SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended MARCH 31, 2001

Commission file number 1-1043

BRUNSWICK CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	36-0848180
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1 N. FIELD CT., LAKE FOREST, ILLINOIS	60045-4811
(Address of principal executive offices)	(Zip Code)

(847) 735-4700
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X No

AT MAY 7, 2001, THERE WERE 87,589,990 SHARES OF COMMON STOCK ($0.75 PAR VALUE) OUTSTANDING.

PART I. FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS
<TABLE>

BRUNSWICK CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31
(IN MILLIONS, EXCEPT PER SHARE DATA)
(UNAUDITED)

<CAPTION>

<S>	2001 <C>	2000 <C>
NET SALES	$ 913.2	$ 955.4
Cost of sales	687.4	681.7
Selling, general and administrative expense	146.8	160.7
OPERATING EARNINGS	79.0	113.0
Interest expense	(13.6)	(16.4)
Other income (expense)	(1.7)	1.1
EARNINGS BEFORE INCOME TAXES	63.7	97.7
Income tax provision	24.2	37.0
EARNINGS FROM CONTINUING OPERATIONS	39.5	60.7
Cumulative effect of change in accounting principle, net of tax	(2.9)	--
Loss from discontinued operations, net of tax	--	(2.0)

NET EARNINGS	$ 36.6	$ 58.7
BASIC EARNINGS PER COMMON SHARE:		
Earnings from continuing operations	$ 0.45	$ 0.66
Cumulative effect of change in accounting principle	(0.03)	--
Loss from discontinued operations	--	(0.02)
Net Earnings	$ 0.42	$ 0.64
DILUTED EARNINGS PER COMMON SHARE:		
Earnings from continuing operations	$ 0.45	$ 0.66
Cumulative effect of change in accounting principle	(0.03)	--
Loss from discontinued operations	--	(0.02)
Net earnings	$ 0.42	$ 0.64
AVERAGE SHARES USED FOR COMPUTATION OF:		
Basic earnings per share	87.7	91.4
Diluted earnings per share	87.8	91.5
CASH DIVIDENDS DECLARED PER COMMON SHARE	$ 0.125	$ 0.125

The notes are an integral part of these consolidated statements.

</TABLE>

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<TABLE>

BRUNSWICK CORPORATION
CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2001, DECEMBER 31, 2000, AND MARCH 31, 2000
(DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)
(UNAUDITED)

<CAPTION>

<S>	MARCH 31, 2001 <C>	December 31, 2000 <C>	March 31, 2000 <C>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents, at cost, which approximates market	$ 72.3	$ 125.2	$ 123.8
Accounts and notes receivable, less allowances of $20.0, $21.2 and $19.7	450.7	419.9	419.6
Inventories			
Finished goods	335.5	288.1	236.7
Work-in-process	147.3	153.6	149.7
Raw materials	86.2	69.0	69.6
Net inventories	569.0	510.7	456.0
Prepaid income taxes	363.5	367.8	259.6
Prepaid expenses	39.5	48.6	46.6
Income tax refunds receivable	--	57.4	--
Net assets of discontinued operations offered for sale	330.3	302.2	619.3
CURRENT ASSETS	1,825.3	1,831.8	1,924.9
PROPERTY			
Land	65.6	64.6	70.1
Buildings	414.6	408.6	381.7
Equipment	973.8	967.7	936.6
Total land, buildings and equipment	1,454.0	1,440.9	1,388.4
Accumulated depreciation	(772.1)	(756.8)	(729.3)
Net land, buildings and equipment	681.9	684.1	659.1
Unamortized product tooling costs	117.0	119.1	106.9

NET PROPERTY	798.9	803.2	766.0
OTHER ASSETS			
Goodwill	411.9	391.8	401.1
Other intangibles	115.3	116.1	82.5
Investments	69.0	73.0	78.6
Other long-term assets	167.1	180.6	177.5
OTHER ASSETS	763.3	761.5	739.7
TOTAL ASSETS	$ 3,387.5	$ 3,396.5	$ 3,430.6

The notes are an integral part of these consolidated statements.
</TABLE>

<TABLE>

BRUNSWICK CORPORATION
CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2001, DECEMBER 31, 2000, AND MARCH 31, 2000
(DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)
(UNAUDITED)

<CAPTION>

<S>	MARCH 31, 2001 <C>	December 31, 2000 <C>	March 31, 2000 <C>
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term debt, including current maturities of long-term debt	$ 144.8	$ 172.7	$ 298.2
Accounts payable	248.8	238.6	257.1
Accrued expenses	597.8	641.8	579.6
Accrued income taxes	29.1	--	32.3
Reserve for discontinued operations	192.0	194.8	--
CURRENT LIABILITIES	1,212.5	1,247.9	1,167.2
LONG-TERM DEBT			
Notes, mortgages and debentures	599.4	601.8	620.1
DEFERRED ITEMS			
Income taxes	204.7	215.4	135.8
Postretirement and postemployment benefits	195.9	196.5	141.5
Compensation and other	75.0	67.8	72.5
DEFERRED ITEMS	475.6	479.7	349.8
COMMON SHAREHOLDERS' EQUITY			
Common stock; authorized: 200,000,000 shares, $0.75 par value; issued: 102,538,000 shares	76.9	76.9	76.9
Additional paid-in capital	314.9	314.5	314.5
Retained earnings	1,067.1	1,041.4	1,228.8
Treasury stock, at cost: 14,976,000; 15,194,000 and 13,596,000 shares	(292.7)	(296.4)	(265.9)
Unamortized ESOP expense and other	(39.9)	(41.9)	(47.2)
Accumulated other comprehensive income (loss)	(26.3)	(27.4)	(13.6)
COMMON SHAREHOLDERS' EQUITY	1,100.0	1,067.1	1,293.5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 3,387.5	$ 3,396.5	$ 3,430.6

The notes are an integral part of these consolidated statements.
</TABLE>

<TABLE>

BRUNSWICK CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31
(IN MILLIONS)
(UNAUDITED)

