

ANDERSONS INC  
Form 11-K  
June 28, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT  
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, 2003

or

Transition Report Pursuant To Section 15(d) Of The Securities Exchange Act Of 1934 for the transition period from \_\_\_\_\_to\_\_\_\_\_

Commission file number 000-20557

- A. Full title of the plan and the address of the plan, if different from that of the issuer named below: The Andersons, Inc. Retirement Savings Investment Plan.
- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office: The Andersons, Inc., 480 West Dussel Drive, Maumee, Ohio 43537.
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[Plante & Moran logo]

Plante & Moran, PLLC  
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Independent Auditor's Report

To the Pension Committee  
The Andersons, Inc. Retirement Savings Investment Plan

We have audited the accompanying statement of net assets available for plan benefits of The Andersons, Inc. Retirement Savings Investment Plan as of December 31, 2003 and 2002, and the related statement of changes in net assets available for plan benefits for the years then ended. 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 in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 31, 2003 and 2002, and the changes in net assets available for plan benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes 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. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to those basic financial statements taken as a whole.

/s/Plante & Moran PLLC

Toledo, Ohio  
May 6, 2004

**The Andersons, Inc. Retirement Savings Investment Plan****Statement of Net Assets Available for Plan Benefits**

	<b>December 31</b>	
	<b>2003</b>	<b>2002</b>
<b>Assets</b>		
Participant-directed investments (Note 2):		
Mutual funds:		
Spartan U.S. Equity Index Fund	\$ 16,617,333	\$ 13,280,804
Fidelity Magellan Fund	17,457,987	13,890,089
Fidelity Growth and Income Portfolio	10,474,996	8,797,088
Fidelity U.S. Bond Index Fund	14,755,176	14,845,389
Fidelity Money Market Trust, Retirement Government Money Market Portfolio	7,656,749	9,170,619
Janus Worldwide Fund	4,532,423	4,044,792
Fidelity Low-priced Stock Fund	6,905,742	4,733,122
Dreyfus Founders Discovery Fund	293,796	194,962
Fidelity Contrafund	3,720,016	2,653,275
Janus Enterprise Fund	3,461,783	2,504,906
Fidelity Freedom Income Fund	274,562	131,980
Fidelity Freedom 2000 Fund	498,692	430,099
Fidelity Freedom 2010 Fund	2,600,598	2,305,183
Fidelity Freedom 2020 Fund	614,073	405,813
Fidelity Freedom 2030 Fund	502,554	310,735
Fidelity Freedom 2040 Fund	12,404	35,859
Dodge and Cox Stock Fund	1,251,358	440,067
PIMCO RCM Global Technology Fund Class I	1,637,312	716,927
First Eagle Overseas Fund	1,403,086	68,901
Common shares of The Andersons, Inc.	1,608,505	1,161,798
Loans receivable from plan participants	2,160,628	2,027,639
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Total participant-directed investments:	98,439,773	82,150,047
Receivables	15,525	
	<hr/>	<hr/>
<b>Net Assets Available for Plan Benefits</b>	<b>\$98,455,298</b>	<b>\$82,150,047</b>
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**The Andersons, Inc. Retirement Savings Investment Plan****Statement of Changes in Net Assets Available for Plan Benefits**

	<b>Year Ended December 31</b>	
	<b>2003</b>	<b>2002</b>
<b>Additions</b>		
Contributions:		
Participants	\$ 4,060,525	\$ 3,986,592
Employer	1,427,758	1,411,269
Transfers from other qualified plans	72,813	150,885
	<hr/>	<hr/>
Total contributions	5,561,096	5,548,746
Investment income:		
Interest and dividends	2,278,432	2,230,987
Net appreciation (depreciation) in fair value of investments during the year (Note 4)	14,376,730	(14,881,596)
	<hr/>	<hr/>
Total additions - Net of appreciation (depreciation) in fair value of investments	22,216,258	(7,101,863)
<b>Deductions</b>		
Payments made to active and terminated participants	5,446,268	6,923,466
Investment fees	464,739	439,022
	<hr/>	<hr/>
Total deductions	5,911,007	7,362,488
	<hr/>	<hr/>
<b>Net Increase (Decrease)</b>	16,305,251	(14,464,351)
<b>Net Assets Available for Plan Benefits - Beginning of year</b>	82,150,047	96,614,398
	<hr/>	<hr/>
<b>Net Assets Available for Plan Benefits - End of year</b>	<b>\$98,455,298</b>	<b>\$ 82,150,047</b>
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**The Andersons, Inc. Retirement Savings Investment Plan**

