

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 3

to

SCHEDULE 14D-1
TENDER OFFER STATEMENT
PURSUANT TO SECTION 14(d)(1) OF THE
SECURITIES EXCHANGE ACT OF 1934

and

AMENDMENT NO. 2

to

SCHEDULE 13D
UNDER THE
SECURITIES EXCHANGE ACT OF 1934

STIMSONITE CORPORATION
(Name Of Subject Company)

VISION ACQUISITION CORPORATION

AVERY DENNISON CORPORATION
(Bidders)

COMMON STOCK, PAR VALUE \$.01 PER SHARE
(Title Of Class Of Securities)

860832104
(Cusip Number Of Class Of Securities)

ROBERT G. VAN SCHOONENBERG
SENIOR VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY
AVERY DENNISON CORPORATION
150 N. ORANGE GROVE BOULEVARD
PASADENA, CALIFORNIA 91103
(626) 304-2000

(Name, Address And Telephone Number Of Person Authorized To
Receive Notice And Communications On Behalf Of Person(s) Filing Statement)

COPIES TO:
MICHAEL W. STURROCK, ESQ.
LATHAM & WATKINS
633 WEST FIFTH STREET, SUITE 4000
LOS ANGELES, CALIFORNIA 90071
(213) 485-1234

CUSIP No. 860832104

(1) Name of reporting persons:

AVERY DENNISON CORPORATION

I.R.S. Identification No. of above person (entities only): 951492269

(2) Check the appropriate box if a member of a group (see instructions):

(a)
(b)

(3) SEC use only

(4) Source of funds (see instructions):

[00]

(5) Check box if disclosure of legal proceedings is required pursuant to Items
2(e) or 2(f)

(6) Citizenship or place of organization:

State of Delaware

(7) Aggregate amount beneficially owned by each reporting person:

8,307,660

(8) Check box if the aggregate amount in Row (7) excludes certain shares (see
instructions):

(9) Percent of class represented by amount in Row (7):

98.4

(10) Type of reporting person (see instructions):

CO

(1) Name of reporting persons:

VISION ACQUISITION CORPORATION

I.R.S. Identification No. of above person (entities only): -----

(2) Check the appropriate box if a member of a group (see instructions):

(a)
(b)

(3) SEC use only

(4) Source of funds (see instructions):

AF

(5) Check box if disclosure of legal proceedings is required pursuant to Items 2(e) or 2(f)

(6) Citizenship or place of organization:

State of Delaware

(7) Aggregate amount beneficially owned by each reporting person:

8,307,660

(8) Check box if the aggregate amount in Row (7) excludes certain shares (see instructions):

(9) Percent of class represented to amount in Row (7):

98.4%

(10) Type of reporting person (see instructions):

C0

This Amendment No. 3 to the Schedule 14D-1 and Amendment No. 2 to the Schedule 13D amends and supplements the Tender Offer Statement on Schedule 14D-1 filed with the Securities and Exchange Commission (the "Commission") on June 10, 1999 (as amended by Amendment No. 1 to the Schedule 14D-1 filed with the Commission on June 22, 1999 and Amendment No. 2 to the Schedule 14D-1 filed with the Commission on June 25, 1999, the "Schedule 14D-1") and Schedule 13D filed with the Commission on June 10, 1999 (as amended by Amendment No. 1 to the Schedule 13D filed with the Commission on June 25, 1999, the "Schedule 13D") relating to the cash tender offer by Vision Acquisition Corporation, a Delaware corporation ("Purchaser") and a wholly-owned subsidiary of Avery Dennison Corporation, a Delaware corporation ("Parent") to purchase all of the outstanding shares of common stock, par value \$.01 per share, of Stimsonite Corporation, a Delaware corporation (the "Company") at a purchase price of \$14.75 per Share, net to the seller in cash (subject to applicable withholding of taxes), without any interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase dated June 10, 1999 (the "Offer to Purchase"), and the related Letter of Transmittal. Capitalized terms used and not defined herein shall have the meanings given to them in the Offer to Purchase.

ITEM 5. Purpose of the Tender Offer and Plans or Proposals of the Bidder.

Item 5 of the Schedule 14D-1 is hereby amended and supplemented as follows:

The information provided in this Amendment No. 3 under Item 6 is incorporated herein by reference.

ITEM 6. Interest in Securities of the Subject Company.

