FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| 1 | OMB APPROVAL |
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OMB Number: 3235-0287
Estimated average burden hours per response: 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| Name and Address of Reporting Person* | | | | | 2. Issuer Name and Ticker or Trading Symbol | | | | | | | 5. R | 5. Relationship of Reporting Person(s) to Issuer | | | | | |
|---|--|--|--|---|--|----------|------------|--|------------------------|-------------------------|---|--|---|---|--|--|---------------------------------------|--|
| Sallay John M | | | | AVERY DENNISON CORPORATION [AVY] | | | | | | | (Che | (Check all applicable) Director 10% Ow | | | | · | | |
| | | | | | | | | | | | | | Officer below) | (give title | | Other (s below) | pecify | |
| (Last) (First) (Middle) 150 N. ORANGE GROVE BLVD. | | | | 3. Date of Earliest Transaction (Month/Day/Year) 02/26/2010 | | | | | | | Senior VP,New Growth Platforms | | | | | | | |
| (Street) PASADENA CA 91103 | | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | Line | 6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person | | | | | | |
| (City) | (S | tate) | (Zip) | | | | | | | | | | Form filed by More than One Reporting Person | | | | | |
| | | Tal | ole I - Non- | -Deriva | tive S | ecuritie | s Ac | quired, Di | sposed | of, o | r Ben | eficiall | y Owned | | | | | |
| 1. Title of Security (Instr. 3) 2. Transac Date (Month/Date) | | | | Execution Date, | | | Code (Inst | | Acquired (D) (Instr | d (A) or r. 3, 4 and | 5. Amour Securitie Beneficia Owned F | s ally following (| Form: | : Direct Indirect str. 4) | 7. Nature of Indirect Beneficial Ownership | | | |
| | | | | | | | Code V | Amou | nt | (A) or (D) Price | | Reported Transaction(s) (Instr. 3 and 4) | | | | (Instr. 4) | | |
| | Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) | | | | | | | | | | | | | | | | | |
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Da if any (Month/Day/Y | Code (In | | | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | of S Und Der | 7. Title and Am of Securities Underlying Derivative Secu (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number derivative Securities Beneficial Owned Following Reported Transactio (Instr. 4) | e (| 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | Beneficial Ownership (Instr. 4) | |
| | | | | Co | de V | (A) | (D) | Date Exercisable | Expiration Date | n Title | | Amount or Number of Shares | | | | | | |
| Employee Stock Option (Right to Buv) | \$31.665 | 02/26/2010 | | A | | 64,688 | | 02/26/2011 ⁽¹⁾ | 02/26/20 | | ommon Stock | 64,688 | \$0 | 64,68 | 8 | D | | |

Explanation of Responses:

1. Options are exercisable in four cumulative installments of 25% each year beginning on the first anniversary date of the grant, which is the date given .

By: Irene Marquard For: John M. Sallay 03/01/2010

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

- * If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.