

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14D-9

Solicitation/Recommendation Statement
Pursuant to Section 14(d)(4) of the
Securities Exchange Act of 1934

(Amendment No. 3)

BORDEN, INC.
(Name of Subject Company)

BORDEN, INC.
(Name of Person(s) Filing Statement)

Common Stock, Par Value \$.625 Per Share
(Title of Class of Securities)

099599102
(CUSIP Number of Class of Securities)

Allan L. Miller, Esq.
Senior Vice President, Chief Administrative Officer
and General Counsel
Borden, Inc.
180 East Broad Street
Columbus, Ohio 43215
(614) 225-4000

(Name, address and telephone number of person
authorized to receive notice and communications on
behalf of the person(s) filing statement)

With a copy to:
Andrew R. Brownstein, Esq.
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
(212) 403-1000

This Amendment No. 3 amends and supplements the Solicitation/Recommendation Statement on Schedule 14D-9 of Borden, Inc., a New Jersey corporation, filed with the Securities and Exchange Commission (the "Commission") on November 22, 1994, as amended by Amendment No. 1 filed with the Commission on December 1, 1994 and Amendment No. 2 filed with the Commission on December 2, 1994 (as so amended, the "Schedule 14D-9"), with respect to the exchange offer made by Borden Acquisition Corp., a New Jersey corporation (the "Purchaser"), Whitehall Associates, L.P., a Delaware limited partnership (the "Partnership"), and KKR Partners II, L.P., a Delaware limited partnership (together with the Partnership, the "Common Stock Partnerships"), to exchange shares, owned by the Purchaser or its affiliates, of common stock, par value \$.01 per share (the "Holdings Common Stock"), of RJR Nabisco Holdings Corp., a Delaware corporation ("Holdings"), for all outstanding Shares and the associated preferred stock purchase rights (the

"Rights"), not already owned by the Purchaser or its affiliates, upon the terms and subject to the conditions set forth in the Offering Circular/Prospectus, dated November 22, 1994, and the related Letter of Transmittal. Under the terms of the Exchange Offer, each Share accepted by the Purchaser in accordance with the Exchange Offer shall be exchanged for that number of fully paid and nonassessable shares of Holdings Common Stock equal to the Exchange Ratio. The term "Exchange Ratio" means the quotient (rounded to the nearest 1/100,000) obtained by dividing (i) \$14.25 by (ii) the average of the average of the high and low sales prices of the Holdings Common Stock as reported on the New York Stock Exchange (the "NYSE") Composite Tape on each of the ten full consecutive trading days ending immediately prior to the ten business day period ending on the date of expiration of the Exchange Offer, including any extension thereof (the "Valuation Period"), provided that the Exchange Ratio shall not be less than 1.78125 or greater than 2.375.

Capitalized terms used and not defined herein shall have the meanings assigned such terms in the Schedule 14D-9 as heretofore amended and supplemented.

Item 4. The Solicitation or Recommendation.

(a)-(b) The description in the Schedule 14D-9 under "Background and Reasons for the Board's Recommendation; Opinions of Financial Advisors -- Background -- Events Subsequent to Announcement of the KKR Transaction" is hereby amended and supplemented by adding the following information:

On December 2, 1994, on behalf of the Board, a letter was sent to Japonica canceling the meeting scheduled by the Board for December 4, 1994 in response to the Japonica November 30, 1994 Letter. The meeting was cancelled after the Company received no confirmation from Japonica that it would attend the scheduled meeting. The Board's letter is included as an exhibit hereto and is incorporated herein by this reference; the foregoing description of such letter is qualified in its entirety by reference to such exhibit.

On December 4, 1994, a letter dated December 3, 1994 was sent to the Company by Japonica. Among other matters, the Japonica letter requested a meeting with the Board on December 6, 1994. In its letter, Japonica also stated that it was prepared to discuss modifications to its proposal that would further enhance shareholder value. The Japonica letter is included as an exhibit hereto and is incorporated herein by reference; the foregoing description of such letter is qualified in its entirety by reference to such exhibit.

On December 4, 1994, on behalf of the Board, a letter was sent to Japonica responding to Japonica's December 3 letter. In the Board's letter, the Board agreed to a meeting on December 6, 1994 at Borden's New York office and requested confirmation from Japonica that it would attend the scheduled meeting. The Board's letter also continued to request written responses to the questions contained in the Board's December 1 letter. The Board's letter also requested that any changes to Japonica's proposal be communicated as soon as possible. The Board's letter is included as an exhibit hereto and is incorporated herein by reference; the foregoing description of such letter is qualified in its entirety by reference to such exhibit.