**Notes to Financial Statements  
December 31, 2003 and 2002**

**Note 1 - Significant Accounting Policies**

The accounting records of The Andersons, Inc. Retirement Savings Investment Plan (the Plan) are maintained on the accrual basis by The Andersons, Inc. (Plan Sponsor). Plan assets are maintained by Fidelity Management Trust Company (Trustee) and monitored by the Pension Committee established by the Plan sponsor.

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Unpaid withdrawals due to terminated participants have not been deducted in determining assets available for benefits for financial reporting purposes, but have been deducted from total assets in the Plan's annual return on Form 5500. These amounts totaled \$591,462 and \$752,411 at December 31, 2003 and 2002, respectively. As a result, withdrawals for financial reporting purposes were \$160,949 lower for 2003 and \$66,837 higher for 2002, than the amounts reported on Form 5500.

Investments are stated at fair value. The fair values of the Plan's investments in mutual funds are based on net asset values on the last business day of the Plan year. The fair value of the Plan's investments in The Andersons, Inc.'s common stock is based on NASDAQ closing market prices on the last business day of each Plan year. Participant loans are stated at face value, which approximates fair value. Changes in the fair value of investments is included in net realized and unrealized appreciation or depreciation in the aggregate fair value of investments presented in the statement of changes in net assets available for plan benefits.

**Note 2 - Description of the Plan**

The Plan is a defined contribution plan that covers substantially all employees of The Andersons, Inc., and its wholly owned subsidiary, The Andersons Mower Center, Inc. The Plan provides for retirement, disability, and death benefits for participants who meet certain eligibility requirements, including attaining age 21. Full-time employees are eligible to begin deferring money into the Plan on the first day of the month after being hired. Part-time employees are eligible to begin deferring money into the Plan upon meeting the one-year of service requirement. Employer matching contributions are to be made only after a participant has one year of service.

**The Andersons, Inc. Retirement Savings Investment Plan**

**Notes to Financial Statements  
December 31, 2003 and 2002**

**Note 2 - Description of the Plan (Continued)**

Employee contributions may be made by salary reduction up to 50 percent of annual compensation (in .50 percent increments) subject to the maximum annual contribution allowed by law. Employer contributions are made at the rate of 50 percent of employee contributions, with a maximum contribution of 3 percent of annual compensation. Participants vest ratably over five years in the employer's matching contributions. Participants are fully vested in their contributions to the Plan.

The Plan may accept rollover contributions from IRA or from other qualified defined benefit or contribution plans of The Andersons, Inc. or participants' former employers.

Forfeited balances of terminated accounts are used to reduce future employer contributions. The balance of forfeited nonvested accounts was not material in 2003 or 2002. The Plan Sponsor may make supplemental contributions to the Plan at its sole discretion.

Each participant directs Fidelity Management Trust Company to invest any or all of his or her account in one or more of the following mutual fund investments:

**Spartan U.S. Equity Index Fund** invests primarily in the common stocks of the 500 companies that make up the Standard & Poor's 500 Index

**Fidelity Magellan Fund** seeks long-term capital appreciation through investment in common stocks and convertible securities issued by domestic or foreign companies

**Fidelity Growth and Income Portfolio** invests primarily in common and preferred stocks, convertible securities and fixed-income securities of foreign or domestic companies that offer long-term growth while providing current income

**Fidelity U.S. Bond Index Fund** invests in U.S. Government and Agency obligations, corporate obligations, mortgaged-backed obligations and U.S. dollar-denominated obligations of foreign governments

**The Andersons, Inc. Retirement Savings Investment Plan**

**Notes to Financial Statements  
December 31, 2003 and 2002**

**Note 2 - Description of the Plan (Continued)**

**Fidelity Money Market Trust, Retirement Government Money Market Portfolio** invests in obligations issued or guaranteed as to principal and interest by the U.S. government, its agencies or instrumentalities

