

BROWN FORMAN CORP  
Form 11-K  
June 29, 2005

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 11-K**

**FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS  
AND SIMILAR PLANS PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

(Mark One)

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

For the Fiscal Year Ended December 31, 2004

OR

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

Commission File Number 1-123

A. Full Title of Plan: **Brown-Forman Corporation Savings Plan for Collectively Bargained Employees**

B. Name of Issuer of the Securities held Pursuant to the Plan and the Address of its Principal Executive Office:

**Brown-Forman Corporation  
850 Dixie Highway  
Louisville, Kentucky 40210**

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**Report of Independent Registered Public Accounting Firm**

To the Participants and Administrator of  
Brown-Forman Corporation Savings Plan  
for Collectively Bargained Employees

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Brown-Forman Corporation Savings Plan for Collectively Bargained Employees (the Plan) at December 31, 2004 and 2003, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

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

Louisville, Kentucky  
June 24, 2005

**Table of Contents****Brown-Forman Corporation Savings Plan for Collectively Bargained Employees  
Statements of Net Assets Available for Benefits***December 31, 2004 and 2003*

	<b>Participant Directed</b>	
	<b>2004</b>	<b>2003</b>
Investments, at fair value:		
Mutual funds	\$ 5,152,715	\$ 4,362,962
Common collective trust fund	341,972	307,567
Brown-Forman Corporation Class B common stock	309,929	208,087
	5,804,616	4,878,616
Employers contributions receivable	56,025	48,859
Employees contributions receivable	35,621	46,274
Net assets available for benefits	\$ 5,896,262	\$ 4,973,749

*The accompanying notes are an integral part of the financial statements.*

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**Brown-Forman Corporation Savings Plan for Collectively Bargained Employees**  
**Statements of Changes in Net Assets Available for Benefits**  
*for the years ended December 31, 2004 and 2003*

	<b>Participant Directed</b>	
	<b>2004</b>	<b>2003</b>
Additions:		
Contributions:		
Employer	\$ 212,574	\$ 201,705
Employee	649,941	607,942
	862,515	809,647
Interest income	15,328	13,882
Dividend income	61,772	43,776
Net appreciation in fair value of investments	364,039	832,550
Total additions	1,303,654	1,699,855
Deductions:		
Withdrawals by participants	356,341	312,365
Administration expenses	599	522
Net transfers to other plans	24,201	9,702
Total deductions	381,141	322,589
Net increase	922,513	1,377,266
Net assets available for benefits:		
Beginning of year	4,973,749	3,596,483
End of year	\$ 5,896,262	\$ 4,973,749

*The accompanying notes are an integral part of the financial statements.*

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**Brown-Forman Corporation Savings Plan for Collectively Bargained Employees  
Notes to Financial Statements**

**1. Description of Plan:**

The sponsor of the Brown-Forman Corporation Savings Plan for Collectively Bargained Employees (the Plan), Brown-Forman Corporation (the Company), is a diversified producer and marketer of fine quality consumer products in domestic and international markets. The Sponsor's operations include the production, importing, and marketing of wines and distilled spirits and the manufacture and sale of luggage and, through the Lenox, Incorporated division, the manufacture and sale of china, crystal and silver.

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the plan agreement for more complete information.

- a. General:** The Plan is a defined contribution plan covering substantially all union hourly employees of the Company at the Louisville Production Operations and/or Early Times Distillery and/or Bluegrass Cooperage Company. An employee becomes eligible to participate in the Plan, including receipt of Company matching contributions, after the completion of twelve consecutive months of employment, provided the employee works a minimum of 1,000 hours within the twelve-month period. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).
  
- b. Contributions:** Certain employees at the Louisville Production Operations and/or Early Times Distillery may contribute to the Plan an amount of not less than \$10 nor more than \$150 of their weekly compensation. Those employees who are members of Local Union 89 at the Louisville Production Operations and Early Times Distillery may contribute to the Plan an amount of not less than \$10 nor more than \$150 of their weekly compensation. Employees at the Bluegrass Cooperage Company may contribute to the Plan an amount of not less than 2% nor more than 15% of their annual compensation. Employee contributions are not to exceed the Section 402(g) (of the Internal Revenue Code of 1986) limitation for the 2004 calendar year, currently \$13,000. New employees may transfer assets from their former employers' qualified plans to the Plan, but cannot make any further contributions to the Plan until they meet the eligibility requirements to participate in the Plan.

