		PPFC Fund		Total	
	1993	1992	1993	1992	1993	1992
	-----	-----	-----	-----	-----	-----
Investment income:						
Net appreciation (depreciation)	\$	\$	\$	\$ 51,896	\$ 5,307,330	\$3,464,154
Dividends				6,833	94,844	120,331
Interest			160	31,777	399,476	148,316
Interest on loans				1,811	75,190	84,041
				-----	-----	-----
				160	92,317	5,876,840
Fees and other expenses			1,491	(4,499)	(118,724)	(79,207)
				-----	-----	-----
Net investment income			1,651	87,818	5,758,116	3,737,635
				-----	-----	-----
Contributions:						
Employee					1,975,843	1,725,003
Company Match					608,754	476,684
Company Basic				787	1,490,353	1,189,040
Other employer contributions and transfers					26,259	35,560
Rollover					34,289	139,977
					-----	-----
				787	4,135,498	3,566,264
				-----	-----	-----
Participant withdrawals, at market value			(28,140)	(90,964)	(1,657,755)	(1,363,705)
					-----	-----
Forfeitures				(1,892)	(124,401)	(83,826)
				-----	-----	-----
Interfund transfers, net	206,306	20,647	(1,504,085)	23,880		
	-----	-----	-----	-----	-----	-----
Increase (decrease) in net assets available for plan benefits	206,306	20,647	(1,530,574)	19,629	8,111,458	5,856,368
Net assets available for plan benefits at beginning of year	936,532	915,885	1,530,574	1,510,945	27,710,845	21,854,477
	-----	-----	-----	-----	-----	-----
Net assets available for plan benefits at end of year	\$1,142,838	\$ 936,532	\$ -0-	\$1,530,574	\$35,822,303	\$27,710,845
	=====	=====	=====	=====	=====	=====

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

ENGRAPH, INC., RETIREMENT PLUS PLAN
NOTES TO FINANCIAL STATEMENTS

1. Description of the Plan:

The Engraph, Inc. Retirement Plus Plan (the "Plan") is a contributory defined contribution plan. All employees of Engraph, Inc. (the "Employer" and plan sponsor) who have completed one year of service are eligible to participate in the Plan except those employees of any identifiable division of the Employer whom the chief executive officer of the Employer has not declared eligible for participation. Participants may make pretax and after tax contributions, as allowed by Section 401(k) of the Internal Revenue code, of 1% to 6% of their annual wages and salaries. The Employer provides matching contributions based on a percentage of the Employee's pretax contribution that varies with the Employer's return on equity. The Employer further provides a Company Basic contribution for all eligible participants based on a percentage of annual compensation. Employer contributions to each participant's Company Match account and Company Basic contribution account are discretionary. The Plan is subject to the provisions of the Employee Retirement Security Act of 1974.

In October 1993, Sonoco Products Company (the "Parent") acquired Engraph, Inc. following the successful conclusion of a cash tender offer and merger transaction. The Plan's trustee tendered all shares of Engraph, Inc. common stock included in the Plan to Sonoco Products Company. Each member was permitted to direct the Plan administrator to transfer the proceeds among one or more individual funds.

Employer contributions to each participant's Company Match account are based on a sliding scale of 30% to 100% of each employee's pretax contributions based on the Employer's return on equity during the preceding year. At a 12% or lower return on equity, the Employer's contributions are 30% of the employee's pretax contributions, increasing to a maximum 100% Employer contribution at a 20% return on equity.

Employer contributions to the Company Match account are invested in the Company stock fund. Dividends paid by the Parent on shares of Sonoco Products Company common stock are reinvested in Sonoco Products Company common stock. Prior to the acquisition of Engraph, Inc. by Sonoco Products Company, a similar dividend reinvestment policy was in effect for Engraph, Inc. common stock.

