

Edgar Filing: V F CORP - Form 11-K

V F CORP
Form 11-K
June 27, 2002

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT

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

For the fiscal year ended DECEMBER 31, 2001

Commission file number: 1-5256

BLUE BELL SAVINGS, PROFIT SHARING AND RETIREMENT PLAN
(Full title of plan)

628 GREEN VALLEY ROAD, SUITE 500
GREENSBORO, NC 27408
(Address of principal executive offices)

(336) 547-6000
(Registrant's telephone number, including area code)

1

BLUE BELL SAVINGS, PROFIT SHARING AND RETIREMENT PLAN
TABLE OF CONTENTS

	Page No.
Report of Independent Accountants	4
Statements of Net Assets Available for Benefits, December 31, 2001 and 2000	5

Edgar Filing: V F CORP - Form 11-K

Statements of Changes in Net Assets Available for Benefits -
For the Years Ended December 31, 2001, 2000, and 1999 6

Notes to Financial Statements 7

Supplemental Schedules*:
Schedule H - Line 4i - Schedule of Assets (Held at end of year) 11

* - Other schedules required by Section 2520.103-10 of the
Department of Labor Rules and Regulations for Reporting
and Disclosure under ERISA have been omitted because they
are not applicable.

Exhibit 23.1 - Consent of Independent Accountants 12

2

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Blue Bell Pension & Profit Sharing Committee has duly caused this annual report to be signed by the undersigned thereunto duly authorized.

Blue Bell Savings, Profit Sharing and Retirement Plan

By: /s/Frank C. Pickard III

Frank C. Pickard III
Vice President, Treasurer
VF Corporation

Date: June 28, 2002

3

REPORT OF INDEPENDENT ACCOUNTANTS

To the Participants and Administrator of
Blue Bell Savings, Profit Sharing and Retirement Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Blue Bell Savings, Profit Sharing and Retirement Plan (the "Plan") at December 31, 2001 and 2000, and the changes in net assets available for benefits for the three years in the period ended December 31, 2001 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about

Edgar Filing: V F CORP - Form 11-K

whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

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

/s/PricewaterhouseCoopers LLP
June 14, 2002

4

BLUE BELL SAVINGS, PROFIT SHARING AND RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31	
	2001	2000
	-----	-----
ASSETS		
Investments, at fair value		
VF Corporation common stock -		
300,476 shares in 2001	\$ 11,721,566	\$ 13,485,864
372,126 shares in 2000		
Other securities	134,921,148	160,106,156
	-----	-----
Total investments	146,642,714	173,592,020
	-----	-----
TOTAL ASSETS	146,642,714	173,592,020
	-----	-----
Net Assets Available for Benefits	\$146,642,714	\$173,592,020
	=====	=====

See notes to financial statements.

5

BLUE BELL SAVINGS, PROFIT SHARING AND RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Edgar Filing: V F CORP - Form 11-K

	2001	Year Ended December 31 2000	
	-----	-----	-----
Investment income			
Interest	\$ 0	\$ 14,219	\$
Dividends on VF Corporation common stock	295,436	329,845	
Income from mutual funds and bank common trust funds	2,155,793	8,462,753	
	-----	-----	-----
	2,451,229	8,806,817	
	-----	-----	-----
Benefits paid to participants	(18,914,068)	(24,094,324)	(
Expenses (fees)	(66,150)	(87,367)	
Net realized and unrealized appreciation (depreciation) in fair value of investments	(10,420,317)	(10,769,080)	
	-----	-----	-----
Net decrease	(26,949,306)	(26,143,954)	
Net assets available for benefits at beginning of year	173,592,020	199,735,974	2
	-----	-----	-----
Net assets available for benefits at end of year	\$ 146,642,714	\$ 173,592,020	\$ 1
	=====	=====	=====

See notes to financial statements.

