UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC

20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended September 30, 2001 Commission File No. 0-516

SONOCO PRODUCTS COMPANY

Incorporated under the laws of South Carolina

I.R.S. Employer Identification No. 57-0248420

One North Second Street

Post Office Box 160

Hartsville, South Carolina 29551-0160

Telephone: 843-383-7000

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 the number of shares outstanding of each of the issuer's classes of common stock at November 4, 2001:

Common stock, no par value: 95,567,916

SONOCO PRODUCTS COMPANY

INDEX

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SONOCO PRODUCTS COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars and shares in thousands)

	September 30, 2001 (unaudited)	December 31, 2000*
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 36,798	$ 35,219
Trade accounts receivable, net of allowances	326,444	329,467
Other receivables	27,309	26,875
Inventories:		
Finished and in process	120,570	108,887
Materials and supplies	143,829	158,717
Prepaid expenses and other	39,778	36,628
	694,728	695,793
PROPERTY, PLANT AND EQUIPMENT, NET	997,214	973,470
COST IN EXCESS OF FAIR VALUE OF ASSETS PURCHASED, NET	330,979	236,733
OTHER ASSETS	300,793	306,615
Total Assets	$ 2,323,714	$ 2,212,611
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Payable to suppliers	$ 199,200	$ 227,408
Accrued expenses and other	218,268	145,851
Notes payable and current portion of long-term debt	36,684	45,556
Taxes on income	57,581	18,265
	511,733	437,080
LONG-TERM DEBT	831,708	812,085
POSTRETIREMENT BENEFITS OTHER THAN PENSIONS	34,930	27,611
DEFERRED INCOME TAXES AND OTHER	137,119	134,364
SHAREHOLDERS' EQUITY		
Common stock, no par value Authorized 300,000 shares 95,526 and 95,006 shares outstanding, of which 95,266 and 94,681 are issued as of September 30, 2001 and December 31, 2000, respectively	7,175	7,175
Capital in excess of stated value	297,328	289,657
Accumulated other comprehensive loss	(180,734)	(172,403)
Retained earnings	684,455	677,042
Total Shareholders' Equity	808,224	801,471
Total Liabilities and Shareholders' Equity	$ 2,323,714	$ 2,212,611

* The December 31, 2000 condensed consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles.

See accompanying Notes to Condensed Consolidated Financial Statements

SONOCO PRODUCTS COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)
(Dollars and shares in thousands except per share data)

	Three Months Ended		Nine Months Ended	
	September 30, 2001	October 1, 2000	September 30, 2001	October 1, 2000
Net sales	$ 649,265	$ 677,469	$ 1,929,692	$ 2,042,454
Cost of sales	514,009	529,972	1,520,792	1,588,414
Selling, general and administrative expenses	63,495	69,001	199,201	205,796
Other (income) expense (see Note 6)	(6,121)	5,499	46,207	5,499
Income before interest and taxes	77,882	72,997	163,492	242,745
Interest expense	11,932	15,026	38,754	45,709
Interest income	(1,617)	(929)	(3,056)	(2,427)
Income before income taxes	67,567	58,900	127,794	199,463
Provision for income taxes	25,733	22,382	65,011	75,796
Income before equity in earnings of affiliates/Minority interest in subsidiaries	41,834	36,518	62,783	123,667
Equity in earnings of affiliates/Minority interest in subsidiaries	990	2,014	1,645	6,282
Net income	$ 42,824	$ 38,532	$ 64,428	$ 129,949
Average common shares outstanding:				
Basic	95,483	99,478	95,291	99,953
Assuming exercise of options	511	152	414	197
Diluted	95,994	99,630	95,705	100,150
Per common share				
Net income:				
Basic	$ .45	$ .39	$ .68	$ 1.30
Diluted	$ .45	$ .39	$ .67	$ 1.30
Cash dividends	$ .20	$ .20	$ .60	$ .59

See accompanying Notes to Condensed Consolidated Financial Statements

SONOCO PRODUCTS COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)
(Dollars in thousands)

	Nine Months Ended	
	September 30, 2001	October 1, 2000
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 286,625	$ 271,975
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(74,316)	(79,837)
Cost of acquisitions, exclusive of cash	(171,610)	(2,080)
Proceeds from the sale of assets	4,742	1,002
Investments in joint ventures/affiliates	(2,308)	(1,153)
Net cash used by investing activities	(243,492)	(82,068)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of debt	21,480	13,071
Principal repayment of debt	(26,899)	(105,534)
Net increase in commercial paper borrowings	13,028	31,700
Net increase (decrease) in bank overdrafts	223	(8,188)
Cash dividends	(57,015)	(58,876)
Shares acquired	(2,041)	(46,364)
Common shares issued	9,529	2,417
Net cash used by financing activities	(41,695)	(171,774)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	141	(688)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,579	17,445
Cash and cash equivalents at beginning of period	35,219	36,515
Cash and cash equivalents at end of period	$ 36,798	$ 53,960

See accompanying Notes to Condensed Consolidated Financial Statements

NOTE 1: BASIS OF INTERIM PRESENTATION

In the opinion of the management of Sonoco Products Company (the "Company"), the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the consolidated financial position, results of operations, and cash flows for the interim periods reported hereon. Operating results for the three and nine months ended September 30, 2001, are not necessarily indicative of the results that may be expected for the year ending December 31, 2001. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's annual report for the fiscal year ended December 31, 2000.

NOTE 2: DIVIDEND DECLARATIONS

On July 18, 2001, the Board of Directors declared a regular quarterly dividend of $.20 per share. This dividend was paid September 10, 2001, to all shareholders of record August 17, 2001.