<CAPTION>

<S>	2001 <C>	2000 <C>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net earnings	$ 36.6	$ 58.7
Depreciation and amortization	37.1	35.2
Changes in noncash current assets and current liabilities	(113.8)	(125.7)
Income taxes	78.2	57.7
Antitrust litigation settlement payments	--	(30.5)
Loss from discontinued operations	--	2.0
Other, net	11.7	(3.1)
NET CASH PROVIDED BY (USED FOR) CONTINUING OPERATIONS	49.8	(5.7)
NET CASH USED FOR DISCONTINUED OPERATIONS	(28.1)	(52.8)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	21.7	(58.5)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(18.7)	(21.5)
Investments	--	(15.1)
Acquisitions of businesses	(18.4)	--
Other, net	5.6	0.6
NET CASH USED FOR CONTINUING OPERATIONS	(31.5)	(36.0)
NET CASH USED FOR DISCONTINUED OPERATIONS	(2.8)	(6.9)
NET CASH USED FOR INVESTING ACTIVITIES	(34.3)	(42.9)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net issuances (repayments) of commercial paper and other short-term debt	(27.5)	188.2
Payments of long-term debt including current maturities	(2.8)	--
Cash dividends paid	(10.9)	(11.4)
Stock repurchases	--	(52.4)
Stock options exercised	0.9	--
NET CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES	(40.3)	124.4
Net increase (decrease) in cash and cash equivalents	(52.9)	23.0
Cash and cash equivalents at January 1	125.2	100.8
CASH AND CASH EQUIVALENTS AT MARCH 31	$ 72.3	$ 123.8
SUPPLEMENTAL CASH-FLOW DISCLOSURES:		
Interest paid	$ 14.4	$ 17.1
Income taxes paid (refunds), net	$ (55.8)	$ (21.6)
Treasury stock issued for compensation plans and other	$ 3.7	$ 0.1

The notes are an integral part of these consolidated statements.

</TABLE>

BRUNSWICK CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

INTERIM FINANCIAL STATEMENTS. The unaudited financial data of Brunswick Corporation (the Company) has been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, certain information and disclosures normally included in financial statements and notes prepared in accordance with generally accepted accounting principles have been condensed or omitted. Certain previously reported amounts have been reclassified to conform with the current-period presentation.

These financial statements should be read in conjunction with, and have been prepared in conformity with, the accounting principles reflected in the consolidated financial statements and related notes included in the Company's 2000 Annual Report on Form 10-K (the 2000 Form 10-K). These interim results include, in the opinion of management, all normal and recurring adjustments necessary to present fairly the results of operations for the periods ended March 31, 2001 and 2000. The interim results are not necessarily indicative of the results that may be expected for the remainder of the year.

DERIVATIVES. Effective January 1, 2001, the Company adopted Statement of Financial Accounting Standards (SFAS) Nos. 133/138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities." Under SFAS 133/138, all derivative instruments are recognized on the balance sheet at their fair values.

The Company engages in business activities involving both financial and market risks, including, but not limited to, changes in foreign currency exchange rates and commodity prices. The Company uses derivative financial instruments to manage its risks associated with movements in foreign currency exchange rates and commodity prices. Derivative instruments are not used for trading or speculative purposes. The Company's risk management objectives are described in Notes 1 and 8 of the 2000 Form 10-K. The effects of derivative and financial instruments are not expected to be material to the Company's results of operations.

Cash Flow Hedges - Certain derivative instruments held at March 31, 2001, qualify as cash flow hedges under the requirements of SFAS 133/138. The Company executes forward contracts and options, based on forecasted transactions, to manage foreign exchange exposure mainly related to inventory purchase transactions. The Company also enters into commodity swap agreements, based on anticipated purchases of certain raw materials, to manage exposure related to risk from price changes.

As changes in the fair value of derivatives occur, the portion of the change deemed to be effective is recorded temporarily in accumulated other comprehensive income, an equity account, with any ineffective portion recorded directly in other income (expense). The ineffective portion of derivative transactions, including the premium or discount on option contracts, was not material to the results of operations for the three months ended March 31, 2001.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the first quarter of 2001, the following activity related to cash flow hedges was recorded in accumulated other comprehensive income (in millions):
<TABLE>
<CAPTION>

	INCREASE (DECREASE) IN ACCUMULATED OTHER COMPREHENSIVE INCOME	
	PRETAX	AFTER TAX
<S>	<C>	<C>
Net transition gain	$ 1.6	$ 1.0

Net change associated with current period hedging activity	1.2	0.7
Net amount reclassified into earnings	(0.1)	(0.1)
Net accumulated unrealized derivative gains	$ 2.7	$ 1.6

</TABLE>

The Company estimates that $1.5 million of after-tax net derivative gains deferred in accumulated other comprehensive income will be realized in earnings over the next 12 months. Included in this total is approximately $0.9 million resulting from the original net transition gain that is expected to be realized by the end of 2001. At March 31, 2001, the term of derivative instruments hedging forecasted transactions ranges from one to twenty-one months.

Also in the first quarter of 2001, the Company recorded a $2.9 million after-tax loss ($4.7 million pretax) as a cumulative effect of a change in accounting principle, primarily resulting from recording the interest rate swaps at fair value.

NOTE 2 - EARNINGS PER COMMON SHARE

There is no difference in the net earnings used to compute basic and diluted earnings per share. The difference in the average number of shares of common stock outstanding used to compute basic and diluted earnings per share is the amount of potential common stock relating to employee stock options. The average number of shares of potential common stock was 0.1 million for the quarters ended March 31, 2001 and 2000.

NOTE 3 - DEBT

Commercial paper outstanding decreased $28.9 million to $123.1 million at March 31, 2001, compared with $152.0 million at December 31, 2000. The weighted-average interest rates for commercial paper borrowings were 6.37 percent and 6.12 percent for the quarters ended March 31, 2001 and 2000, respectively.

NOTE 4 - LEGAL AND ENVIRONMENTAL

On October 26, 1999, a federal court jury in Seattle, Washington, awarded Precor, a subsidiary of Illinois Tool Works, Inc., approximately $5.2 million in a patent infringement trial against the Company, as successor in interest to the predecessor entities of its Life Fitness division, upon the basis that certain Life Fitness treadmills willfully infringed a Precor design patent. Precor was also awarded up to $5.3 million in attorneys' fees and will be entitled to prejudgment interest on the damage award. The Company has appealed the verdict and the award of attorneys' fees to the United States Court of Appeals for the Federal Circuit. On May 23, 2000, a $13.0 million surety bond was issued to secure damages while the Company pursues its appeal. Oral argument on the appeal took place in April 2001, and the parties are awaiting a decision by the Federal Circuit. While there can be no assurances, the Company believes it is likely to prevail on the appeal and obtain either a new trial or judgment in its favor. No reserve relating to the resolution of this case has been recorded.

NOTE 4 - LEGAL AND ENVIRONMENTAL (CONTINUED)

The Company is involved in certain legal and administrative proceedings under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and other federal and state legislation governing the generation and disposition of certain hazardous wastes. These proceedings, which involve both on- and off-site waste disposal or other contamination, in many instances seek compensation or remedial action from the Company as a waste generator under Superfund legislation, which authorizes action regardless of fault, legality of original disposition or ownership of a disposal site. The Company is also involved in a number of environmental remediation actions addressing contamination resulting from historic activities on its present and former plant properties.