6

BLUE BELL SAVINGS, PROFIT SHARING AND RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE A - DESCRIPTION OF THE PLAN

General - The Blue Bell Savings, Profit Sharing and Retirement Plan (the "Plan") is an employee contributory defined contribution plan covering all salaried employees of former Blue Bell, Inc. and certain subsidiaries (the "Company") who met age and service requirements and were employed prior to September 30, 1988. VF Corporation ("VF") assumed responsibility for sponsorship of the plan following VF's acquisition of Blue Bell, Inc. The Plan is a frozen plan, under which participants no longer accrue benefits but that will remain in existence as long as necessary to pay accrued benefits. It is subject to provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Details of the Plan are available in the booklet "Blue Bell Savings, Profit Sharing and Retirement Plan".

Vesting - The Plan is frozen, and all participants are fully vested. No further contributions have or will be made by either the Company or participants.

Participant Accounts - Each participant's account is credited with earnings of Plan investments. Earnings are based upon the balance each of the participants has in each of the respective funds.

Edgar Filing: V F CORP - Form 11-K

Employee accounts are invested at the direction of the employee in one or more of the funds administered by the Plan's trustees. All Plan assets are trustee'd by Fidelity Management Trust Company with the exception of the Fixed Income Fund which is trustee'd by UMB Bank, n.a. Participants have the opportunity to change investment elections daily. A participant's investment election will continue in effect until changed by the participant pursuant to a subsequent investment election. The investment programs and investment objectives of the Plan are as follows:

- (a) Money Market Fund: Monies are invested in a money market fund.
- (b) Fixed Income Fund: Monies are invested in investments that provide a fixed rate of return.
- (c) Balanced Fund: Monies are invested in investments to obtain as much income as possible, consistent with the preservation and conservation of capital.
- (d) Equity Growth & Income Fund: Monies are invested in investments that are currently paying dividends and/or offer prospects for growth of capital and future income, with emphasis on capital appreciation.
- (e) Index 500 Fund: Monies are invested in the 500 stocks that make up the S&P 500 Stock Price Index.
- (f) Dividend Growth Fund: Monies are invested in stocks of companies that have the potential to increase the amount of their dividends or begin paying them if none are being paid now.
- (g) Small-Cap Value Fund: Monies are invested in U.S. common stocks of small companies whose price is undervalued.
- (h) Small-Cap Growth Fund: Monies invested in small and medium size companies with undervalued assets or favorable growth prospects.
- (i) Foreign Fund: Monies are invested in stocks and debt obligations of companies and governments outside the United States.

7

- (j) VF Corporation Common Stock Fund: Monies are invested in common stock of VF Corporation purchased at prevailing prices on the New York Stock Exchange on the date of purchase. Employees can direct no more than 50% of their contributions to the VF Corporation Common Stock Fund.
- (k) Mutual Fund Window (Self Directed Option): The option allows participants to select from over 250 mutual funds offered through Fidelity Investments Funds Net Program and additional Fidelity Fund options.

Distributions - Distributions to participants or their beneficiaries are payable at the time of normal retirement, early retirement for those who qualify, qualifying layoff, death, or disability while employed by the Company. In addition, participants are entitled annually to withdraw the lesser of up to 25% of their individual account balance or \$10,000, for any reason. Various methods are available for settlement of a participant's vested account balance including lump-sum cash settlement, periodic payments, and purchase of an annuity. Distributions are recorded when paid.

Edgar Filing: V F CORP - Form 11-K

Plan Termination - Although it has no intent to do so, the Board of Directors of VF Corporation may amend, modify, or terminate the Plan at any time. In the event the Plan is terminated, each participant is entitled to his or her proportionate share of net assets available for benefits as of the termination date.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

General - Administrative expenses of the Plan are charged to the Plan. Purchases and sales of securities are recorded on a trade date basis.

Investments are stated at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the plan year. The fair value of the participation units owned by the Plan in mutual funds and bank common trust funds is based on quoted redemption values on the last business day of the plan year. Dividends are recorded on the ex-dividend date.

The Plan presents in the statement of changes in net assets the net appreciation (depreciation) in the fair value of its investments, which consists of realized gains or losses and unrealized appreciation or depreciation on those investments. Realized gains or losses are calculated on an average cost basis.