On October 17, 2001, the Board of Directors declared a regular quarterly dividend of $.20 per share payable December 10, 2001, to all shareholders of record November 16, 2001.

NOTE 3: ACQUISITIONS

During the third quarter 2001, the Company completed its previously announced purchase of U.S. Paper Mills Corp., a privately-held company that produces and sells lightweight paperboard for conversion into cores, composite cans and tubes, and produces paper cores. The acquisition is part of the Industrial Packaging Segment.

The Company also completed the all-cash purchase of Cumberland Wood Products, Inc.'s, plywood reel operation in Helenwood, Tennessee during the third quarter of 2001. The transaction was for the purchase of equipment and inventory only and is part of the Industrial Packaging Segment.

During the third quarter 2001, the Company announced and completed the all-cash purchase of Phoenix Packaging Corporation, a privately-held company headquartered in North Canton, Ohio that produces and sells steel easy-open closures. The acquisition is part of the Consumer Packaging Segment.

The Company also acquired for cash a paper-based textile tube converting facility in Kaiping, China during the third quarter of 2001. The acquisition is part of the Industrial Packaging Segment.

Acquisitions completed in the third quarter 2001 had an aggregate cost of approximately $171,000 in cash and the assumption of $4,085 in debt.

NOTE 3: ACQUISITIONS, CONTINUED

Sonoco completed two small acquisitions during the first quarter of 2001. An engineered carrier operation in Georgia was acquired at a cash cost of $3,622, and the assets of a packaging services operation in the United Kingdom were acquired for $1,733 in cash. These acquisitions are part of the Industrial Packaging Segment and Consumer Packaging Segment, respectively.

NOTE 4: FINANCIAL INSTRUMENTS

As of January 1, 2001, the Company adopted Statement of Financial Accounting Standards No. 133, 'Accounting for Derivative Instruments and Hedging Activities' (FAS 133), as amended by FAS No. 137 and FAS No. 138. The Standard establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and hedging activities. It requires the recognition of all derivative instruments as assets or liabilities in the Company's balance sheet and measurement of those instruments at fair value. The Statement requires that changes in a derivative instrument's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative instrument's gains and losses to offset related results on the hedged item in the income statement or to be deferred in accumulated other comprehensive income (loss), a component of shareholders' equity, until the hedged item is recognized in results of operations.

The Company uses derivatives from time to time to manage the cost of certain raw materials and to mitigate exposure to foreign currency fluctuations. The Company purchases commodities such as recovered paper, resins, and energy generally at market or fixed prices that are established with the vendor as part of the purchase process for quantities expected to be consumed in the ordinary course of business. On occasion, where the correlation between selling price and commodity price is less direct, the Company may enter into commodity futures or swaps to reduce the effect of price fluctuations. In addition, the company uses foreign currency forward contracts and other risk management instruments, including contractual provisions, to manage exposure to changes in foreign currency cash flows on the Company's financial statements. These derivatives are marked to market on the Company's Consolidated Balance Sheet in accordance with the provisions of FAS 133.

In the third quarter 2001, the Company entered into cash flow hedges to mitigate exposure to commodity and foreign exchange risks in 2001 through 2004. Changes in the fair value of these cash flow hedge instruments, amounting to ($2,704) net of tax, have been recorded in accumulated other comprehensive income (loss) and will be reclassified to earnings in the same periods the forecasted purchases or payments affect earnings. Based on the current amount of the derivative loss in other comprehensive income (loss), approximately $1,200, net of tax, will be reclassified into earnings in the coming 12 months. As a result of the high correlation between the hedged instruments and the underlying transactions, ineffectiveness did not have a material impact on the Company or on it's Consolidated Statements of Operations for the three months and the nine months ended September 30, 2001.

(Dollars in thousands except per share data)

NOTE 5: COMPREHENSIVE INCOME

The following table reconciles net income to comprehensive income:

	Three Months Ended		Nine Months Ended	
	September 30, 2001	October 1, 2000	September 30, 2001	October 1, 2000
Net income	$ 42,824	$ 38,532	$ 64,428	$ 129,949
Other comprehensive income (loss):				
Foreign currency translation adjustments	9,731	(9,627)	(5,627)	(34,740)
Other adjustments	(2,704)	--	(2,704)	--
Comprehensive income	$ 49,851	$ 28,905	$ 56,097	$ 95,209

The following table summarizes the components of the current period change in the accumulated other comprehensive loss balances:

	Foreign Currency Translation Adjustments	Minimum Pension Liability Adjustment	Other	Accumulated Other Comprehensive Loss
Balance at January 1, 2001	$(168,815)	$(3,588)	--	$(172,403)
Year to date change	(5,627)	--	$(2,704)	(8,331)
Balance at September 30, 2001	$(174,442)	$(3,588)	$(2,704)	$(180,734)

(Dollars in thousands except per share data)

NOTE 6: FINANCIAL SEGMENT INFORMATION

Sonoco reports its results in two primary segments, Industrial Packaging and Consumer Packaging. The Industrial Packaging Segment includes engineered carriers (high performance paper and plastic tubes and cores, paper manufacturing, and recovered paper operations); and protective packaging (designed interior packaging and protective reels). The Consumer Packaging Segment includes composite cans; flexible packaging (printed flexibles, high density bags and film products); and packaging services and specialty products (supply chain management/e-marketplace, graphics management, folding cartons, and paper glass covers and coasters). The Consumer Packaging Segment also included the Capseals unit, maker of container seals, which was sold in December 2000.