The Company accrues for environmental remediation-related activities for which commitments or clean-up plans have been developed and for which costs can be reasonably estimated. All accrued amounts are generally determined in coordination with third-party experts on an undiscounted basis and do not consider recoveries from third parties until such recoveries are realized. In light of existing reserves, the Company's environmental claims, when finally resolved, will not, in the opinion of management, have a material adverse effect on the Company's consolidated financial position. If current estimates are not achieved, results of operations could be adversely affected in the period in which additional provisions are required. Refer to Note 7 to the consolidated financial statements in the 2000 Form 10-K for disclosure of the potential cash requirements of environmental proceedings as of December 31, 2000.

NOTE 5 - SEGMENT DATA

The following table sets forth net sales and operating earnings of each of the Company's reportable segments for the quarters ended March 31, 2001 and 2000 (in millions):
<TABLE>
<CAPTION>

	Quarter ended March 31			
	2001		2000	
	NET SALES	OPERATING EARNINGS	Net Sales	Operating Earnings
<S>	<C>	<C>	<C>	<C>
Marine Engine	$ 413.7	$ 49.3	$ 429.0	$ 60.9
Boat	380.3	23.8	418.5	37.9
Marine eliminations	(67.1)	--	(79.4)	--
Total Marine	726.9	73.1	768.1	98.8
Recreation	186.3	19.8	187.3	25.0
Corporate/Other	--	(13.9)	--	(10.8)
Total	$ 913.2	$ 79.0	$ 955.4	$ 113.0

</TABLE>

NOTE 6 - DISCONTINUED OPERATIONS

During 2000, the Company announced its intention to divest the following businesses that comprised its former outdoor recreation segment: fishing, camping, bicycle, cooler, marine accessories and hunting sports accessories. The consolidated financial statements for all periods have been restated to present these businesses as discontinued operations in accordance with Accounting Principles Board Opinion No. 30. The Company intends to dispose of the assets of these businesses through sales transactions.

NOTE 6 - DISCONTINUED OPERATIONS (CONTINUED)

Results from discontinued operations for the quarters ended March 31, 2001 and 2000, were as follows (in millions):

	Quarter ended March 31	
	2001	2000
Net sales	$ 114.9	$ 193.8
Pretax loss from discontinued operations	$ --	$ (3.0)

The Company completed the sale of its bicycle and camping businesses in 2000. The sale of these businesses principally accounted for the decrease in net sales compared with the first quarter of the prior year. The losses associated with these sales transactions were charged against the reserve for discontinued operations in 2000.

The net assets of the remaining businesses have been segregated as net assets of discontinued operations offered for sale. Net assets of discontinued operations offered for sale at March 31, 2001, of $330.3 million, consisted of current assets and liabilities, net property, plant and equipment and other assets including goodwill. The reserve for discontinued operations at March 31, 2001, was $192.0 million.

NOTE 7 - COMPREHENSIVE INCOME

Accumulated other comprehensive income (loss) includes cumulative foreign currency translation adjustments, unrealized gains and losses on investments and derivatives, and minimum pension liability adjustments, all net of tax. Comprehensive income for the quarters ended March 31, 2001 and 2000, was as follows (in millions):

<TABLE>
<CAPTION>

	Quarter ended March 31	
	2001	2000
<S>	<C>	<C>
Net earnings	$ 36.6	$ 58.7
Other comprehensive income (loss):		
Foreign currency cumulative translation adjustment	(2.8)	(4.3)
Net change in unrealized gains (losses) on investments	2.3	(0.1)
Net change in accumulated unrealized derivative gains (losses)	1.6	--
Total other comprehensive income (loss)	$ 1.1	$ (4.4)
Comprehensive income	$ 37.7	$ 54.3

</TABLE>

NOTE 8 - ACQUISITIONS

Cash paid for acquisitions totaled $18.4 million in the first quarter of 2001, comprised primarily of consideration paid for Princecraft Boats Inc. (Princecraft), a manufacturer of deck and pontoon boats. On March 7, 2001, the Company acquired Princecraft and its results are included in the Boat segment. The acquisition of Princecraft has been accounted for as a purchase. Subject to final purchase accounting adjustments, the Company acquired assets including inventory, net property, plant and equipment and a trademark.

NOTE 8 - ACQUISITIONS (CONTINUED)

In addition, the Company also acquired the remaining interest in Omni Fitness Equipment Inc. (Omni), a domestic retailer of fitness equipment, effective February 28, 2001. Omni's results are included in the Recreation segment and the acquisition has been accounted for as a purchase. The Company acquired the remaining interest in exchange for a note with the previous owner. The Company had previously accounted for its interest in Omni under the equity method of accounting. Subject to final purchase accounting adjustments, the acquisition resulted in an estimated unallocated excess purchase price over fair value of net assets acquired of $24.0 million, which is being amortized on a straight-line basis over ten years.

NOTE 9 - SUBSEQUENT EVENT

On April 10, 2001, the Company completed the sale of its hunting sports accessories business. The loss associated with this transaction will be charged against the reserve for discontinued operations.

ITEM 2. - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

CONSOLIDATED

The following table sets forth certain amounts, ratios and relationships calculated from the consolidated statements of income for the quarters ended March 31, 2001 and 2000 (dollars in millions, except per share data):
<TABLE>
<CAPTION>

	Quarter ended March 31	
	2001	2000
<S>	<C>	<C>
Net sales	$ 913.2	$ 955.4
Operating earnings	$ 79.0	$ 113.0
Earnings from continuing operations	$ 39.5	$ 60.7
Cumulative effect of change in accounting principle, net of tax	(2.9)	--
Loss from discontinued operations, net of tax	--	(2.0)
Net earnings	$ 36.6	$ 58.7
Diluted earnings per share from continuing operations	$ 0.45	$ 0.66
Cumulative effect per share of change in accounting principle	(0.03)	--
Loss per share from discontinued operations	--	(0.02)
Diluted earnings per share	$ 0.42	$ 0.64
EXPRESSED AS A PERCENTAGE OF NET SALES:		
Gross margin	24.7%	28.6%
Selling, general and administrative expense	16.1%	16.8%
Operating margin	8.7%	11.8%

</TABLE>

For the quarter ended March 31, 2001, the Company reported net sales of $913.2 million, down 4.4 percent from the comparable quarter a year ago. This decline was mainly attributable to lower sales in the Boat and Marine Engine segments, caused by weakening market conditions that negatively affected domestic sales of small boats and engines. Recreation segment sales benefited from continued growth in the fitness equipment business, but the gains were more than offset by lower sales in the bowling and billiards operations.

Gross margin percentages in the first three months of 2001 decreased to 24.7 percent from 28.6 percent. The 390-basis-point reduction reflects the impact of lower production rates and plant closure costs and a stronger dollar against key currencies and its effect on international margins, as well as a shift in sales mix, primarily in the Marine Engine and Recreation segments.