**Janus Worldwide Fund** invests primarily in common stocks of foreign and domestic companies on a worldwide basis, whose size, share price and return will vary

**Fidelity Low-Priced Stock Fund** invests in stocks of undervalued or small companies that offer the possibility for significant growth

**Dreyfus Founders Discovery Fund** invests in small, relatively unknown companies with high growth potential

**Fidelity Contrafund** invests in undervalued common stocks of smaller, less well-known companies with the potential for significant growth

**Janus Enterprise Fund** invests primarily in common stocks; it usually invests at least 50 percent of its equity assets in securities of medium-sized companies whose share price and return will vary

**Fidelity Freedom Income Fund** invests in a combination of stocks, bonds and money market mutual funds with an allocation strategy tied to the target retirement date based on the number of years until the fund's target retirement date

**Fidelity Freedom Fund 2000** invests in approximately 22 percent in Fidelity stock mutual funds, 43 percent in Fidelity bond mutual funds and 35 percent in Fidelity money market mutual funds

**Fidelity Freedom Fund 2010** invests in approximately 45 percent in Fidelity stock mutual funds, 45 percent in Fidelity bond mutual funds and 10 percent in Fidelity money market mutual funds

**Fidelity Freedom Fund 2020** invests in approximately 70 percent in Fidelity stock mutual funds and 30 percent in Fidelity bond mutual funds

**Fidelity Freedom Fund 2030** invests in approximately 82 percent in Fidelity stock mutual funds and 18 percent in Fidelity bond mutual funds



**The Andersons, Inc. Retirement Savings Investment Plan**

**Notes to Financial Statements  
December 31, 2003 and 2002**

**Note 2 - Description of the Plan (Continued)**

**Fidelity Freedom Fund 2040** invests in approximately 90 percent in Fidelity stock mutual funds and 10 percent in Fidelity bond mutual funds

**Dodge and Cox Stock Fund** invests in broadly diversified portfolio of stocks, it will invest at least 80 percent of its total assets in common stocks

**PIMCO RCM Global Technology Fund Class I** invests primarily in assets of global technology companies, whose size, share price and return will vary

**First Eagle Overseas Fund** invests primarily in equities issued by non-U.S. corporations, primarily in small and medium sized companies traded in mature markets and may invest in emerging markets

**Common shares of The Andersons, Inc.** consists of common stock issued by The Andersons, Inc. with performance directly tied to the performance of the Company

No assets of any individually directed account may be used for the benefit of any other account or participant.

The Plan Sponsor has the right under the Plan to terminate the Plan and the trust at any time. In the event of termination, participants become fully vested in their individual accounts.

Additional information about the Plan agreement and limitations on contributions is available from the Human Resources Department of the Plan sponsor or from designated individuals at the participating employers.

Participants may borrow up to 50 percent of their vested account balances. The minimum loan amount is \$1,000 and the maximum is \$50,000. Each participant may only have one loan outstanding and each loan bears interest at a fixed rate equal to the prime rate at the end of the quarter previous to initiation of the loan plus one percent.

The Plan sponsor pays substantially all costs of administering the Plan, including trustee fees. The Plan pays investment fees.

**The Andersons, Inc. Retirement Savings Investment Plan**

**Notes to Financial Statements  
December 31, 2003 and 2002**

**Note 3 - Benefits**

A participant is entitled to a benefit representing his or her salary reduction contributions, the vested amount of employer contributions and allocated income thereon (including realized and unrealized gains and losses). Upon termination of employment due to retirement, permanent disability, or death, a participant or his or her beneficiary is entitled to receive distribution of the vested account balance, in a lump sum or in monthly installments.

Withdrawals of employer and employee salary reduction contributions, and related income thereon, during the participant's employment are prohibited unless the participant can show immediate and extreme financial hardship, as determined by the Pension Committee.

**Note 4 - Investments**

The Plan's investments at December 31, 2003 and 2002 are held by the Trustee. The Plan's investments (including investments bought, sold, as well as held during the year) appreciated (depreciated) in fair value as follows:

	<b>Year Ended December 31</b>	
	<b>2003</b>	<b>2002</b>
Net appreciation (depreciation) in fair value		
Mutual funds	\$ 14,041,711	\$(15,114,724)
The Andersons, Inc. common shares	335,019	233,128
Total	\$ 14,376,730	\$(14,881,596)

**Note 5 - Transactions with Parties-in-Interest**

Fees paid by the Plan sponsor to parties-in-interest for legal, accounting and other services rendered to the Plan are based on customary and reasonable rates for such services.