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**Brown-Forman Corporation Savings Plan for Collectively Bargained Employees  
Notes to Financial Statements, Continued**

**1. Description of Plan, continued:**

- b. Contributions, continued:** For certain employees at the Louisville Production Operations and/or Early Times Distillery, the Company shall contribute quarterly an amount equal to 50% of the participant's elective deferral for deferral amounts up to an average of \$40 per week for each week of said quarter (\$50 per week effective December 1, 2003). For employees who are members of Local Union 89 at the Louisville Production Operations and Early Times Distillery, the Company shall contribute quarterly an amount equal to 50% of the participant's elective deferral for deferral amounts up to an average of \$40 per week for each week of said quarter (\$50 per week effective November 1, 2003).

For employees at the Bluegrass Cooperage Company, the Company's matching contribution is equal to 50% of the participant's elective deferral for the first 3% of the participant's annual compensation.

Each participant's account is credited with the participant's contribution on a monthly basis, and effective November 15, 2004, on a semi-monthly basis, and an allocation of (i) the Company's contribution on a quarterly basis, and (ii) plan earnings on a daily basis. Allocations are based on the participants' contributions and compensation as defined in the Plan. The total annual contributions, as defined by the Plan, credited to a participant's account in a plan year may not exceed the lesser of (i) \$40,000, or (ii) 100% of the participant's compensation in the plan year. Additional maximum limits exist if the employee participates in a qualified defined benefit plan maintained by the Company. Forfeited balances of terminated participants' nonvested accounts are used first to reinstate previously forfeited account balances of re-employed participants, if any, and the remaining amounts are used to reduce future Company contributions. The forfeited balances totaled \$78 and \$162 for 2004 and 2003, respectively. Also in 2004, \$300 from forfeited nonvested accounts was used to reinstate previously forfeited account balances of re-employed participants and/or reduce company contributions. In 2003, no forfeited nonvested accounts were used to reinstate previously forfeited account balances of re-employed participants and/or reduce company contributions.

Participants can allocate contributions among various investment options in 1% increments. The Plan currently offers several different investment choices, including mutual funds, a money market portfolio, a common collective trust fund, and a Brown-Forman Stock Fund to participants.

- c. Vesting:** Participants are immediately vested in their employee contributions plus actual earnings thereon. Vesting in the Company's contribution is 25% per year of continuous service with the Company. Participants will become 100% vested in their Company contributions account in case of death, normal retirement, or total and permanent disability.



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**Brown-Forman Corporation Savings Plan for Collectively Bargained Employees  
Notes to Financial Statements, Continued**

**1. Description of Plan, continued:**

- d. Withdrawals:** Upon termination of service, a participant can elect to transfer his vested interest in the Plan to the qualified plan of his new employer, roll over his funds into an Individual Retirement Account (IRA), or receive his vested interest in the Plan in a lump-sum amount or in the form of installment payments over a period of time not to exceed his life expectancy. If the vested account balance is less than \$5,000, a lump-sum distribution will be made. Effective March 28, 2005, if the vested account balance is \$1,000 or less, an automatic lump sum distribution will be made. If the vested account balance is greater than \$1,000 up to \$5,000, and the participant does not direct otherwise, it will be rolled over into an IRA with Fidelity Management Trust Company (Fidelity), the trustee and record keeper as defined by the Plan. In the event of death, the participant's beneficiary will receive the vested interest in a lump-sum payment or in the form of an installment payment. A participant may also withdraw vested interest in the case of financial hardship under guidelines promulgated by the Internal Revenue Service. The participant's contribution shall be suspended for six months after the receipt of a hardship distribution.

**2. Summary of Significant Accounting Policies:**

- a. Basis of Accounting:** The financial statements of the Plan are prepared under the accrual method of accounting. Withdrawals by participants are recorded when paid. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.
- b. Valuation of Investments:** The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds and common collective trust fund are valued at the net asset value of shares held by the Plan at year end. The Brown-Forman Corporation Stock Fund is comprised of Brown-Forman Corporation Class B shares, which are valued at the quoted closing market price, and a cash component.

The Plan presents in the accompanying statements of changes in net assets available for benefits the net appreciation or depreciation in the fair value of its investments which consists of the realized gains or losses and the unrealized appreciation or depreciation on those investments.

- c. Management Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of additions to and deductions from net assets during the reporting periods. Actual results could differ from those estimates.
- d. Payment of Benefits:** Benefits are recorded when paid.

**Table of Contents****Brown-Forman Corporation Savings Plan for Collectively Bargained Employees  
Notes to Financial Statements, Continued****3. Investments:**

The Plan's investments are held by a custodian trust company. The following table presents the fair value of investments. Investments that represent 5% or more of the Plan's net assets are separately identified.