Operating earnings for the quarter ended March 31, 2001, totaled $79.0 million compared with $113.0 million in 2000. Operating margins fell 310 basis points to 8.7 percent in the current quarter versus 11.8 percent a year ago. The decline in operating margins was primarily attributable to the aforementioned gross margin decline.

Interest expense decreased $2.8 million, or 17.1 percent, in the first three months of 2001 compared with the first three months of 2000, principally due to the favorable impact of interest rate swaps and a decline in the average outstanding debt balance.

Other expense totaled $1.7 million in the current quarter versus other income of $1.1 million in the first quarter of last year. Losses from joint venture investments and unfavorable currency adjustments adversely affected the other income (expense) comparisons between the quarters.

The Company's effective tax rate was 38.0 percent in the first quarter of 2001, compared with 37.9 percent in the first quarter of 2000.

Earnings from continuing operations totaled $39.5 million in the first three months of 2001, versus $60.7 million in the comparable quarter a year ago. Effective January 1, 2001, the Company adopted Statement of Financial Accounting Standards Nos. 133/138 "Accounting for Certain Derivative Instruments and Certain Hedging Activities." The non-cash cumulative effect of adopting the new accounting standards totaled $2.9 million after tax, or $0.03 per diluted share, resulting in net earnings of $36.6 million for the three months ended March 31, 2001.

Average common shares outstanding used to calculate diluted earnings per share for the quarter decreased to 87.8 million in 2001 from 91.5 million in 2000. The decrease in average shares outstanding reflects the effects of stock repurchased during the first half of 2000.

EFFECTS OF MARINE MARKET CONDITIONS. The Company is experiencing a reduction in domestic demand for marine products, particularly boats and sterndrive engines, which has resulted in higher-than-desirable field and Company inventories in certain categories. In the first quarter, the Company took actions to reduce production and costs, as well as stimulate retail demand. The Company plans to implement further actions in the second quarter of 2001. The Company anticipates the net effects of these actions, along with the reduction in demand, will have an adverse impact on the Company's results for the remainder of 2001 when compared with the results of the prior year.

MARINE ENGINE SEGMENT

The following table sets forth Marine Engine segment results for the quarters ended March 31, 2001 and 2000 (dollars in millions):

	Quarter ended March 31	
	2001	2000
Net sales	$ 413.7	$ 429.0
Operating earnings	$ 49.3	$ 60.9
Operating margin	11.9%	14.2%
Capital expenditures	$ 6.6	$ 8.4

The Marine Engine segment reported a 3.6 percent drop in sales in the first quarter of 2001 to $413.7 million from $429.0 million a year ago. Domestic sales of sterndrive and outboard engines declined, reflecting weak market conditions, particularly for small boats, and corresponding efforts by dealers and boat builders to decrease inventories. These factors more than offset growth in international engine sales that was partially driven by the success of low-emission outboards. Domestic and international sales benefited from increased outboard market share resulting from the bankruptcy of a major competitor.

Operating earnings for the segment declined to $49.3 million in the first quarter of 2001, compared with $60.9 million a year ago. Operating margins also decreased to 11.9 percent in the current quarter, versus 14.2 percent in the first quarter of last year. The decline in operating margins reflects reductions in production rates and lower margins on international sales resulting from a stronger dollar against key currencies. The decline also reflects an unfavorable shift in sales mix including a decrease in higher-margin sterndrive engine sales and increases in lower-margin international and low-emission outboard engine sales.

BOAT SEGMENT

The following table sets forth Boat segment results for the quarters ended March 31, 2001 and 2000 (dollars in millions):

	Quarter ended March 31	
	2001	2000
Net sales	$ 380.3	$ 418.5
Operating earnings	$ 23.8	$ 37.9
Operating margin	6.3%	9.1%
Capital expenditures	$ 6.5	$ 8.5

In the first quarter of 2001, the Boat segment reported net sales of $380.3 million, a 9.1 percent decrease from the year-earlier quarter, resulting from continued weak demand for small boats. Sales of larger boats and off-shore fishing boats increased year-over-year, but weakened toward the end of the quarter.

Boat segment operating earnings totaled $23.8 million in the first quarter of 2001, declining $14.1 million from the same period of 2000, and operating margins decreased 280 basis points to 6.3 percent from 9.1 percent. The decline in operating margins reflects costs associated with plant closures and reductions in production rates.

RECREATION SEGMENT

The following table sets forth Recreation segment results for the quarters ended March 31, 2001 and 2000 (dollars in millions):

	Quarter ended March 31	
	2001	2000
Net sales	$ 186.3	$ 187.3
Operating earnings	$ 19.8	$ 25.0
Operating margin	10.6%	13.3%
Capital expenditures	$ 5.2	$ 3.6

Recreation segment sales of $186.3 million in the first quarter of 2001 remained essentially flat compared with the first quarter of 2000. Sales of fitness equipment increased, reflecting gains in sales to international and consumer fitness markets, while commercial sales to domestic health clubs were relatively flat versus the prior year as health club chains slowed the pace of new club openings and investments in equipment upgrades. Bowling equipment sales, including capital equipment, balls, supplies and other accessories, declined due to slower order activity and timing of product introductions. Results from retail bowling centers were also down slightly reflecting a reduction in the number of centers (five percent) and two fewer days in the quarter. Excluding these factors, equivalent center sales rose slightly versus the first quarter last year.

In the first quarter of 2001, Recreation segment operating earnings declined to $19.8 million from $25.0 million in 2000. Operating margins decreased to 10.6 percent in the current quarter versus 13.3 percent a year ago. The margin reduction reflects the decline in sales of bowling equipment, decreased production levels and an unfavorable shift in sales mix.

DISCONTINUED OPERATIONS

During 2000, the Company announced its intention to divest the following businesses that comprised its former outdoor recreation segment: fishing, camping, bicycle, cooler, marine accessories and hunting sports accessories. The consolidated financial statements for all periods have been restated to present these businesses as discontinued operations in accordance with Accounting Principles Board Opinion No. 30.

The Company completed the sale of its bicycle and camping businesses in 2000 and its hunting sports accessories business in April 2001. The losses associated with these transactions were charged against the reserve for discontinued operations. The Company anticipates disposing of the remaining businesses in 2001.

Cash generated from all of the dispositions, including cash proceeds, costs to sell, cash required to fund operations through disposition and related tax benefits realized in connection with the divestitures, is expected to total approximately $275 million. Excluding the impact of the seasonal build in working capital during the first quarter for the cooler business, approximately half of this benefit has been received through the first quarter of 2001. The timing of the remaining cash benefit is tied to the completion of the related transactions and the impact on the Company's tax payments. The amounts ultimately realized by the Company could differ materially from the amounts assumed in arriving at the loss from disposal of discontinued operations and could result in future gains or losses from disposal of discontinued operations. Risks that could influence the outcome include, but are not limited to, the Company's ability to dispose of its fishing, cooler and marine accessories businesses within the time, price and manner estimated and its ability to maintain key customers during the divestiture period.