FINANCIAL SEGMENT INFORMATION (Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2001	October 1, 2000	September 30, 2001	October 1, 2000
NET SALES				
Industrial Packaging	$ 320,046	$ 362,452	$ 977,357	$ 1,103,103
Consumer Packaging	329,219	308,777	952,335	921,048
Divested Business	--	6,240	--	18,303
Total Consumer	329,219	315,017	952,335	939,351
Consolidated	$ 649,265	$ 677,469	$ 1,929,692	$ 2,042,454
OPERATING PROFIT				
Industrial Packaging	$ 41,946	$ 52,677	$ 124,823	$ 162,113
Consumer Packaging	29,815	25,754	84,876	85,653
Divested Business	--	65	--	478
Other income (expense)*	6,121	(5,499)	(46,207)	(5,499)
Interest, net	(10,315)	(14,097)	(35,698)	(43,282)
Consolidated	$ 67,567	$ 58,900	$ 127,794	$ 199,463

*2001 results include restructuring charges of $111 and $46,433 for the three months and nine months ended September 30, 2001, respectively. In addition, 2001 includes net gains from legal settlements and corporate-owned life insurance adjustments of $6,232 and $226 for the three and nine months ended September 30, 2001, respectively. 2000 results include executive severance agreement adjustments.

NOTE 7: RESTRUCTURING AND ASSET IMPAIRMENT CHARGES

During the fourth quarter of 2000, the Company recognized pretax restructuring charges of $5,226 ($3,240 after tax). Severance and termination benefits of approximately $1,100 remained accrued on the Consolidated Balance Sheet as of December 31, 2000. Additional restructuring charges of $46,433 ($32,188 after tax) were recorded in the first nine months of 2001 as a result of further restructuring actions announced during the period. The restructuring charges consisted of severance and termination benefits of $21,574, asset impairment charges of $12,972 and other exit costs of $11,887, consisting of building lease termination expenses of $9,348 and other miscellaneous charges of $2,539. Restructuring charges were determined in accordance with the provisions of SEC Staff Accounting Bulletin No. 100 "Restructuring and Impairment Charges" and Emerging Issues Task Force No. 94-3 "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity". The original restructuring plan, which included a global reduction of 241 salaried and 387 hourly positions, was revised to a total of 244 salaried positions (180 in the United States) and 482 hourly positions (370 in the United States) during the second quarter of 2001. In addition to revised headcount reductions, the restructuring plan included adjustments in the second quarter of 2001 related to the closure of an additional plant and the decision to downsize, rather than close, a plant originally included in the restructuring plan. The restructuring plan includes the closure of 13 plant locations, including 8 in the United States. As of September 30, 2001, 11 plants have been closed, and approximately 643 employees have been terminated (223 salaried and 420 hourly). The restructuring costs in the first nine months of 2001 are included in "Other (income) expense" in the Company's Consolidated Statements of Operations.

In connection with the Company's restructuring actions, asset impairment charges of $12,972 were recognized related to the write-off/write-down of assets associated with the eight Industrial Packaging Segment and five Consumer Packaging Segment plant locations identified for closure. Impaired assets were written down to the lower of carrying amount or fair value, less costs to sell, if applicable. The Company recognized write-offs/write-downs of impaired facilities and equipment/other of $2,623 and $7,883, respectively, and write-offs/write-downs related to facilities and equipment/other held for disposal of $1,017 and $1,449, respectively. As of September 30, 2001, the carrying value of assets held for disposal was $298. The Company anticipates disposition of these assets by the end of the first quarter 2002. Results of operations and effects of suspending depreciation on assets held for disposition were not material for the nine months ended September 30, 2001.

(Dollars in thousands except per share data)

NOTE 7: RESTRUCTURING AND ASSET IMPAIRMENT CHARGES, CONTINUED

The following table sets forth the activity related to the liability accrued in conjunction with the restructuring and asset impairment charges as of September 30, 2001:

	Severance and Termination Benefits	Asset Impairment	Other Exit Costs	Total
Beginning Liability Dec. 31, 2000	$ 1,100	--	--	$ 1,100
New Charges	21,996	$ 12,665	$ 12,327	46,988
Cash Payments	(10,273)	--	(2,122)	(12,395)
Asset Impairment	--	(12,972)	--	(12,972)
Adjustments	(422)	307	(440)	(555)
Ending Liability Sept. 30, 2001	$ 12,401	$ --	$ 9,765	$ 22,166

The Company expects to pay the remaining restructuring costs, with the exception of on-going pension subsidies and certain building lease termination expenses, by the end of the first quarter 2002 using cash from operations.

Additionally, restructuring charges of $2,545 ($1,658 after tax), were recognized in the first nine months of 2001 by affiliates accounted for on the equity method of accounting. These costs include the closing of a plant and other miscellaneous restructuring activities. The affiliate restructuring charges are included in "Equity in earnings of affiliates/Minority interest in subsidiaries" in the Company's Consolidated Statements of Operations.

NOTE 8: CORPORATE OWNED LIFE INSURANCE

In the second quarter 2001, the Company surrendered its Corporate-Owned Life Insurance (COLI) policies as a result of the settlement with the Internal Revenue Service over deductibility of COLI loan interest. The surrender of these policies resulted in additional income taxes of $11,296 and other costs of $7,021. Other costs are included in "Other (income) expense" in the Company's Consolidated Statements of Operations.