Item 9. Material to be Filed as Exhibits.

The list of exhibits in the Schedule 14D-9 is hereby amended and supplemented by adding the following exhibits:

- Exhibit 99.81 -- Letter from F.J. Tasco to P.B. Kazarian, dated December 2, 1994.
- Exhibit 99.82 -- Letter from Japonica Partners to F.J. Tasco, dated December 3, 1994.

Exhibit 99.83 -- Letter from F.J. Tasco to Jap-
nica Partners, dated December 4,
1994 (including December 1, 1994
Tasco letter).

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

BORDEN, INC.

Dated: December 5, 1994

By: /s/ Allan L. Miller
Name: Allan L. Miller
Title: Senior Vice President,
Chief Administrative
Officer and General
Counsel

EXHIBIT INDEX

Exhibit	Description
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Exhibit 99.82 --	Letter from Japonica Partners to F.J. Tasco, dated December 3, 1994.
Exhibit 99.83 --	Letter from F.J. Tasco to Japonica Partners, dated December 4, 1994 (including December 1, 1994 Tasco letter).

[Letterhead of Borden]

December 2, 1994

Mr. Paul B. Kazarian
Managing Partner
Japonica Partners
30 Kennedy Plaza
Providence, RI 02903

Dear Mr. Kazarian:

We have not received confirmation that your group will attend the meeting that our Board of Directors has requested on Sunday, December 4, 1994 at 10 A.M. Allan Miller's telephone call to you this afternoon seeking confirmation of the meeting has not been returned. As the business day has ended without any response from you, we assume that you are not prepared to meet with us when we requested and the Sunday morning meeting will be cancelled. Under these circumstances, we reiterate our request that you promptly provide the Board with written responses to the questions set forth in the letter sent to you yesterday. These responses can be sent to us in care of Allan Miller at our Columbus headquarters.

On behalf of the Board of Directors.

Very truly yours,

/s/Frank J. Tasco

Frank J. Tasco

[Letterhead of Japonica Partners]

December 3, 1994

Frank J. Tasco
Director
Borden, Inc.
277 Park Avenue
New York, NY 10172

Dear Mr. Tasco:

We have reviewed your letter dated December 1, 1994. In order for us to have a constructive dialogue, and to serve shareholders' best interests in a productive and timely manner, please note the following points:

POINT I; MEETING SPECIFICS -- Given the time sensitive nature of the situation, it is important that you make every effort to facilitate the participation of shareholders and industry analysts in this process and remain focused on your fundamental duty of maximizing shareholder value.

As indicated in our November 30, 1994 letter, we wish to meet with the Board of Directors in New York City on December 6th, 1994 after the close of the market. We have made meeting room arrangements for 4:45 p.m. at the Grand Hyatt New York Hotel (The Alvin Room), at Park Avenue at Grand Central Station.

POINT II; BOARD ATTENDANCE -- We respectfully suggest that all members of the Board should attend the meeting. At a minimum, a majority of directors, including the most business knowledgeable directors, should be present. This includes yourself (Former Chairman & CEO of Marsh & McLennan Companies), Mr. Ervin Shames, CEO of Borden, Mr. Robert Luciano, Chairman & CEO of Schering-Plough Corporation and Mr. H. Barclay Morley, Former Chairman & CEO of Stauffer Chemical Company. We are willing to reschedule the meeting to facilitate full Board participation.

Having only one director from a non-profit organization may create the appearance that your advisors are seeking to keep control away from the Board. Given reported concerns regarding your advisors' possible conflicting interests, any perception of impropriety, in our view, should be avoided.

POINT III; MAJOR SHAREHOLDER AND INDUSTRY ANALYST REPRESENTATION -- We respectfully recommend that you expeditiously invite representatives of Borden's major shareholders and industry analysts to attend the meeting.

POINT IV; ADDRESSING ISSUES -- The issues raised in your letter will be addressed at the meeting, although certain statements in your letter need clarification.

POINT V; IMPROVED PROPOSAL -- At the meeting, we will be prepared to discuss modifications to our proposal that would further enhance shareholder value.

We look forward to maximizing Borden's shareholder value as a proactive white knight. Our proposal is made pursuant to your request.