CASH FLOW, LIQUIDITY AND CAPITAL RESOURCES

Cash generated from operating activities, available cash balances and selected borrowings are the Company's major sources of funds for investments and dividend payments.

Cash provided by operating activities for the first three months of 2001 totaled $21.7 million compared with cash used during the first three months of 2000 of $58.5 million. Cash flow from operating activities was influenced in both periods by seasonal increases in working capital resulting in a use of cash of $113.8 million in 2001 and $125.7 million in 2000. At March 31, 2001, inventories were $569.0 million versus $510.7 million at December 31, 2000, and $456.0 million at March 31, 2000. Inventories increased $58.3 million from year end; $21.6 million due to acquisitions and the remainder of the increase primarily attributable to increases in small boat and engine inventories. Accounts receivable totaled $450.7 million at March 31, 2001, versus $419.9 million at December 31, 2000, and $419.6 million at March 31, 2000. The $30.8 million increase in receivables since year end was principally due to the seasonal build in Marine Engine segment receivables. Accrued expenses decreased to $597.8 million at March 31, 2001, from $641.8 million at December 31, 2000, with the decrease mainly attributable to compensation plan payments.

Cash flow from operating activities in 2001 also included more favorable income tax related cash flows versus the prior year, as tax benefits associated with the divestitures were realized. Activity in the first quarter of the prior year included $30.5 million for antitrust litigation settlement payments that also affected comparisons.

During the first three months of 2001, the Company invested $18.7 million in capital expenditures compared with $21.5 million in 2000. Cash paid for acquisitions totaled $18.4 million in the first quarter of 2001, comprised primarily of consideration paid for Princecraft Boats Inc., a manufacturer of deck and pontoon boats. In the first quarter of the prior year, the Company invested $15.1 million principally in Internet-related businesses.

Cash and cash equivalents totaled $72.3 million at March 31, 2001, down from $125.2 million at the end of 2000. Total debt at March 31, 2001, decreased to $744.2 million versus $774.5 million at the end of 2000. Debt-to-capitalization ratios at these dates were 40.4 percent and 42.1 percent, respectively. The Company had $123.1 million in outstanding commercial paper at March 31, 2001, with additional borrowing capacity of $276.9 million under the Company's $400 million long-term credit agreement with a group of banks. The Company has $150 million available under a universal shelf registration filed in 1996 with the Securities and Exchange Commission for the issuance of equity and/or debt securities.

During the first three months of 2000, the Company repurchased 2.9 million shares of its common stock for $51.9 million in open market transactions under a $100 million repurchase program announced in February 2000. The Company also repurchased additional shares for $0.5 million under a systematic repurchase program in the first quarter of 2000. No stock repurchases occurred in the first quarter of 2001.

The Company's financial flexibility and access to capital markets is supported by its balance sheet position, investment-grade credit ratings and ability to generate significant cash from operating activities and current divestiture activities. Management believes that there are adequate sources of liquidity to meet the Company's short-term and long-term needs.

LEGAL PROCEEDINGS AND CONTINGENCIES

On October 26, 1999, a federal court jury in Seattle, Washington, awarded Precor, a subsidiary of Illinois Tool Works, Inc., approximately $5.2 million in a patent infringement trial against the Company, as successor in interest to the predecessor entities of its Life Fitness division, upon the basis that certain Life Fitness treadmills willfully infringed a Precor design patent. Precor was also awarded up to $5.3 million in attorneys' fees and will be entitled to prejudgment interest on the damage award. The Company has appealed the verdict and the award of attorneys' fees to the United States Court of Appeals for the Federal Circuit. On May 23, 2000, a $13.0 million surety bond was issued to secure damages while the Company pursues its appeal. Oral argument on the appeal took place in April 2001, and the parties are awaiting a decision by the Federal Circuit. While there can be no assurances, the Company believes it is likely to prevail on the appeal and obtain either a new trial or judgment in its favor. No reserve relating to the resolution of this case has been recorded.

The Company is involved in certain legal and administrative proceedings under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and other federal and state legislation governing the generation and disposition of certain hazardous wastes. These proceedings, which involve both on- and off-site waste disposal or other contamination, in many instances seek compensation or remedial action from the Company as a waste generator under Superfund legislation, which authorizes action regardless of fault, legality of original disposition or ownership of a disposal site. The Company is also involved in a number of environmental remediation actions addressing contamination resulting from historic activities on its present and former plant properties.

The Company accrues for environmental remediation-related activities for which commitments or clean-up plans have been developed and for which costs can be reasonably estimated. All accrued amounts are generally determined in coordination with third-party experts on an undiscounted basis and do not consider recoveries from third parties until such recoveries are realized. In light of existing reserves, the Company's environmental claims, when finally resolved, will not, in the opinion of management, have a material adverse effect on the Company's consolidated financial position. If current estimates are not achieved, results of operations could be adversely affected in the period in which additional provisions are required. Refer to Note 7 to the consolidated financial statements in the 2000 Form 10-K for disclosure of the potential cash requirements of environmental proceedings as of December 31, 2000.

FORWARD-LOOKING STATEMENTS

Certain statements in this Form 10-Q are forward looking as defined in the Private Securities Litigation Reform Act of 1995. These statements involve certain risks and uncertainties that may cause actual results to differ materially from expectations as of the date of this filing. These risks include, but are not limited to, the ability to dispose of the fishing, cooler and marine accessories businesses within the time, price and manner estimated; the ability to maintain key customers during the divestiture period; the ability of the buyers to obtain financing; weak market demand for the Company's products; shifts in currency exchange rates; the effect of interest rates and fuel prices on demand for marine products; competitive pricing pressures; inventory adjustments by major dealers and retailers; the success of inventory reduction efforts; adverse domestic or foreign economic conditions; adverse weather conditions retarding sales of recreation products; the ability to complete environmental remediation efforts at the cost estimated; the Company's ability to develop product technologies that comply with regulatory requirements; the success of marketing and cost-management programs; the Company's ability to develop and produce new products; new and competing technologies; and imports from Asia and increased competition from Asian competitors.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Note 4 to Consolidated Financial Statements in Part I of this Quarterly Report on pages 7 and 8 is hereby incorporated by reference.