NOTE 9: NEW ACCOUNTING PRONOUNCEMENTS

In July 2001, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 141, `Business Combinations' (FAS 141), and Statement of Financial Accounting Standards No. 142, `Goodwill and Other Intangible Assets' (FAS 142). FAS 141 requires business combinations initiated after June 30, 2001 to be accounted for using the purchase method of accounting, and broadens the criteria for recording intangible assets separate from goodwill. Recorded goodwill and intangibles will be evaluated against this new criteria and may result in certain intangibles being included with goodwill, or alternatively, amounts initially recorded as goodwill may be separately identified and recognized apart from goodwill. FAS 142 requires the use of a non-amortization approach to account for purchased goodwill and certain intangibles. Under a non-amortization approach, goodwill and certain intangibles will not be amortized into results of operations, but instead will be reviewed for impairment and written down and charged to results of operations only in the periods in which the recorded value of goodwill and certain intangibles is in excess of its fair value. The provisions of each statement which apply to goodwill and intangible assets acquired prior to June 30, 2001 will be adopted by the Company on January 1, 2002. The Company expects the adoption of these accounting standards to result in a reduction of the amortization of goodwill and intangibles commencing January 1, 2002; however, impairment reviews may result in future periodic write-downs.

In August 2001, the FASB issued Statement of Financial Accounting Standards No. 143, `Accounting for Asset Retirement Obligations' (FAS 143), which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. FAS 143 is required to be adopted for fiscal years beginning after June 15, 2002. The Company has not yet determined what effect this statement will have on its financial statements.

Also in August 2001, the FASB issued Statement of Financial Accounting Standards No. 144, `Accounting for the Impairment or Disposal of Long-Lived Assets' (FAS 144), which supersedes FASB Statement No. 121, `Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of'. This new statement also supersedes certain aspects of APB 30 `Reporting the Results of Operations-Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions', with regard to reporting the effects of a disposal of a segment of a business and will require expected future operating losses from discontinued operations to be reported in discontinued operations in the period incurred (rather than as of the measurement date as presently required by APB 30). In addition, more dispositions may qualify for discontinued operations treatment. The provisions of this statement are required to be applied for fiscal years beginning after December 15, 2001 and interim periods within those fiscal years. The Company has not yet determined what effect this statement will have on its financial statements.

NOTE 10: SUBSEQUENT EVENTS

Debt Issuance

During the fourth quarter 2001, the Company issued debt securities of $250,000 pursuant to shelf registrations with the Securities and Exchange Commission. The Notes bear interest at 6.50% per year, payable semi-annually on May 15 and November 15, and will mature on November 15, 2013.

Acquisitions and Joint Venture

During the fourth quarter 2001, the Company announced and completed the all-cash purchase of a 90,000-ton paper mill at Hutchinson, Kansas, from Republic Group LLC, a privately owned investment group. The acquisition is part of the Industrial Packaging Segment.

The Company also recently announced and completed during the fourth quarter 2001 the all-cash purchase of Hayes Manufacturing Group Inc., a privately held manufacturer of paper-based tubes, cores and composite cans headquartered in Neenah, Wisconsin. The acquisition is part of both the Industrial and Consumer Packaging Segments.

In the aggregate, the all cash purchase price of these acquisitions in the fourth quarter 2001 was approximately $74,000.

During the fourth quarter 2001, the Company announced an agreement to form a joint venture with Dyecor Limited, a privately held company in the United Kingdom. The Company's contribution to the joint venture was not material.

Report of Independent Accountants

To the Shareholders and Directors of Sonoco Products Company

We have reviewed the accompanying condensed consolidated balance sheet of Sonoco Products Company as of September 30, 2001, and the related condensed consolidated statements of operations for each of the three-month and nine-month periods ended September 30, 2001 and October 1, 2000, and the condensed consolidated statements of cash flows for the nine-month periods ended September 30, 2001 and October 1, 2000. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We previously audited in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet as of December 31, 2000, and the related consolidated statements of operations, changes in shareholders' equity and cash flows for the year then ended (not presented herein); and in our report dated January 31, 2001, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2000 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Charlotte, North Carolina
November 9, 2001

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

Statements included in Management's Discussion and Analysis of Financial Condition and Results of Operations, and elsewhere in this report, that are not historical in nature, are intended to be, and are hereby identified as "forward looking statements" for purposes of the safe harbor provided by section 21E of the Securities Exchange Act of 1934, as amended. The words "estimate", "project", "intend", "expect", "believe", "anticipate", and similar expressions identify forward-looking statements. Forward-looking statements include, but are not limited to, statements regarding offsetting high raw material costs, adequacy of income tax provisions, refinancing of debt, adequacy of cash flows, effects of acquisitions and dispositions, and financial strategies and the results expected from them. Such forward-looking statements are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management. Such information includes, without limitation, discussions as to estimates, expectations, beliefs, plans, strategies, and objectives concerning our future financial and operating performance. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results may differ materially from those expressed or forecasted in such forward-looking statements. Such risks and uncertainties include, without limitation; availability and pricing of raw materials; success of new product development and introduction; ability to maintain or increase productivity levels; international, national and local economic and market conditions; ability to maintain market share; pricing pressures and demand for products; continued strength of our paperboard-based engineered carrier and composite can operations; anticipated results of restructuring activities; ability to successfully integrate newly acquired businesses into the Company's operations; currency stability and the rate of growth in foreign markets; actions of government agencies; and loss of consumer confidence and economic disruptions resulting from terrorist activities.

THIRD QUARTER 2001 COMPARED WITH THIRD QUARTER 2000

RESULTS OF OPERATIONS

Consolidated net sales for the third quarter of 2001 were $649.3 million, versus $677.5 million in the third quarter of 2000. Sales in the third quarter of 2001 were adversely affected by weak volume, with company-wide volume decreases averaging approximately 4%, compared with the same period last year. This decrease resulted primarily from a 6% decline in the Company's Industrial Segment volume, principally in our North American engineered carriers/paper business. Overall, the lower sales compared with the same period in 2000 were due primarily to the impact of reduced volume and lower pricing on trade sales of recovered paper of $42.5 million, unfavorable exchange rate variances of $12.6 million, and divested operations of $6.2 million, offset partially by the impact of acquisitions and additional contract service revenue of $32.0 million.