	December 31,			
	2004		2003	
	Number of Shares, Units or Principal Amount	Fair Value	Number of Shares, Units or Principal Amount	Fair Value
Investments at fair value:				
Janus Worldwide Fund			8,540	\$ 337,665
Fidelity Magellan Fund	23,172	\$ 2,405,035	21,951	2,145,533
Fidelity Equity-Income Fund	15,444	815,159	12,769	635,251
Fidelity Growth Company Fund	6,369	357,131	5,060	253,363
Fidelity Asset Manager	25,057	406,181	25,636	404,019
Fidelity Diversified Intl	12,404	355,265		
Managed Income Portfolio	341,972	341,972	307,567	307,567
Brown-Forman Corporation Class B Common Stock Fund	19,443	309,929		
Other investments	277,203	813,944	255,185	795,218
		\$ 5,804,616		\$ 4,878,616

During 2004 and 2003, the Plan's investments, including gains on investments bought and sold, as well as held during the year, appreciated in value as follows:

	2004	2003
Mutual funds	\$ 353,648	\$ 787,813
Brown-Forman Corporation Class B Common Stock	10,391	44,737
	\$ 364,039	\$ 832,550

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**Brown-Forman Corporation Savings Plan for Collectively Bargained Employees  
Notes to Financial Statements, Continued**

**4. Tax Status:**

The Internal Revenue Service has determined, and informed the Company by a letter dated April 16, 2003, that the Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Company believes that the Plan is designed and is currently being operated in compliance with the applicable provisions of the IRC.

**5. Plan Termination:**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

**6. Related Party Transactions:**

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

Certain administrative costs incurred by the Plan are paid by the Company. Administrative expenses of \$599 and \$522 in 2004 and 2003, respectively, were allocated to participants' accounts.

Certain participants of the Plan transferred their participation to other defined contribution plans sponsored by the Company. As a result, \$24,201 and \$9,702 of related plan assets were transferred from the Plan for the years ending December 31, 2004 and 2003, respectively.

Certain plan investments are units of Brown-Forman Corporation Class B stock. Therefore, these transactions qualify as related party transactions. For the years ending December 31, 2004 and 2003, 6,573 units were purchased for \$102,089 and 8,206 units were purchased for \$110,483, respectively. For the years ending December 31, 2004 and 2003, 722 units were sold for \$10,638 and 2,400 units were sold for \$31,061, respectively. Dividends of \$4,187 and \$2,196 were received on Company units for the years ending December 31, 2004 and 2003, respectively.

**7. Risks and Uncertainties:**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with

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**Brown-Forman Corporation Savings Plan for Collectively Bargained Employees**

**Notes to Financial Statements, Continued**

7. **Risks and Uncertainties, continued:** certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

**Table of Contents****Brown-Forman Corporation Savings Plan for Collectively Bargained Employees  
Plan #016 EIN #61-0143150****Schedule H, Line 4i-Schedule of Assets (Held at End of Year)***December 31, 2004*

<b>Identity of Issue, Borrower, Lessor or Similar Party</b>	<b>Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value</b>	<b>Current Value</b>
Janus Enterprise Fund	2,996 Mutual fund shares	\$ 112,700
PIMCO Total Return Fund	15,814 Mutual fund shares	168,735
Royce Low Priced Stock Fund	430 Mutual fund shares	6,586
* Fidelity Magellan Fund	23,172 Mutual fund shares	2,405,035
* Fidelity Equity-Income Fund	15,444 Mutual fund shares	815,159
* Fidelity Growth Company Fund	6,369 Mutual fund shares	357,131
* Fidelity Asset Manager	25,057 Mutual fund shares	406,181
* Fidelity Low Priced Stock Fund	4,402 Mutual fund shares	177,175
* Fidelity Diversified Intl	12,404 Mutual fund shares	355,265
* Fidelity Freedom 2010	447 Mutual fund shares	6,087
* Fidelity Freedom 2020	2,669 Mutual fund shares	37,263
* Fidelity Freedom 2025	75 Mutual fund shares	845
* Fidelity Retirement Money Market Portfolio	249,076 Mutual fund shares	249,076
	341,972 Common collective trust fund	
* Managed Income Portfolio	units, variable rate and maturity	341,972
* Spartan U.S. Equity Index Fund	1,294 Mutual fund shares	55,477
	19,443 Class B common stock fund	
* Brown-Forman Corporation	units	309,929
		\$ 5,804,616

\*Party-in-interest to the Plan

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**Signatures**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Brown-Forman Corporation Savings Plan for Collectively Bargained Employees has duly caused this report to be signed by the undersigned thereunto duly authorized.

BROWN-FORMAN CORPORATION SAVINGS PLAN  
FOR COLLECTIVELY BARGAINED EMPLOYEES

BY:

Bruce Cote  
Member, Employee Benefits Committee  
(Plan Administrator)  
Vice President, Director  
HR Employee Services  
Brown-Forman Corporation

June 24, 2005