ENGRAPH, INC., RETIREMENT PLUS PLAN
NOTES TO FINANCIAL STATEMENTS, Continued

1. Description of the Plan, continued:

The Plan is comprised of five separate investment funds plus a loan fund. The Company Stock Fund invests in Sonoco Products Company common stock. Prior to October 1993, the Company Stock Fund invested in Engraph, Inc. common stock. The Money Market Fund invests in such investments as savings certificates, certificates of deposit, and money market funds so as to conserve capital and earn dependable investment income consistent with short- to intermediate-term securities. The Equity Fund invests in publicly traded common stocks and similar equity securities of other companies so as to provide capital appreciation and earn investment income. The Investment Contract Fund invests in investment contracts issued by one or more insurance companies or other financial institutions that provide a fixed rate of return. At age 55, the participants' accounts, with the exception of the Company Match account, are automatically invested in the Investment Contract Fund unless the participant makes a timely written election to the plan administrator to change the investment of his accounts. Participants may borrow from the funds subject to provisions of the Plan, and such amounts are reflected in the Loan Fund. The PPFC Fund was established to hold the Engraph, Inc. common stock allocated to participants employed by a division sold in 1991 during the period of time in which it was being liquidated. On January 1, 1993, all such common stock had been liquidated into short-term investment funds and was reallocated to the other investment funds in accordance with participants' directions (see Note 5). Participants may elect to contribute to and transfer the investments in their participants' accounts to any combination of the Company Stock Fund, the Money Market Fund, the Equity Fund, and the Investment Contract Fund but are restricted in the frequency of such elections. As of December 31, 1993 and 1992, the number of participants with investments in the six separate funds was as follows:

	Company Stock Fund -----	Money Market Fund -----	Equity Fund -----	Investment Contract Fund -----	Loan Fund -----	PPFC Fund -----	Total -----
1993	1,159	453	761	945	371	--	1,862
1992	1,174	595	548	843	354	155	1,682

Participants are fully vested at all times to the extent of their employee contributions and related Company Match contributions and income earned thereon. Participants become fully vested in their rights to Company Basic contributions upon completion of five years of vested service.

ENGRAPH, INC., RETIREMENT PLUS PLAN
NOTES TO FINANCIAL STATEMENTS, Continued

1. Description of the Plan, continued:

Upon retirement, participants may elect to receive payment of amounts in their participant equity account in a lump sum, in equal monthly installments over five to fifteen years, or in any combination thereof.

Participants may borrow against their account balances. The minimum amount of any loan is \$1,000 and the maximum is \$50,000 or 50% of a participant's total vested balance, whichever is less. Principal and interest is due not less than quarterly over no more than four years for a personal loan. Interest is determined based on the prime rate plus 1%.

The Employer expects to continue the Plan indefinitely. However, should the Plan be terminated, the plan equity at the termination date would be distributed to participants based on amounts which have been allocated to their participants' accounts. As of December 31, 1993 and 1992, approximately \$665,000 and \$346,000, respectively, were allocated to accounts of persons who have withdrawn from participation in the Plan.

Participants should refer to the Plan documents and amendments for a more complete description of the Plan.

2. Summary of Significant Accounting Policies:

BASIS OF ACCOUNTING - The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

CONTRIBUTIONS - Employee contributions are accrued and reflected as receivables in the period in which amounts for such contributions are withheld as payroll deductions. Employer contributions to the Company Match account are accrued based upon employee pretax contributions in accordance with the Plan and are reflected as receivables until such contributions in cash or in shares of Sonoco Products Company (Engraph, Inc. common stock prior to October 1993) are received. Employer contributions to the Company Match account were made at 34% and 30% of employee pretax contributions in 1993 and 1992, respectively, and will be made at 50% of employee pretax contributions in 1994. Employer contributions to the Company Basic contribution account are accrued based on eligible compensation in accordance with the Plan and are reflected as receivables until such contributions are received. Effective January 1, 1993 participants at Screen Graphics, Inc. (an Employer subsidiary) were granted eligibility to receive Employer contributions to the Company Basic contribution account.

INVESTMENTS - Investments are stated at current value, as determined by Frank Russell Trust Company, the "Trustee" of the Plan, based on quoted market prices.

ENGRAPH, INC., RETIREMENT PLUS PLAN
NOTES TO FINANCIAL STATEMENTS, Continued

2. Summary of Significant Accounting Policies, continued:

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

Dividend income is recorded on the ex-dividend date. Income from other investments is recorded as earned.

ADMINISTRATIVE EXPENSES - All recordkeeping expenses for the administration of the Plan are paid by the Employer. All trust and custodial expenses and investment management fees are paid by the Plan.