Net income for the third quarter of 2001, excluding one-time transactions, was $39.7 million, versus $41.9 million in the third quarter of 2000. Including one-time transactions, net income for the third quarter 2001 was $42.8 million, versus $38.5 million in the third quarter of 2000. One time transactions are primarily comprised of net gains from legal settlements in the third quarter of 2001 and executive severance charges in the third quarter of 2000. Compared with the same period in 2000, third quarter 2001 results, excluding one-time transactions, declined primarily due to lower volume/mix of $19.1 million, higher energy prices of approximately $2.0 million, and increased pension expense of approximately $5.0 million. Partially offsetting these increases were the favorable impact of productivity initiatives of $10.7 million, lower fixed costs

RESULTS OF OPERATIONS, CONTINUED

of $9.6 million, and the impact of acquisitions and additional contract service revenue of $2.1 million.

The Company reported earnings per diluted share, excluding one-time transactions, of $.41 and $.42 in the third quarters of 2001 and 2000, respectively. Including one-time transactions, earnings per diluted share were $.45 and $.39 in the third quarters of 2001 and 2000, respectively.

CONSUMER PACKAGING SEGMENT

The Consumer Packaging segment includes composite cans; flexible packaging (printed flexibles, high density bags and film products); and packaging services and specialty products (supply chain management/e-marketplace, graphics management, folding cartons, and paper glass covers and coasters). The Consumer Packaging Segment also included the Capseals unit, maker of container seals, which was sold in December 2000.

Third quarter sales in the Consumer Segment were $329.2 million, compared with $308.8 million in the same quarter of 2000, excluding divested operations. Operating profits in this segment, excluding divested operations, were $29.8 million in the third quarter of 2001, compared with $25.8 million in the same period last year.

The increase in third quarter sales was due primarily to higher revenues in packaging services and flexible packaging, and the impact of acquisitions. The increase in profits resulted from higher volume and increased pricing in flexible packaging; higher prices in composite cans; favorable cost/price relationship in high density film; and the impact of acquisitions, along with overall higher productivity and lower fixed costs in the segment. While continued year over year improvement and a progressively greater impact from restructuring savings is expected in the Consumer Packaging Segment during the fourth quarter 2001, there is some apparent slowing in discetionary consumer spending for certain snack food products.

INDUSTRIAL PACKAGING SEGMENT

The Industrial Packaging Segment includes engineered carriers (high performance paper and plastic tubes and cores, paper manufacturing and recovered paper operations) and protective packaging (designed interior packaging and protective reels).

Third quarter 2001 sales for the Industrial Segment were $320.0 million, versus $362.5 million in the same period last year. Operating profit for the segment, excluding one-time transactions, was $41.9 million, versus $52.7 million in the same period last year.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS CONTINUED

THIRD QUARTER 2001 COMPARED WITH THIRD QUARTER 2000, CONTINUED

INDUSTRIAL PACKAGING SEGMENT CONTINUED

The decrease in third quarter sales and operating profits in the Industrial Segment was due primarily to lower volumes in the Company's engineered carriers and paper operations reflecting the adverse impact of continuing general economic weakness in this segment, and does not reflect any significant net loss of market share. Sales were impacted by a decline in volume/pricing of approximately $41.0 million coupled with unfavorable exchange rate variances of approximately $9.0 million, compared with the same period in 2000. Operating profit was negatively impacted by lower sales volume and decreased prices for outside sales of recovered paper. Higher year-over-year energy and benefit costs were more than offset by lower fixed costs due primarily to savings from restructuring and other cost savings programs. There are no current indications of an upturn in the general economy, particularly in the Industrial Segment markets, and consequently the Company does not anticipate significant improvement in volumes for the fourth quarter 2001.

During the third quarter 2001, additional restructuring adjustments of $0.1 million were recorded related to severance and other charges in the Industrial Packaging Segment.

SEPTEMBER 2001 YEAR-TO-DATE COMPARED WITH SEPTEMBER 2000 YEAR-TO-DATE

RESULTS OF OPERATIONS

For the first nine months of 2001, sales were $1.93 billion, versus $2.04 billion in the same period last year. Sales for the first nine months of 2001 were adversely affected by lower volume of approximately $90.0 million, principally in the North American engineered carriers and composite can businesses, and decreased prices for outside sales of recovered paper. In addition, sales were impacted by unfavorable exchange rate variances of $36.5 million and divested operations of $18.3 million, offset partially by the impact of acquisitions and new businesses of $47.9 million. Higher prices in certain consumer businesses, coupled with increased sales volume from acquisitions and packaging services also partially offset the sales shortfall.

Excluding one-time transactions, net income for the first nine months of 2001 was $112.1 million, versus $133.4 million in the same period last year. Including one-time transactions, net income for this year's first nine months was $64.4 million, versus $129.9 million in the first nine months of 2000. One-time transactions include restructuring charges, net gains from legal settlements, and corporate-owned life insurance policy adjustments in 2001 and executive severance charges in 2000. Compared with the same period in 2000, net income for the first nine months of 2001, excluding one-time transactions, declined primarily due to lower volume, lower prices of outside sales of recovered paper, and less favorable mix of products sold. In addition, higher energy prices of

SEPTEMBER 2001 YEAR-TO-DATE COMPARED WITH SEPTEMBER 2000 YEAR-TO-DATE

RESULTS OF OPERATIONS CONTINUED

approximately $10.0 million, and increased pension expense of approximately $13.5 million, contributed to the lower profit compared to the same period last year. Lower material costs, principally in the North American engineered carriers/paper and high density film businesses, higher productivity and lower fixed costs partially offset these items.