Best Regards,

/s/ Japonica Partners
JAPONICA PARTNERS

cc: Borden Board of Directors

[Letterhead of Borden]

December 4, 1994

Japonica Partners
30 Kennedy Plaza
Providence, Rhode Island 02903
Attention: Paul B. Kazarian

Gentlemen:

We will meet with you at the time you suggested in your last letter: 4:45 pm Tuesday, December 6, 1994, at Borden's New York offices, 277 Park Avenue, 40th floor. The purpose of this meeting, as I indicated on December 1, is to ascertain the facts we need to consider your November 30 letter. Although you are welcome to bring representatives of your financing sources, if any, we do not expect others to attend the meeting.

Your December 3 letter which we received this morning indicates that you require clarification of certain statements contained in our December 1 letter (a copy of which is attached). We believe that the questions we raised are fundamental and straight forward. However, please advise us as soon as possible of any specific matters that need to be clarified. It would be productive to have written responses to the questions raised in our December 1 letter prior to our December 6 meeting. Frankly, given the claims made in your letter of November 30, the amount of time you have spent on this matter and the timetable of the Whitehall offer, we are surprised that you did not have readily available the answers to the questions we raised on December 1, and that you did not take advantage of our offer to meet today.

We are surprised by the suggestion in your December 3 letter that there may be modifications to your November 30 proposal. Why wouldn't you have presented your best proposal on November 30? Any changes to your proposal should be communicated to us as soon as possible.

We look forward to meeting with you on Tuesday. Please confirm with Allan Miller at our Columbus headquarters by 4:00 pm on Monday that you will attend the meeting so that the necessary travel arrangements can be made; if we do not hear from you prior to 4:00 pm on Monday, we will assume that you do not wish to meet with us.

On behalf of the Board of Directors,

/s/ Frank J. Tasco

Frank J. Tasco
Chairman

[LETTERHEAD OF BORDEN, INC.]

December 1, 1994

Mr. Paul B. Kazarian
Managing Partner
Japonica Partners
30 Kennedy Plaza

Dear Mr. Kazarian:

The Board of Directors of Borden, Inc. has reviewed your letter dated November 30, 1994. As I am sure you appreciate, your letter is silent on many important details, given the complex nature of the transactions you describe. As we have advised you previously, our objective is to maximize the value of Borden for its shareholders and to do so we will pursue whatever transaction we believe most likely to achieve our objective.

In view of the time factors involved in the Whitehall transaction and your proposal, we request that you meet with the Board's representatives at 10:00 AM on Sunday, December 4, 1994, at Wachtell, Lipton, Rosen & Katz's offices, at 51 West 52nd Street, 28th floor. Dr. Wilbert J. LeMelle, one of our independent directors, will chair the meeting on our behalf. The purpose of the meeting will be to obtain detailed information about your plans in order to assist the Board in its consideration of your proposal.

In light of the complexity of your proposal, and to make the meeting productive, you should provide us with detailed information as to the following:

- . What would happen in the near future to cause all of Borden's shares to be worth \$17 under your plan, especially since you do not seem to contemplate injecting new equity into the Company and the Borden common stock will be further burdened by the fixed charges of the preferred stock you propose to issue;
- . The basis for and assumptions underlying the earnings per share forecasts of your plan, which, notwithstanding preferred stock charges, are at levels more than double earnings estimates by Borden's management;

- . How you would deal with the legal issues of fraudulent conveyance and illegal dividend payments in connection with the spin-offs your proposal entails;
- . How you would handle Borden's approximately \$2.4 billion of outstanding indebtedness, more than half of which would become prepayable as a result of the split up of the Company you propose;
- . The sources of your financing and any material contingencies with respect thereto;
- . The dividend rate and other terms (assuming current market conditions) that you think would be necessary to cause the preferred stock you would issue to trade at par; and
- . The time period you think necessary to implement the contemplated transactions (including obtaining assurances as to the tax free status thereof) and how you would propose to protect Borden shareholders against possible adverse developments in the interim period.

The foregoing questions are not intended to limit the discussion at the meeting but merely to give you guidance in preparing for the meeting. You are, of course, invited to present whatever other information you wish.

We would like to proceed as expeditiously as practicable given the nature of the task before us, and we have scheduled the meeting accordingly. We look forward to receiving promptly your confirmation that we will meet on Sunday. Please contact Allan Miller at our Columbus office in this regard. If Sunday is not convenient for you, please advise us promptly and we will make every effort to schedule something more convenient. If you cannot meet on Sunday, we request that you provide us with a written response to our questions on or before Sunday.

On behalf of the Board of Directors,

/s/ Frank J. Tasco

Frank J. Tasco
Chairman