3. Investments:

A summary of the Plan's investments by account type as of December 31 is as follows:

	1993		
Shares or Units	Cost	Market Value	
Sonoco Products Company common stock	625,000	\$13,721,875	\$13,750,000
Equity fund	650,748	6,567,345	8,026,351
Investment contract fund	565,981	7,425,574	8,686,061
Short-term investment fund, money market	2,527,056	2,527,056	2,527,056
Employee loans receivable	1,142,838	-0-	1,142,838
		\$30,241,850	\$34,132,306

ENGRAPH, INC., RETIREMENT PLUS PLAN
NOTES TO FINANCIAL STATEMENTS, Continued

3. Investments, continued:

	1992		
	Shares or Units	Cost	Market Value
Engraph, Inc. common stock	1,008,779	\$ 6,304,984	\$11,600,959
Equity fund	7,917	2,595,472	3,420,320
Investment contract fund	40,756	4,974,933	5,932,325
Short-term investment			
fund, money market	4,464,887	4,464,887	4,464,887
Employee loans receivable	936,532	-0-	936,532
		\$18,340,276	\$26,355,023

4. Tax Status:

The plan administrator has received a favorable determination letter from the Internal Revenue Service stating that the Plan, as amended and restated effective April 29, 1992, is in compliance with Section 401 of the Internal Revenue Code. Accordingly, no provision for federal income taxes has been made in the accompanying financial statements, and in the opinion of the Employer, none is required.

Employee pretax contributions from payroll deductions, employer contributions, and investment income from the Plan are not taxable to the participants until withdrawals are made.

5. Plan Amendments:

The Plan was amended effective October 1, 1991 to provide a separate fund, the PPFC Fund. The PPFC Fund held the Engraph, Inc. common stock for participants employed by the Package Products Flexible division sold in 1991. The PPFC Fund enabled the Trustee to liquidate the stock in an orderly manner. On January 1, 1993, the liquidated funds were reallocated to other investment funds in accordance with participants' directions. The accrued plan balances of the Package Products Flexible employees will be maintained in the Plan until such time as the acquiring company receives a favorable determination letter for its defined contribution plan from the Internal Revenue Service. Once the favorable determination is received, a trust-to-trust transfer of assets will take place for the Package Products Flexible participants.

The Plan was amended effective November 18, 1993 to provide that any matching contributions made for the quarter ending December 31, 1993 and subsequent matching contributions, be invested in shares of Sonoco Products Company common stock.

SUPPLEMENTAL SCHEDULES

ENGRAPH, INC. RETIREMENT PLUS PLAN
 ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
 for the year ended December 31, 1993

Employer Identification Number 56-0481457
 Plan Number 003

	Shares or Units -----	Cost ----	Market Value -----
Sonoco Products Company common stock	625,000	\$13,721,875	\$13,750,000
Equity fund	650,748	6,567,345	8,026,351
Investment contract fund	565,981	7,425,574	8,686,061
Short-term investment fund, money market	2,527,056	2,527,056	2,527,056
Employee loans receivable	1,142,838	-0-	1,142,838
		-----	-----
		\$30,241,850	\$34,132,306
		=====	=====

ENGRAPH, INC. RETIREMENT PLUS PLAN
 ITEM 27d - SCHEDULE OF REPORTABLE TRANSACTIONS
 for the year ended December 31, 1993

 Employer Identification Number 56-0481457
 Plan Number 003

Represents a transaction or a series of transactions of securities of the same issue or by the same broker in excess of 5% of the current value of plan assets as of the beginning of the year.

	Purchases and Other Additions		Sales and Other Reductions			
	Number of Transactions	Amount	Number of Transactions	Proceeds	Cost	Realized Gain
Sonoco Products Company common stock	2	\$13,721,875		\$	\$	\$
Engraph, Inc. common stock	16	1,007,777	1	16,837,167	7,229,502	9,607,665
Common trust fund, short-term investments	141	23,972,778	112	24,775,117	24,775,117	
Common trust fund, equity	21	3,754,271	12	295,205	226,516	68,689
Common trust fund, investment contracts	22	2,453,354	13	760,595	642,426	118,169