Earnings per diluted share for the first nine months of 2001, excluding one-time transactions, were $1.17 versus $1.33 in the same period in 2000. Including one-time transactions, earnings per diluted share were $.67 and $1.30 for the first nine months of 2001 and 2000, respectively.

CONSUMER PACKAGING SEGMENT

Consumer Segment sales for the first nine months of 2001 were $952.3 million, versus $921.0 million in the same period of 2000, excluding divested operations. Higher packaging services revenue coupled with higher selling prices in the composite can and flexible packaging businesses during the first nine months of 2001 were partially offset by lower volume.

Operating profit in this segment, excluding one-time charges and divested operations, was $84.9 million, versus $85.7 million in the same period last year. The decrease in profits in the first nine months of 2001 was due primarily to lower overall volume in the segment. The lower volume was partially offset by higher prices, lower resin costs and productivity improvements.

Restructuring charges of $23.7 million, recorded in the first quarter of 2001, included a reduction in force and asset impairment charges associated with the closing of five facilities. The segment recognized write-offs/write-downs of impaired facilities and equipment/other of $5.1 million and write-offs/write-downs related to equipment/other held for disposal of $0.5. No new restructuring or asset impairment charges were recorded during the second and third quarters of 2001.

INDUSTRIAL PACKAGING SEGMENT

Sales for the first nine months of 2001 in this segment were $977.4 million, versus $1.1 billion in 2000. Operating profit for the Industrial Segment in the first nine months of 2001, excluding one-time transactions, was $124.8 million, versus $162.1 million in the same period last year.

INDUSTRIAL PACKAGING SEGMENT CONTINUED

The decrease in sales and profits in this segment, compared with the first nine months of 2000, resulted primarily from decreased volume in the North American engineered carriers and paper businesses. The decrease reflects the adverse impact of continuing general weakness in the industrial sector of the United States economy. Although volumes have also weakened in the other areas of the world, they remain stronger than in the United States.

During the first nine months of 2001, restructuring charges of $19.6 million were recorded in the Industrial Packaging Segment. Restructuring charges of $17.5 million, in the first quarter of 2001, included a reduction in force and eight plant closings (two engineered carrier operations in the United States, two in Europe and one in Asia; and paper operation closings in Canada, Mexico and the United States). Additional net restructuring charges of $2.0 million, in the second quarter of 2001, included $2.7 million related to the closing of an additional plant, partially offset by $0.7 million related to the decision to downsize, rather than close, another plant originally included in the restructuring plan, as well as other miscellaneous adjustments. Adjustments of $0.1 million related to severance and other miscellaneous restructuring activities were recorded during the third quarter 2001. For the first nine months of 2001, restructuring charges included asset impairment charges for write-offs/write-downs of impaired facilities and equipment/other of $5.4 million and write-offs/write-downs related to facilities and equipment/other held for disposal of $1.9 million. As of September 31, 2001, the carrying value of assets held for disposal was $0.3 million.

CORPORATE

On August 13, 2001, Moody's changed the ratings outlook for the Company's "A-2" long term debt ratings and Prime-1 short term ratings for commercial paper to negative from stable. Additionally, on July 12, 2001, Standard and Poor's announced that they reduced the Company's long-term debt rating from "A" to "A minus" and the commercial paper rating from "A-1" to "A-2" with a stable outlook. Both agencies cited recent acquisitions which are expected to result in increased leverage in the near term as a major reason for the rating revisions.

General corporate expenses have been allocated as operating costs to each of the segments. Year to date net interest expense was $7.6 million lower in the first nine months of 2001 compared with the same period last year due to lower average debt levels and interest rates.

CORPORATE CONTINUED

As previously disclosed, early in the second quarter of 2001, the Company surrendered its Corporate-Owned Life Insurance (COLI) policies as a result of the settlement with the Internal Revenue Service over deductibility of COLI loan interest. The surrender of these policies resulted in additional income taxes of $11.3 million and other costs of $7.0 million. Other costs are included in "Other (income) expense" in the Company's Consolidated Statements of Operations.

In February 2001, Sonoco's board of directors authorized the repurchase of up to 5.0 million shares of the Company's common stock. Although no shares were repurchased in the first nine months of 2001 related to this authorization, in April 2001, 92 thousand shares were repurchased under previous authorizations.

Restructuring charges of $3.1 million, recorded in the first quarter of 2001, were primarily comprised of severance and termination charges. No new restructuring charges were recorded during the second and third quarters of 2001.

NEW ACCOUNTING PRONOUNCEMENTS

In July 2001, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 141, `Business Combinations' (FAS 141), and Statement of Financial Accounting Standards No. 142, `Goodwill and Other Intangible Assets' (FAS 142). FAS 141 requires business combinations initiated after June 30, 2001 to be accounted for using the purchase method of accounting, and broadens the criteria for recording intangible assets separate from goodwill. FAS 142 requires the use of a non-amortization approach to account for purchased goodwill and certain intangibles. Under a non-amortization approach, goodwill and certain intangibles will not be amortized into results of operations, but instead will be reviewed for impairment and written down and charged to results of operations only in the periods in which the recorded value of goodwill and certain intangibles is in excess of its fair value. The provisions of each statement which apply to goodwill and intangible assets acquired prior to June 30, 2001 will be adopted by the Company on January 1, 2002. The Company expects the adoption of these accounting standards to result in a reduction of the amortization of goodwill and intangibles commencing January 1, 2002; however, impairment reviews may result in future periodic write-downs.