**The Andersons, Inc. Retirement Savings Investment Plan**

**Notes to Financial Statements  
December 31, 2003 and 2002**

**Note 6 - Income Tax Status**

The Internal Revenue Service ruled on March 31, 2003, applicable for the amendments executed February 19, 2002 that the Plan for The Andersons, Inc. and The Andersons Mower Center, a participating employer, respectively, qualifies under Section 401(a) of the Internal Revenue Code (the Code) and that the trust, therefore, is exempt from taxation. The Plan is required to operate in conformity with the Code and ERISA to maintain its tax-exempt status. The Plan's administrator is not aware of any course of action or events that have occurred that might adversely affect the Plan's qualified status.

**The Andersons, Inc. Retirement Savings Investment Plan**

**Schedule of Assets Held for Investment Purposes**  
**Form 5500, Schedule H, Item 4i**  
**EIN 34-1562374 Plan 002**  
**December 31, 2003**

Issuer	Identity of Issue	Cost	Fair Value
Fidelity Investments	Spartan U.S. Equity Index Fund - Mutual fund	*	\$16,617,333
Fidelity Investments	Fidelity Magellan Fund - Mutual fund	*	17,457,987
Fidelity Investments	Fidelity Growth and Income Portfolio - Mutual fund	*	10,474,996
Fidelity Investments	Fidelity U.S. Bond Index Fund - Mutual fund	*	14,755,176
Fidelity Investments	Fidelity Money Market Trust, Retirement Government Money Market Portfolio - Mutual fund	*	7,656,749
Fidelity Investments	Janus Worldwide Fund - Mutual fund	*	4,532,423
Fidelity Investments	Fidelity Low-Priced Stock Fund - Mutual fund	*	6,905,742
Fidelity Investments	Dreyfus Founders Discovery Fund - Mutual fund	*	293,796
Fidelity Investments	Fidelity Contrafund - Mutual fund	*	3,720,016
Fidelity Investments	Janus Enterprise Fund - Mutual fund	*	3,461,783
Fidelity Investments	Fidelity Freedom Income Fund - Mutual fund	*	274,562
Fidelity Investments	Fidelity Freedom 2000 Fund - Mutual fund	*	498,692
Fidelity Investments	Fidelity Freedom 2010 Fund - Mutual fund	*	2,600,598
Fidelity Investments	Fidelity Freedom 2020 Fund - Mutual fund	*	614,073
Fidelity Investments	Fidelity Freedom 2030 Fund - Mutual fund	*	502,554
Fidelity Investments	Fidelity Freedom 2040 Fund - Mutual fund	*	12,404
Fidelity Investments	Dodge and Cox Stock Fund - Mutual fund	*	1,251,358
Fidelity Investments	PIMCO RCM Global Technology Fund Class I - Mutual fund	*	1,637,312
Fidelity Investments	First Eagle Overseas Fund - Mutual fund	*	1,403,086
The Andersons, Inc. Participants	The Andersons, Inc. common shares	*	1,608,505
	Participant loans with interest ranging from 4.00 percent to 10.5 percent		2,160,628
			<b><u>\$98,439,773</u></b>

\* Cost information not required

SIGNATURES

Pursuant to the requirements of the Securities Exchange act of 1934, the Plan Administrator has duly caused this Annual Report to be signed on its behalf by the undersigned hereunto duly authorized.

The Andersons, Inc. Retirement Savings Investment Plan

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(Name of Plan)

Date: June 25, 2004

By: The Andersons, Inc.  
By /s/ Michael J. Anderson  
Michael J. Anderson  
President and Chief Executive Officer

Date: June 25, 2004

By: /s/ Richard R. George  
Richard R. George  
Vice President, Controller and CIO  
(Principal Accounting Officer)

Date: June 25, 2004

By: /s/ Gary L. Smith  
Gary L. Smith  
Vice President, Finance and Treasurer  
(Principal Financial Officer)