Use of Estimates: In preparing financial statements in accordance with generally accepted accounting principles, management makes estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Payment of Benefits: Benefits are recorded when paid.

Risks and Uncertainties: The Plan provides for various mutual fund investment options in stocks, bonds and fixed income securities. Investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for plan benefits and the statements of changes in net assets available for plan benefits.

8

BLUE BELL SAVINGS, PROFIT SHARING AND RETIREMENT PLAN NOTES TO FINANCIAL STATEMENTS

NOTE C - INCOME TAXES

The Internal Revenue Service has ruled by letter dated March 5, 1987 that the Plan qualifies under Section 401(a) of the Internal Revenue Code (IRC) and is, therefore, not subject to tax under present income tax law. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. However, the Blue Bell Pension and Profit Sharing Committee is not aware of any course of action or series of events that have occurred that might adversely affect the Plan's qualified status. The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and is currently being operated in compliance with the applicable requirements of the IRC.

Edgar Filing: V F CORP - Form 11-K

NOTE D - INVESTMENTS

The fair value of individual investments that represent 5% or more of the Plan's net assets available for benefits are as follows:

	2001 -----	2000 -----
VF Corporation Common Stock (300,476 and 372,126 shares)	\$11,721,566	\$13,485,864
Fidelity Growth & Income Fund (839,256 and 937,419 shares)	31,371,407	39,465,325
Fidelity Puritan Fund (465,273 and 502,163 shares)	8,221,370	9,455,723
Fidelity US Equity Index Commingled Pool (487,870 and 653,513 shares)	16,465,629	25,036,081
ProCapp Fixed Income Fund (3,512,884 and 3,696,262 shares)	40,784,583	49,252,293

9

BLUE BELL SAVINGS, PROFIT SHARING AND RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE D -- INVESTMENTS

Net realized and unrealized appreciation (depreciation) and year end fair value of investments included in Plan equity consists of the following:

	Net Realized & Unrealized Appreciation (Depreciation) in Fair Value for the Year Ended December 31		
	2001 -----	2000 -----	1999 -----
Fair value as determined by quoted market or stated redemption price:			
VF Corporation Common Stock	\$ 1,178,622	\$ 2,595,140	\$ (7,080,458)
Mutual funds and bank common trust funds	(14,159,954)	(16,196,650)	12,219,010
	----- (12,981,332)	----- (13,601,510)	----- 5,138,552
Fair value as determined by Plan trustee:			
Mutual funds and bank common trust funds	2,561,015	2,832,430	0
	----- \$ (10,420,317)	----- \$ (10,769,080)	----- \$ 5,138,552
	=====	=====	=====

Edgar Filing: V F CORP - Form 11-K

10

BLUE BELL SAVINGS, PROFIT SHARING AND RETIREMENT PLAN

Schedule H - Line 4i - Schedule of Assets (Held at end of year)
At December 31, 2001

IDENTITY OF ISSUE, BORROWER, LESSOR, OR SIMILAR PARTY -----	NUMBER OF SHARES -----	COST ----	CUR VA --
*Fidelity Puritan Fund	465,273	\$ 8,390,710	\$ 8,2
*Fidelity Growth & Income Fund	839,256	24,067,113	31,3
*Fidelity Diversified International Fund	93,171	1,971,028	1,7
*Fidelity Dividend Growth Fund	64,416	1,841,734	1,8
*Fidelity Retirement Money Market Portfolio	5,710,182	5,710,182	5,7
*Fidelity U.S. Equity Index Commingled Pool	487,870	18,432,481	16,4
Baron Asset Fund	70,576	3,516,164	3,1
Longleaf Small Cap Fund	93,395	2,038,176	2,0
*ProCapp Fixed Income Fund	3,512,884	36,097,630	40,7
*VF Corporation Common Stock	300,476	2,981,889	11,7
*Mutual Fund Window (Self Directed Option)	N/A	27,560,557	23,6
		----- \$132,607,664 =====	----- \$146,6 =====

* represents a party-in-interest

11