

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

October 28, 1994 (October 27, 1994)

Date of Report (Date of earliest event reported)

AMERICAN BRANDS, INC.

(Exact name of registrant as specified in its charter)

Delaware

1-9076

13-3295276

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

1700 East Putnam Avenue, Old Greenwich, Connecticut

06870-0811

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (203) 698-5000

INFORMATION TO BE INCLUDED IN THE REPORT

Item 5. Other Events.

Registrant's press release dated October 27, 1994 is filed
herewith as Exhibit 20 and is incorporated herein by reference.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

20. Press release of Registrant dated October 27, 1994.

This Current Report shall not be construed as a waiver of the

right to contest the validity or scope of any or all of the provisions of the Securities Exchange Act of 1934 under the Constitution of the United States, or the validity of any rule or regulation made or to be made under such Act.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Current Report to be signed on its behalf by the undersigned thereunto duly authorized.

AMERICAN BRANDS, INC.

(Registrant)

By Gilbert L. Klemann, II

Gilbert L. Klemann, II
Senior Vice President
and General Counsel

Date: October 28, 1994

EXHIBIT INDEX

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20.	Press release of Registrant dated October 27, 1994.

FOR IMMEDIATE RELEASE

Contact: Roger W. W. Baker
(203) 698-5148

Daniel A. Conforti
(203) 698-5132

AMERICAN BRANDS ANNOUNCES THAT FEDERAL TRADE COMMISSION
WILL CHALLENGE SALE OF THE AMERICAN TOBACCO COMPANY

Old Greenwich, CT, October 27 -- American Brands, Inc. announced today that the Federal Trade Commission has decided to challenge the sale of The American Tobacco Company to B.A.T Industries p.l.c. and will seek to enjoin the consummation of the transaction. American Brands also announced that it and B.A.T intend to oppose the FTC's determination. The parties have agreed not to close the transaction pending the outcome of a preliminary injunction proceeding, which we expect will be filed by the FTC on Monday, October 31, in the United States District Court for the Southern District of New York.

Commenting on the FTC's decision, Chairman and Chief Executive Officer William J. Alley said: "We are disappointed by the FTC's decision and intend to oppose its action in court. We continue to believe that the combination of American Tobacco and B.A.T's Brown & Williamson Tobacco Corporation would be pro-competitive and good for consumers and that the combined organization would be a stronger competitor against the industry leaders."

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10/27/94