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

At the May 1, 2001, Annual Meeting of Shareholders of the Company, Messrs. Nolan D. Archibald, Jeffrey L. Bleustein and Robert L. Ryan were elected directors of the Company for terms expiring at the 2004 Annual Meeting. The numbers of shares voted with respect to these directors were:

NOMINEE	FOR	WITHHELD
Nolan D. Archibald	70,839,856	2,375,935
Jeffrey L. Bleustein	70,846,486	2,369,305
Robert L. Ryan	70,839,989	2,375,802

At the Annual Meeting, the 1991 Stock Plan was amended to increase the maximum number of shares that may be awarded to an individual in a calendar year from 300,000 to 1,000,000. The amendment was approved by the Board of Directors on February 6, 2001, and the number of shares voted with respect to this amendment at the Annual Meeting were:

	NUMBER OF SHARES
For	61,219,271
Against	11,256,706
Abstain	739,808

At the Annual Meeting, the Board of Directors' appointment of Arthur Andersen LLP as auditors for the Company and its subsidiaries for the year 2001 was ratified pursuant to the following vote:

	NUMBER OF SHARES
For	71,815,046
Against	934,470
Abstain	466,270

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits.

10.1 Separation Agreement dated March 12, 2001, by and between the Company and Peter N. Larson.

10.2 Letter dated March 20, 2001 (the "Benefits Letter"), describing benefits due to Peter N. Larson in accordance with the Separation Agreement attached to this Form 10-Q as Exhibit 10.1 (the "Separation Agreement"). Attachments referenced in the Benefits Letter are not included with this Exhibit 10.2, as the attachments merely itemize Mr. Larson's account balances, accrued benefits and stock and option holdings, all of which have been previously described in the Company's Definitive Proxy Statement for 2000, the Benefits Letter, the Separation Agreement and other previous filings. The Company will furnish a complete copy of the attachments to the Benefits Letter to the Commission on request.

(b) Reports on Form 8-K.

None

SIGNATURES

Pursuant to the requirements 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.

BRUNSWICK CORPORATION
(Registrant)

May 14, 2001 By: /s/ PETER G. LEEMPUTTE

Peter G. Leemputte
Vice President and Controller

*Mr. Leemputte is signing this report both as a duly authorized officer and as the principal accounting officer.

EXHIBIT 10.1

AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into as of the 12th day of March, 2001, by and between Peter N. Larson ("Executive") and Brunswick Corporation, a Delaware corporation (the "Company").

STATEMENT OF PURPOSE

WHEREAS, the Company and Executive have previously entered into the Second Amended and Restated Employment Agreement, dated January 4, 1999 (the "Employment Agreement") and the Company and Executive hereby wish to agree in full on all matters and claims, contractual and non-contractual, relating to Executive's continuing employment by the Company, including without limitation all matters and claims relating to the Employment Agreement,

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, the parties hereto agree as follows:

1. Change in Terms and Nature of Employment. Executive shall continue to be an employee on the Company's payroll as a non-officer for the compensation set forth in this Agreement through January 1, 2002 (the "Date of Termination") at which date Executive's employment with the Company shall be terminated.

2. Executive's Compensation and Benefits. The Company and Executive agree as follows:

a. Share Awards. Subject to subparagraph 2g below, the Executive shall be entitled to receive and shall be vested in the 50,000 deferred stock units credited to Executive under Paragraph 2(b)(ii) of the Employment Agreement as of January 1, 2000, and the 50,000 deferred

stock units credited to Executive thereunder as of January 1, 2001 (thus bringing Executive to a total of 200,000 vested shares in the automatic stock deferral account). Dividends will be paid as provided in Employment Agreement.

b. Salary and Bonus Payments. For the period commencing July 1, 2000 and ending on January 1, 2002 Executive shall be entitled to an aggregate amount of cash compensation equal to $3.5 million, payable as follows: (i) $1,350,000 shall be paid on regular payroll dates (at the rate of $900,000 per annum) for the period from July 1, 2000 through December 31, 2001; (ii) $450,000 shall be paid as a lump sum on January 2, 2002; and (iii) $1.7 million shall be credited to Executive's cash deferral account as a bonus payment as of the date in February 2001 on which bonus payments were made to Company executives. Such amounts shall be inclusive of all amounts to which he would otherwise be entitled for current or accrued vacation.

c. Life Insurance. Executive shall continue to receive life insurance coverage specified in a letter to Executive dated as of the date hereof from the Company's Vice President and Chief Human Resources Officer (the "Benefits Letter").

d. Stock Options. The option for 175,000 shares of the Company's common stock which was awarded to Executive in 1999 shall be exercisable through June 30, 2005. The stock options awarded Executive prior to January 1, 1999 and currently outstanding are set forth in the Benefits Letter. Each of such options is exercisable until June 30, 2005 or, if earlier, the date fixed for expiration of the option.

e. Retirement Benefits. Pension benefits to which Executive is entitled pursuant to Paragraph 4(b)(viii) of the Employment Agreement will be based on compensation through December 31, 2000. The aggregate pension benefits to which Executive is entitled under the

Employment Agreement and the Company's qualified and nonqualified pension plans, prior to offset for Social Security benefits and benefits payable to Executive under plans maintained by his prior employer, are set forth in the Benefits Letter. Executive shall continue to have the right to elect to convert pension benefits, as provided in the Employment Agreement, until February 1, 2002.

f. Other Benefits. Executive shall be entitled to group life, accident, medical and hospital insurance coverage and tax and financial planning through June 30, 2002 on the same basis as if he had continued in the employ of the Company through that date. Executive shall be entitled to retiree medical benefits to the extent that he would be entitled to such benefits if he continued in the employ of the Company through June 30, 2002. The benefits earned by the Executive under the Company's employee compensation and benefits plans prior to June 30, 2000 are specified in the Benefits Letter. Such payments and benefits shall be paid or provided by the Company or such plans (as the case may be) when due, and full payment and provision of such benefits shall discharge fully all obligations of the Company and such plans with respect to Executive's benefits under such plans.

g. Deferred Compensation. Executive's deferred stock units, including the 100,000 stock units referenced is subparagraph 2a above, and interests in shares held in a rabbi trust, shall be converted as of March 14, 2001 to cash deferrals (based on the closing price of a share of Company common stock on March 13, 2001 as reported on the New York Stock Exchange Composite Transactions) under Executive's Automatic Deferral Agreement dated as of February 3, 1997 (the "Deferral Agreement"). Such deferrals will be credited with interest at the rate of 7.5% per annum from March 14, 2001 through December 31, 2001. All other cash deferrals

credited to Executive as of March 31, 2001 under the Deferral Agreement shall be credited with interest (i) at the rate specified in subparagraph 3a of the Deferral Agreement for the period through March 31, 2001, and (ii) at the rate of 7.5% per annum from April 1, 2001 through December 31, 2001. All amounts credited to Executive under the Deferral Agreement shall be paid to Executive on January 2, 2002.

3. Tax Withholding and Payroll Deductions. The Company shall be entitled to withhold from the benefits and payments described herein all income and employment taxes required to be withheld by applicable law and all applicable payroll deductions.

4. Release of the Company. In consideration of the Company entering into this Agreement, Executive, on behalf of himself and his heirs, personal representatives, successors and assigns, hereby releases and forever discharges the Company, all of its affiliated or subsidiary entities, and each and every one of their respective present and former directors, officers, employees, agents, successors and assigns from and against any and all claims, demands, damages, actions, causes of action, costs and expenses, which Executive now has, may ever have had or may have hereafter upon or by reason of any matter, cause or thing occurring, done or omitted to be done prior to the date of this Agreement, that constitute "Employment-Related Claims" or rights and claims Executive has or might have under the Worker Adjustment and Retraining Notification Act, the Age Discrimination in Employment Act of 1967, as amended ("ADEA"), Title VII of the Civil Rights Act of 1964, as amended, and the Americans with Disabilities Act of 1990, as amended; provided, however, that this release shall not apply to any claims which Executive may have for the payments or provision of the benefits under this Agreement. For purposes of this Agreement, "Employment-Related Claims" means all rights

and claims Executive has or may have related to his employment by or status as an employee, officer or director of the Company or any of its affiliates or to the termination of that employment or status or to any employment practices and policies of the Company or its affiliates, including without limitation any rights and claims under the Employment Agreement.

Executive acknowledges and agrees that he has read this release in its entirety and that this release is a general release of all known and unknown claims, including rights and claims arising under ADEA. Executive and the Company further acknowledge and agree that:

i. This release does not release, waive or discharge any rights or claims that may arise for actions or omissions after the date of this Agreement;

ii. Executive is entering into this Agreement and releasing, waiving and discharging rights or claims only in exchange for new, valuable consideration;

iii. Executive has been advised, and is being advised by this release, that he has up to twenty-one (21) days within which to consider this release before he executes this Agreement; and

iv. Executive is aware that this release will not become effective or enforceable until seven (7) days following his execution of this Agreement and that he may revoke this release at any time during such period by delivering (or causing to be delivered) to the Company at the address provided in Paragraph 11 hereof written notice of his revocation of this release no later than 5:00 p.m. eastern time on the seventh (7th) full date following his execution of this Agreement. This Agreement shall be binding upon the Company upon execution (unless the Agreement is

revoked by the Executive). In the event that Executive revokes this release, the Company shall have no obligation under this Agreement.

Executive further agrees and covenants that neither he, nor any person, organization or other entity on his behalf with his permission, will file, charge, claim, sue or cause or permit to be filed, charged, or claimed, any action for personal equitable, monetary or other similar relief against the Company or its affiliates (including any action for damages, injunctive, declaratory or other relief), arising from or relating in any way to his employment relationship, and the terms, conditions and benefits payments resulting therefrom, or his retirement and the termination of his employment relationship with the Company, except as may be necessary to enforce the obligations of the Company to the Executive in accordance with the express terms of this Agreement, involving any matter occurring from the beginning of Executive's employment with the Company and its affiliates to the date of these presents, or involving any continuing effects of any actions or practices which may have arisen or occurred from the beginning of such employment to the date of these presents. Executive agrees and covenants that if Executive, or any other person, organization or entity on his behalf with his permission, files, charges, claims, sues or causes or permits to be filed, charged, or claimed, any action prohibited by the preceding sentence for personal equitable, monetary or other similar relief, despite Executive's agreement not to do so hereunder, then Executive will pay all of the costs and expenses of the Company (including reasonable attorneys' fees) incurred in the defense of any such action or undertaking and the amount of any judgment or settlement.

5. Release of Executive. In consideration of Executive's entering into this Agreement, the Company, for itself and its affiliates and their respective predecessors, successors

and assigns hereby releases and forever discharges Executive and his heirs, personal representatives, successors and assigns from and against any and all claims, demands, damages, actions, causes of action, costs and expenses, of whatever kind or nature, in law, equity or otherwise, which the Company or any of said entities now has, may ever have had or may have hereafter upon or by reason of any matter, cause or thing occurring, done or omitted to be done prior to the date of this Agreement, relating to or arising out of Executive's status as an officer, director or employee of the Company or any of said entities or the termination of that status.

6. Defense of Claims. Executive agrees that he will assist the Company and its affiliates in the defense of any claims or potential claims that may be made or threatened to be made against the Company and its affiliates in accordance with paragraph 8 of the Employment Agreement.

7. Indemnification. The Company agrees to continue to cover Executive under its directors' and officers' liability insurance policy in accordance with paragraph 4(c) of the Employment Agreement and the Director and Officer Indemnification Agreement between Executive and the Company dated April 1, 1995. In the event the Company breaches any of its obligations under this Agreement, Executive shall be entitled to his reasonable legal fees and expenses in enforcing his rights under this Agreement, and in discharging any obligations which were the responsibility of the Company under this Agreement.

8. Confidential Information/Noncompetition/Nonsolicitation. Executive hereby acknowledges that he shall remain subject to the provisions of paragraphs 6, 7 and 9 of the Employment Agreement.

9. Mutual Nondisparagement. The Company, its officers and directors, shall not make public statements, encourage others to make statements or release information intended to disparage or defame Executive's reputation. Executive shall not make any public statements, encourage others to make statements or release information intended to disparage or defame the Company or any of its respective directors or officers. Except with the prior written consent of the Company, Executive will not make any direct or indirect written or oral statements to the press, television, radio or other media concerning any matters pertaining to the business and affairs of the Company, or any of its affiliated or subsidiary entities, or any of their officers or directors in their capacities as such. Notwithstanding the foregoing, nothing in this Paragraph 9 shall prohibit any person from making truthful statements when required by order of a court or other body having jurisdiction, nor shall any discussion by the Company or any officer or director with any party with respect to the past or future performance of the Company, or any response thereto by Executive, be deemed to disparage Executive or the Company.

10. Notices. All notices, requests, demands or other communications under this Agreement will be in writing and shall be deemed to have been duly given when delivered in person or deposited in the United States mail, postage prepaid, by registered or certified mail, return receipt requested, to the party to whom such notice is being given as follows:

As to Executive:
Peter N. Larson
23 Hodge Road
Princeton, New Jersey 08540

with a copy to:
Richard M. Zuckerman, Esq.
RubinBaum LLP
30 Rockefeller Plaza, 29th Floor
New York, NY 10112

As to the Company:
Brunswick Corporation
One North Field Court
Lake Forest, IL 60045
Attention: General Counsel

Either party may change his or its address or the name of the person to whose attention the notice or other communication shall be directed from time to time by serving notice thereof upon the other party as provided herein.