Item 6 of the Schedule 14D-1 is hereby amended and supplemented as follows:

At 12:00 Midnight, New York City time, on Thursday, July 8, 1999, the Offer expired. Based on the information provided by LaSalle Bank, N.A., the depository (the "Depository"), 8,307,660 Shares (which includes 807,134 Shares subject to guaranty of delivery) were validly tendered and not withdrawn pursuant to the Offer, representing approximately 98.4% of the issued and outstanding Shares. Purchaser has accepted for payment, and has notified the Depository to promptly pay for the tendered and accepted Shares at the purchase price of \$14.75 per Share in cash.

Pursuant to the Merger Agreement, Purchaser intends to merge itself with and into the Company in accordance with the Delaware General Corporation Law as promptly as practicable. Purchaser owns a sufficient number of Shares to enable Purchaser to effect the Merger without a vote or meeting of the Company's stockholders. As a result of the Merger, the Company will become a wholly-owned subsidiary of Parent and each outstanding Share (other than Shares, if any, owned by stockholders who choose to dissent and demand appraisal of their Shares in accordance with the Delaware General Corporation Law) shall be canceled, extinguished and converted into the right to receive \$14.75 per Share in cash, without interest, less any applicable withholding of taxes.

The consummation of the Offer was publicly announced in a press release issued by Parent on July 9, 1999, a copy of which is filed as Exhibit (a)(10) hereto and incorporated by reference herein.

ITEM 11. Material to be Filed as Exhibits.

Item 11 is hereby amended and supplemented as follows:

Exhibit (a)(10). Press Release issued by Parent on July 9, 1999.

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this Amendment No. 3 to the Schedule 14D-1 and Amendment No. 2 to the Schedule 13D is true, complete and correct.

Dated: July 9, 1999

VISION ACQUISITION CORPORATION

By: /s/ Robert G. van Schoonenberg

Name: Robert G. van Schoonenberg
Title: President

AVERY DENNISON CORPORATION

By: /s/ Robert G. van Schoonenberg

Name: Robert G. van Schoonenberg
Title: Senior Vice President, General
Counsel and Secretary

FOR IMMEDIATE RELEASE

AVERY DENNISON CORPORATION ANNOUNCES
FINAL RESULTS OF CASH TENDER OFFER FOR STIMSONITE ACQUISITION

PASADENA, Calif. -- July 9, 1999. Avery Dennison Corporation (NYSE:AVY) (PSE:AVY) announced today that its cash tender offer for all outstanding shares of common stock of Stimsonite Corporation (NASDAQ:STIM) expired, as scheduled, at 12:00 Midnight, New York City time, on Thursday, July 8, 1999.

Pursuant to the tender offer, Avery Dennison, through a wholly-owned subsidiary making the offer, has accepted for purchase 8,307,660 shares of Stimsonite's outstanding common stock (which includes 807,134 shares subject to guaranty of delivery) at a purchase price of \$14.75 per share. Based on information provided by LaSalle Bank, N.A., as depositary, approximately 98.4% of the shares of Stimsonite's common stock have been validly tendered and not withdrawn prior to the expiration of the offer. LaSalle Bank, N.A. is acting as Avery Dennison's agent in transmitting payment to tendering stockholders. Stimsonite's stockholders whose shares are held in street name should contact their brokers to verify receipt of payment.

Stimsonite will be merged with a wholly-owned subsidiary of Avery Dennison and any Stimsonite shares not previously purchased in the tender offer will be converted into the right to receive \$14.75 in cash, net to the seller, without interest. The completion of the merger is expected to occur on or before Monday, July 12, 1999.

Avery Dennison develops, manufactures and markets innovative self-adhesive solutions for consumer products and label systems. Based in Pasadena, Calif., the Company had 1998 sales of \$3.5 billion and makes a wide range of products for consumer and industrial markets, including Avery-brand office products, Fasson-brand self-adhesive materials, peel-and-stick postage stamps, battery labels, automated retail tag and labeling systems, and specialty tapes and chemicals.

Stimsonite Corporation, based in Niles, Ill., is a leading worldwide manufacturer and marketer of reflective safety products for the transportation industry and a pioneer in microreplication technology for a diverse range of industries. Stimsonite products include raised reflective pavement markers, work zone markers, highway delineators and state-of-the-art high performance optical films for use in the construction of highway signs. In 1998, the company generated sales of \$87.4 million, net income of \$4.9 million, and cash flow from operations of \$6.3 million.