In August 2001, the FASB issued Statement of Financial Accounting Standards No. 143, `Accounting for Asset Retirement Obligations' (FAS 143), which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. FAS 143 is required to be adopted for fiscal years beginning after June 15, 2002. The Company has not yet determined what effect this statement will have on its financial statements.

NEW ACCOUNTING PRONOUNCEMENTS CONTINUED

Also in August 2001, the FASB issued Statement of Financial Accounting Standards No. 144, `Accounting for the Impairment or Disposal of Long-Lived Assets' (FAS 144), which supersedes FASB Statement No. 121, `Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of'. This new statement also supersedes certain aspects of APB 30 `Reporting the Results of Operations-Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions', with regard to reporting the effects of a disposal of a segment of a business and will require expected future operating losses from discontinued operations to be reported in discontinued operations in the period incurred (rather than as of the measurement date as presently required by APB 30). In addition, more dispositions may qualify for discontinued operations treatment. The provisions of this statement are required to be applied for fiscal years beginning after December 15, 2001 and interim periods within those fiscal years. The Company has not yet determined what effect this statement will have on its financial statements.

RESTRUCTURING AND ASSET IMPAIRMENT

During the fourth quarter of 2000, the Company recognized pretax restructuring charges of $5.2 million ($3.2 million after tax). Severance and termination benefits of approximately $1.1 million remained accrued on the Consolidated Balance Sheet as of December 31, 2000. Additional restructuring charges of $46.4 million ($32.2 million after tax) were recorded in the first nine months of 2001 as a result of further restructuring actions announced during the period. The restructuring charges consisted of severance and termination benefits of $21.6 million, asset impairment charges of $12.9 million and other exit costs of $11.9 million, consisting of building lease termination expenses of $9.4 million and other miscellaneous charges of $2.5 million. As previously disclosed, the objective of the restructuring is to realign and centralize a number of staff functions and to permanently remove approximately $30.0 million of annualized costs from the Company's cost structure, of which approximately one half is estimated to be realized in 2001. The savings are expected to reduce fixed and variable costs of sales and reduce selling and administrative costs. Additional restructuring-related adjustments may be recorded during the fourth quarter 2001. The Company expects to pay the remaining restructuring costs, with the exception of on-going pension subsidies and certain building lease termination expenses, by the end of the first quarter 2002 using cash from operations.

In connection with the Company's restructuring actions, asset impairment charges of $12.9 million were recognized related to the write-off/write-down of assets associated with the eight Industrial Packaging Segment and five Consumer Packaging Segment plant locations identified for closure. Impaired assets were written down to the lower of carrying amount or fair value, less costs to sell, if applicable. The Company recognized write-

RESTRUCTURING AND ASSET IMPAIRMENT CONTINUED

offs/write-downs of impaired facilities and equipment/other of $2.6 million and $7.9 million, respectively, and write-offs/write-downs related to facilities and equipment/other held for disposal of $1.0 million and $1.4 million, respectively. As of September 30, 2001, the carrying value of assets held for disposal was $0.3. The Company anticipates disposition of these assets by the end of the first quarter 2002. Results of operations and effects of suspending depreciation on assets held for disposition were not material for the nine months ended September 30, 2001.

The Company recorded restructuring charges of $2.5 million ($1.7 million after tax), during the first nine months of 2001 by affiliates accounted for on the equity method of accounting. These costs include the closing of a plant and other miscellaneous restructuring activities. The affiliate restructuring charges are included in "Equity in earnings of affiliates/Minority interest in subsidiaries" in the Company's Consolidated Statements of Operations.

The Company continues to evaluate existing operations for further restructuring opportunities.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

The Company's financial position remained strong through the first nine months of 2001. The debt-to-capital ratio increased slightly to 48.6% at September 30, 2001, from 48.5% at December 31, 2000.

Net working capital decreased $75.7 million to $183.0 million at September 30, 2001 from December 31, 2000, driven by an increase in current liabilities. Increases in accrued expenses, primarily due to the restructuring reserve recorded in 2001 and new acquisitions, were partially offset by a decrease in trade accounts payable.

Depreciation and amortization expense for the third quarter and first nine months of 2001 was $39.8 million and $115.9 million, respectively.

The effective income tax rate was 38.1% and 50.9% for the three-month and nine-month periods ended September 30, 2001, respectively. Excluding the impact of one-time additional COLI charges and certain non-deductible foreign restructuring charges, the effective income tax rate would have been 37.5% for the three-month and nine-month periods ended September 30, 2001. This compares to an effective income tax rate of 38.0% for the three-month and nine-month periods ended October 1, 2000.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES CONTINUED

Cash generated from operations of $286.6 million was used to partially fund capital expenditures of $74.3 million, pay dividends of $57.0 million and fund acquisitions of $171.6 million. The Company expects internally generated cash flows, along with borrowings available under its commercial paper and other existing credit facilities, to be sufficient to meet operating and normal capital expenditure requirements.

During the fourth quarter 2001, the Company issued debt securities of $250 million pursuant to shelf registrations with the Securities and Exchange Commission. The Notes bear interest at 6.50% per year, payable semi-annually on May 15 and November 15, and will mature on November 15, 2013. The Company used the net proceeds from the sales of the Notes to pay down maturing commercial paper.