11. Governing Law. This Agreement, and the rights and obligations of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to principles of the conflicts of laws. If any provision hereof is unenforceable, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such unenforceable provision had never comprised a part hereof, the remaining provisions hereof shall remain in full force and effect, and the court construing the Agreement shall add as a part hereof a provision as similar in terms and effect to such unenforceable provision as may be enforceable, in lieu of the unenforceable provision.

12. Use of Counsel. Executive has been advised, and is being advised by this Agreement, to consult with an attorney before executing this Agreement. The Company shall promptly pay the reasonable costs thereof.

13. Prior Agreements. This Agreement sets forth the entire agreement between the parties hereto, and fully supersedes the Employment Agreement and any and all prior oral or written agreements between the parties pertaining to the subject matter hereof.

14. Waiver of Breach. The waiver by Executive or the Company of a breach of any provision of this Agreement shall not operate as or be deemed a waiver of any subsequent breach by Executive or the Company. Continuation of benefits hereunder by the Company following a breach by Executive of any provision of this Agreement shall not preclude the Company from thereafter exercising any right that it may otherwise independently have to terminate said benefits based upon the same violation.

15. Counterparts. This Agreement may be executed in more than one counterpart, but all of which together will constitute one and the same agreement.

16. Amendments. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as Executive shall live, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

IN WITNESS WHEREOF, Executive has hereunto set his hand and the Company has caused this Agreement to be executed by its duly authorized representative, all as of the date first above written.

/s/ Peter N. Larson

PETER N.LARSON

BRUNSWICK CORPORATION

By: /s/ Dustan E. McCoy

DUSTAN E. MCCOY

RESIGNATION

To: Brunswick Corporation

This is to acknowledge my resignation, effective as of June 27, 2000 from my positions as a director and as Chairman and Chief Executive Officer of Brunswick Corporation and from all other offices, directorships and positions I hold with Brunswick Corporation and all of its affiliated and subsidiary entities, except that I shall continue to be employed by the Company in accordance with the Agreement entered into simultaneously herewith.

Dated: March 15, 2001 /s/ Peter N. Larson

PETER N. LARSON

Exhibit 10.2

March 20, 2001

Peter Larson
234 Hodge Road
Princeton, NJ 08540

Dear Mr. Larson:

Consistent with the recently signed agreement, attached to this letter is an updated summary of each major benefit Brunswick is to provide you.

If you have any questions do not hesitate to call me at (847) 735-4105.

Sincerely,

/s/ Jay Robert Fried
- --------------------
Jay Robert Fried
Director Compensation & Benefits

BENEFIT SUMMARY
AS VALUED AT MARCH 13, 2001
(BC CLOSE @ MARCH 13, 2001 - $21.48/SHARE)

DEFERRED ACCOUNTS
AUTOMATIC DEFERRED COMPENSATION ACCOUNT: (See pages 2 - 4)
<TABLE>
<CAPTION>

<S>	<C>		
Cash	$20,879,069.76		
Investments	345,593.00		

Total	$21,224,662.76		
DEFERRED STOCK UNITS: 207,631.814 stock units valued at $21.48, converted to $4,459,931.36 in cash and credited to Automatic Deferred Compensation Account. $25,953.97 Cash dividend credited to Automatic Deferred Compensation Account. (See page 5)		$	0.00
BRUNSWICK STOCK HOLDINGS IN RABBI TRUST: 282,574.313 shares valued at $21.48, converted to $6,069,696.24 in cash and credited to Automatic Deferred Compensation Account. $35,321.79 Cash dividend credited to Automatic Deferred Compensation Account. (See page 6)		$	0.00

</TABLE>

All amounts credited under Deferral Agreement to be paid January 2, 2002.

STOCK OPTIONS
Options may be exercised until the earlier of June 30, 2005 or the date fixed for option expiration. (See page 7)

PENSION
The Qualified benefit earned under the Brunswick Salaried Pension Plan is $1,240.82 payable each month beginning on February 1, 2002 for your lifetime. In addition, the Nonqualified benefit earned under the Brunswick Supplemental Pension Plan is $40,567.09 payable each month beginning on February 1, 2002 for your lifetime. This Supplemental Plan benefit amount includes benefits paid over IRS limits and the 15 additional years of service stipulated in your employment contract reduced by pension benefits from Johnson & Johnson and Social Security. Alternatively, you may receive a lump sum distribution of your Supplemental Plan benefits. The exact lump sum cannot be calculated at this time, since it will be based on 2002 rates. Below are sample rates and amounts:

Rate	Lump Sum
5%	$5,953,708
6%	$5,468,638
7%	$5,049,347

Pension benefits will be subject to Federal taxes. A summary of your pension calculation is attached. (See Page 8) A separate letter explaining the details of your pension benefits, your distribution options, and the tax implications of these choices will be sent to you by Todd Flessner.

DEFINED CONTRIBUTION PLANS
BRUNSWICK RETIREMENT SAVINGS PLAN (401K): As of March 13, 2001, the balance in the account is $61,124.73 in the qualified plan and $2,442.82 in the Supplemental Plan. A distribution of this amount may be requested at any time after January 31, 2002. The amount must be withdrawn after attaining age 65. Changes can be made to the investment elections at anytime. Distribution information can be obtained by calling Todd Flessner at (847) 735-4497.

BRUNSWICK EMPLOYEE STOCK OWNERSHIP PLAN: As of December 31, 2000, there are 91.4571 shares in the account. A distribution of this amount may be requested at any time after January 31, 2002. The amount must be withdrawn after attaining age 65. Distributions from this plan are done on a quarterly basis. A final distribution form may be requested from Todd Flessner at (847) 735-4497.

HEALTH BENEFITS
Entitled to group life, accident, medical and hospital insurance coverage and tax and financial planning through June 30, 2002. Any changes in corporate benefits will be communicated at the same time all other participants are notified.

MEDICAL (INCLUDING PRESCRIPTION DRUGS) AND DENTAL: Since two years of medical coverage are being provided, COBRA coverage will not be available after the two-year period.

RETIREE MEDICAL: Coverage will be effective July 1, 2002. Premiums will be based on a retiree with 15 years of service. Premiums for the plan are based on a combination of years of service, age, age of spouse, and type of coverage selected. (See Page 9)

EXECUTIVE BENEFITS
SPLIT DOLLAR POLICY: Brunswick will continue to make premium payments through June 30, 2002. After June 30, 2002 we will pay our share of the premium payments, however, you must personally pay for your share of the premium (approximately $18,000 per year). Premiums are due on the policy until 2005. (See Page 10)

FINANCIAL PLANNING: You will be provided $18,000 for financial planning in April of both 2001 and 2002.

SECURITY SYSTEM PROTECTION: Brunswick will continue to pay the monthly costs for the current security system protection through June 30, 2002.

EXCESS LIABILITY: The excess liability coverage will continue through June 30, 2002.