SONOCO PRODUCTS COMPANY

PART I. FINANCIAL INFORMATION

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information about the Company's exposure to market risk was disclosed in its 2000 Annual Report on Form 10-K which was filed with the Securities and Exchange Commission on March 30, 2001. There have been no material quantitative or qualitative changes in market risk exposures since the date of this filing.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibit 4.1 - Indenture, dated as of June 15, 1991, between the Company and the Trustee (incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-3 (File No. 33-50503)).

Exhibit 4.2 - Form of Note relating to the Company's $250,000,000 6.5% Notes due November 15, 2013.

Exhibit 10 - Credit Agreement, dated as of July 17, 2001, among the Company, the several lenders from time to time party thereto and Bank of America, N.A., as agent, (incorporated by reference to the Company's Registration Statement on Form S-3 (File No. 333-69388)).

Exhibit 15 - Letter re unaudited interim financial information.

(b) (i) Form 8-K filed September 12, 2001, relating to Item 5 of that form with respect to other events.

(ii) Form 8-K filed October 30, 2001, relating to Item 5 of that form with respect to other events.

SONOCO PRODUCTS COMPANY

SIGNATURE

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.

SONOCO PRODUCTS COMPANY

(Registrant)

Date: November 13, 2001

By: /s/ F. T. Hill, Jr.

F. T. Hill, Jr.
Vice President and
Chief Financial Officer

SONOCO PRODUCTS COMPANY

EXHIBIT INDEX

Exhibit Number	Description
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15	Letter re unaudited interim financial information.

EXHIBIT-4.2

Unless this certificate is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Security is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of a Depositary (as defined in the Indenture) or a nominee of a Depositary. This Security is exchangeable for Securities registered in the name of a person other than the Depositary or its nominee only in the limited circumstances described in the Indenture, and may not be transferred except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary.

SONOCO PRODUCTS COMPANY
6.50% Notes due November 15, 2013

Cusip No. 835495 AF 9

No. 1 $250,000,000

Sonoco Products Company, a corporation duly organized and existing under the laws of the State of South Carolina (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of Two Hundred Fifty Million Dollars on November 15, 2013, and to pay interest thereon from November 2, 2001, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on May 15 and November 15 in each year, commencing May 15, 2002, at the rate of 6.50% per annum, until the principal hereof is paid or made available for payment. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the May 1 or November 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

Payment of the principal of (and premium, if any) and interest on this Security will be made at the office or agency of the Company maintained for that purpose in New York, New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register, or by wire transfer to the Person entitled thereto.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

Dated: November 2, 2001

SONOCO PRODUCTS COMPANY

By:

Attest:

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

The Bank of New York, As Trustee

By

Authorized Officer

[REVERSE OF NOTE]

SONOCO PRODUCTS COMPANY
6.50% Notes due November 15, 2013

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of June 15, 1991 (herein called the "Indenture"), between the Company and The Bank of New York, as successor Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof.

The Securities of this series are subject to redemption upon not less than 30 days' notice by mail, in whole or in part, at any time at the election of the Company, at a redemption price equal to the greater of (i) 100% of the principal amount of the Securities, or (ii) as determined by the Quotation Agent (as defined below), the sum of the present values of the remaining scheduled payments of principal and interest on the Securities (not including any portion of those payments of interest accrued as of the redemption date) discounted to the redemption date on a semi-annual basis assuming a 360 day year consisting of twelve 30 day months at the Adjusted Treasury Rate (as defined below) plus 35 basis points plus, in each case, accrued and unpaid interest on the Securities to the redemption date.

In the case of a partial redemption, selection of the Securities for redemption will be made pro rata, by lot or such other method as the Trustee in its sole discretion deems appropriate and fair; however, any redemption relating to a public equity offering of equity securities will be made on a pro rata basis or on as nearly a pro rata basis as practicable (subject to the Depositary's procedures). No Securities of a principal amount of $1,000 or less will be redeemed in part. Notice of any redemption will be mailed by first class mail at least 30 days but not more than 60 days before the redemption date to each holder of the Securities to be redeemed at its registered address. If any Securities are to be redeemed in part only, the notice of redemption that relates to the Securities will state the portion of the Securities to be redeemed. New Securities in principal amounts of $1,000 equal to the unredeemed portion of the Securities will be issued in the name of the holder of the Securities upon surrender for cancellation of the original Securities. Unless the Company defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Securities or the portions of the Securities called for redemption.

"Adjusted Treasury Rate" means, with respect to any redemption date, the annual rate equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Securities to be redeemed that would be utilized, at the time of a selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Securities.

"Comparable Treasury Price" means, with respect to any redemption date, (i) the average of the Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotation, or (ii) if the Trustee obtains fewer than three Reference Treasury Dealer Quotations, the average of the quotations.

"Reference Treasury Dealer" means (i) each of Banc of America Securities LLC and Credit Suisse First Boston Corporation and their respective successors; however, if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute another Primary Treasury Dealer; and (ii) any other Primary Treasury Dealer selected by the Company.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by the Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding the redemption date.

"Quotation Agent" means the Reference Treasury Dealer appointed by the Company.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of (a) the entire indebtedness on this Security and (b) certain restrictive covenants upon compliance by the Company with certain conditions, set forth therein, which provisions apply to the Securities of this series.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of 66 2/3% in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registerable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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[PRICEWATERHOUSECOOPERS LOGO]

EXHIBIT 15

November 9, 2001

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Commissioners:

We are aware that our report dated November 9, 2001 on our review of interim financial information of Sonoco Products Company for the period ended September 30, 2001 and included in the Company's quarterly report on Form 10-Q for the quarter then ended are incorporated by reference in its Registration Statement on Form S-3 dated October 25, 2001 and its Registration Statement on Form S-8 dated December 30, 1998.

Yours very truly,

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP