

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K/A

Current report filing [amend]

Filing Date: **2001-08-03** | Period of Report: **2001-03-31**  
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### FILER

#### CHURCH & DWIGHT CO INC /DE/

CIK: **313927** | IRS No.: **134996950** | State of Incorporation: **DE** | Fiscal Year End: **1231**  
Type: **8-K/A** | Act: **34** | File No.: **001-10585** | Film No.: **1697682**  
SIC: **2840** Soap, detergents, cleang preparations, perfumes, cosmetics

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409 N HARRISON STREET  
PRINCETON NJ 08543-5297

Business Address  
409 N HARRISON ST  
PRINCETON NJ 08543-5297  
6096835900

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
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FORM 8-K/A  
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
Commission File Number 1-10585

Date of the report (Date of earliest event reported): May 21, 2001  
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CHURCH & DWIGHT CO., INC.  
(Exact Name of Registrant as Specified in its Charter)

Delaware 13-4996950  
(State or Other Jurisdiction (I.R.S. Employer Identification No.)  
or Incorporation)

469 North Harrison Street, Princeton, New Jersey 08543  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (609) 683-5900

N/A  
(Former Name or Former Address, if Changed Since Last Report)  
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The Company is filing this amendment to its Form 8-K filed on June 5, 2001 to incorporate Item 7, Financial Statements and Exhibits with regard to the merger with USA Detergents.  
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ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS

(a) On May 18, 2001, Church & Dwight Co., Inc., a Delaware corporation, through its wholly owned subsidiary, US Acquisition Corp., a Delaware corporation, completed its previously disclosed tender offer for the outstanding shares of common stock of USA Detergents, Inc., a Delaware corporation. The details of the tender offer were disclosed in a Tender Offer Statement on Schedule TO, filed with the SEC on April 12, 2001 and subsequently amended (the "Schedule TO"). According to the Depositary's final report, 11,318,679 shares were validly tendered and not withdrawn as of the expiration of the tender offer, representing approximately 79.7% of the outstanding USA Detergents shares. Church & Dwight Co., also owns 2,142,857 USA Detergents shares acquired prior to the tender offer, representing approximately 15% of the outstanding USA Detergents shares. On May 21, 2001, US Acquisition Corp. accepted for payment all of the shares validly tendered according to the terms of the tender offer.

When combined with the shares accepted in the tender offer, US Acquisition Corp. beneficially owned a total of 13,461,536 shares representing 94.8% of the outstanding shares.

On May 25, 2001, Church & Dwight Co. completed a short-form merger of US Acquisition Corp. with and into USA Detergents.

Subsequently pursuant to a short-form merger of US Acquisition Corp. with and into USA Detergents, the Company became the owner of 100% of outstanding shares of USA Detergents.

The source of funds used to acquire the USA Detergents shares was previously disclosed in the Schedule TO and the definitive agreement relating to the financing used to acquire the USA Detergents shares is filed as Exhibit 10 to this Current Report on Form 8-K.

(b) USA Detergents is a manufacturer and marketer of laundry and household cleaning products. Church & Dwight Co. currently intends to devote the USA Detergents assets to the continuation of the business operations of USA Detergents, substantially, as they were conducted prior to the completion of the merger.

#### ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

##### (a) Financial statements of businesses acquired.

Audited consolidated balance sheets of USA Detergents Inc, as of December 31, 2000 and 1999, and the audited statements of operations, stockholders equity and cash flows for the years ended December 31, 2000, 1999 and 1998 which were filed with the Commission on April 2, 2001 are incorporated by reference.

Unaudited consolidated balance sheet of USA Detergents as of March 31, 2001 and the consolidated statements of operations and cash flows for the quarter ended March 31, 2001 and 2000, which were filed with the Commission on May 21, 2001, are incorporated by reference.

##### (b) Pro forma financial information

The unaudited pro forma statement of consolidated statement of income for the year ended December 31, 2000 is attached on page 3.

The unaudited pro forma statement of consolidated statement of income for the quarter ended March 31, 2001 and an unaudited consolidated balance sheet at March 31, 2001, along with a description of all pro forma adjustments, are attached as pages 4 through 7.

#### UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL DATA

The unaudited pro forma statement of income for the year ended December 31, 2000 gives effect to the acquisition of all the common stock of USA Detergents as if it had occurred on January 1, 2000.

The unaudited pro forma statement of income for the quarter ended March 30, 2001 gives effect to the acquisition of all the common stock of USA Detergents as if it had occurred on January 1, 2000. The pro forma consolidated balance sheet as of March 30, 2001 gives effect to the acquisition as if it occurred on March 30, 2001, based on the purchase method of accounting.

The Company believes the accounting used for the pro forma adjustments provides a reasonable basis on which to present the unaudited pro forma consolidated financial statements. The pro forma adjustments do not include any synergies expected to be derived from the merger. The pro forma statements of consolidated income and pro forma consolidated balance sheets are unaudited and were derived by adjusting the historical consolidated financial statements of the Company and USA Detergents. The unaudited pro forma consolidated financial statements are provided for informational purposes only and should not be construed to be indicative of the Company's consolidated results of income or financial position had the transaction been consummated on the dates assumed and do not project the Company's consolidated results of income or consolidated financial position for any future date or period.

The unaudited pro forma consolidated financial statements and accompanying notes thereto should be read in conjunction with the Church & Dwight historical consolidated financial statements and the notes thereto included in Church & Dwight's Annual Report on Form 10-K for year ended December 31, 2000 as well as USA Detergents' historical consolidated financial statements as of December 31, 2000 and 1999 and for the three years in the period ended December 31, 2000 which are incorporated by reference..

Church & Dwight Co., Inc and Subsidiaries  
Unaudited Pro Forma Consolidated Statement of Income  
For the Year Ended December 31, 2000

<TABLE>  
<CAPTION>

(Dollars in thousands, except per share data)	Historical		Pro forma Adjustments	Pro forma Results
	CHD	USAD		
<S>	<C>	<C>	<C>	<C>
NET SALES	\$795,725	\$249,004	\$ -	\$1,044,729
Cost of Sales	450,321	171,911	116 (e)	622,348
GROSS PROFIT	345,404	77,093	(116)	422,381
Marketing & G&A	271,332	72,418	3,119 (d)	346,869
Impairment & Other Items	21,911	1,690	-	23,601
INCOME FROM OPERATIONS	52,161	2,985	(3,235)	51,911
Equity Income	3,011	-	-	3,011
Other income/(expense)	(3,011)	(3,631)	(5,474) (f) (312) (g)	(12,428)
Income before taxes	52,161	(646)	(9,021)	42,494
Taxes	18,315	125	3,392 (h)	15,048
Minority Interest	287	-	-	287
NET INCOME	\$ 33,559	\$ (771)	\$ (5,629)	\$ 27,159
Weighted average shares outstanding - Diluted	39,933			39,933
EPS - Diluted	\$ 0.84			\$ 0.68

See notes to unaudited pro forma consolidated financial statements  
</TABLE>

Church & Dwight Co., Inc and Subsidiaries  
Unaudited Pro Forma Consolidated Statement of Income  
For the Quarter Ended March 30, 2001

<TABLE>  
<CAPTION>

(Dollars in thousands, except per share data)	Historical		Pro forma Adjustments	Pro forma Results
	CHD	USAD		
<S>	<C>	<C>	<C>	<C>
NET SALES	\$ 256,527	\$ 68,886	\$ (1,954) (m) (56,141) (k)	\$ 267,318
Cost of Sales	162,429	61,291	29 (o) (56,141) (k)	167,608
GROSS PROFIT	94,098	7,595	(1,983)	99,710
Marketing & G&A	73,146	10,539	780 (n)	84,465
INCOME FROM OPERATIONS	20,952	(2,944)	(2,763)	15,245
Equity Income	1,032	-	-	1,032
Other income/(expense)	(1,268)	(766)	(78) (p) (1,458) (q)	(3,570)
Income before minority interest and taxes	20,716	(3,710)	(4,299)	12,707
Minority Interest	1,984	-	(1,954) (m)	30
Income before taxes	18,732	(3,710)	(2,345)	12,677
Taxes	6,585	75	(882) (r)	5,778
NET INCOME	\$ 12,147	\$ (3,785)	\$ (1,463) (s)	\$ 6,899
Weighted average shares outstanding - Diluted	40,333			40,333
EPS - Diluted	\$ 0.30			\$ 0.17

See notes to unaudited pro forma consolidated financial statements

</TABLE>

Church & Dwight Co., Inc and Subsidiaries  
Unaudited Pro Forma Consolidated Balance Sheet  
March 30, 2001

<TABLE>  
<CAPTION>

(Dollars in thousands)	Historical		Pro forma Adjustments	Pro forma Results
	CHD	USAD		
<S>	<C>	<C>	<C>	<C>
<b>CURRENT ASSETS:</b>				
Cash and Short-Term Investments	\$ 20,768	\$ -	\$ -	\$ 20,768
Restricted Funds	-	2,002	-	2,002
Accounts Receivable	85,205	23,013	-	90,018
Inventories	58,296	12,370	(18,200) (I)	69,666
Deferred Taxes	11,560	42	(1,000) (a3)	11,602
Prepays and other current assets	6,938	7,884	(701) (a4)	14,121
<b>Total Current Assets</b>	<b>182,767</b>	<b>45,311</b>	<b>(19,901)</b>	<b>208,177</b>
Property, Plant and Equipment (Net)	169,399	44,806	-	215,940
			1,735 (a2)	
Equity Investment in Affiliates	19,781	-	-	19,781
Long-Term Supply Contracts	8,577	-	-	8,577
Goodwill and Other Intangibles	82,635	-	(5,025) (b)	171,169
			93,559 (a)	
Other Assets	22,175	1,599	935 (a)	11,125
			(1,084) (a5)	
			(12,500) (b)	
<b>TOTAL ASSETS</b>	<b>\$ 485,334</b>	<b>\$ 91,716</b>	<b>\$ 57,719</b>	<b>\$ 634,769</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES:</b>				
Short-Term Borrowings	\$ 12,500	\$ -	\$ -	\$ 12,500
Current Portion of Long-Term Debt	685	18,026	(18,026) (c)	685
Cash Overdraft	-	4,113	-	4,113
Accounts Payable and Accrued Expenses	136,356	51,922	3,800 (a6)	175,832
			(16,246) (I)	
Income Taxes Payable	8,795	-	-	8,795
<b>Total Current Liabilities</b>	<b>158,336</b>	<b>74,061</b>	<b>(30,472)</b>	<b>201,925</b>
Long-Term Debt	19,749	-	112,027 (a)	134,548
			18,026 (c)	
			(15,254) (b)	
Deferred Taxes	21,041	-	(5,226) (a7)	14,976
			(839) (b)	
Deferred and Other Long-Term Liabilities	13,494	498	-	13,992
Nonpension Postretirement and Postemployment Benefits	15,622	-	-	15,622
Minority Interest	5,111	-	(1,954) (I)	3,157
Total Stockholders' Equity	251,981	17,157	(17,157) (a1)	250,549
			(1,432) (b)	
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 485,334</b>	<b>\$ 91,716</b>	<b>\$ 57,719</b>	<b>\$ 634,769</b>

See notes to unaudited pro forma consolidated financial statements

</TABLE>

Church & Dwight Co., Inc and Subsidiaries  
Notes to Unaudited Pro Forma Consolidated Financial Statements

(a) For purposes of these pro forma consolidated financial statements, Church &

Dwight determined that the value of the total purchase consideration (including fees) of approximately \$112,027,000, which includes the 2.1 million shares previously purchased. This is comprised of the following:

<TABLE>		
<S>	<C>	<C>
100% of the common stock outstanding of USA Detergents	14,192,776 shares @ \$7.00 per share	\$99,349,000
</TABLE>		

The Company has also agreed to pay the difference between the exercise price and \$7.00 on approximately 1.8 million in-the-money USAD options. This, in addition to any taxes due, is approximately \$7,000,000. The following is a summary of the calculation of the purchase price, as described above, as well as the allocation of the purchase price to the fair value of the net assets acquired:

<TABLE>			
<CAPTION>			
	Shares	Price/share	Dollars
	-----	-----	-----
<S>	<C>	<C>	<C>
Total number of shares acquired:	14,192,776	\$ 7.00	\$ 99,349,000
Spread on 1.8 million in-the-money USAD options			7,000,000
Direct merger costs			5,678,000
			-----
Total Purchase Price			112,027,000
Less: Fair value of net assets acquired			17,533,000
Deferred Financing costs associated with the merger to be amortized over 3 years.			935,000
			-----
Excess purchase price over net assets acquired			\$ 93,559,000

The book value of the net assets acquired as of March 31, 2001 were \$17,157,000. The fair value of the net assets are estimated to be \$17,533,000. The following is a reconciliation between the two:

(a1) Book value of net assets acquired:	\$ 17,157,000
(a2) Adjustment to Plant, Property and Equipment to fair value	1,735,000
(a3) Inventory fair value adjustment	(1,000,000)
(a4) Prepaid expenses fair value adjustment	(701,000)
(a5) Other assets fair value adjustment	(1,084,000)
(a6) Accrued expense fair value adjustment	(3,800,000)
(a7) Deferred tax adjustment	5,226,000
	-----
	\$ 17,533,000

</TABLE>

(b) In conjunction with the Armus LLC joint venture, Church & Dwight acquired 10% of the outstanding common stock of USA Detergents and had a contract to purchase an additional 5% on or about January 1, 2001. The stock was classified as an "available for sale" security and marked to market through other comprehensive income (loss). The forward contract for the additional 5% was treated the same way. This journal entry eliminates the 10% of the USA Detergents stock the Company previously purchased and the forward contract for an additional 5%, that was purchased during the first quarter 2001.

(c) USA Detergents at March 31, 2001 did not comply with the covenants as detailed in their lending agreements with Finova. As a result, all their long-term debt became a current liability and was reclassified as such. With the completion of the merger, Church & Dwight assumes that USA Detergent will comply with the debt provisions thus, the debt is being reclassified as long-term.

(d) To record excess purchase price amortization expense

Excess purchase price	\$ 93,559,000
Amortization period - 30 years	
Annual amortization	\$ 3,118,633

(e) To record additional depreciation expense of Property, plant and equipment due to fair value adjustment

Depreciation period - 15 years	\$ 1,735,000
Annual depreciation	\$ 115,666

(f) To record additional interest expense as a result of the merger.

		Full Year
		2000
		-----
Average debt excl. mortgage	\$134,246,000 @ 6%	\$8,054,760
Mortgage debt	\$10,650,000 @ 10%	1,050,000
Eliminate USAD interest expense		(3,631,000)

-----  
\$5,473,760

1st Quarter  
2001  
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Average debt excl. mortgage	\$130,782,000 @ 6%	\$1,961,700
Mortgage debt	\$10,650,000 @ 10%	262,500
Eliminate USAD interest expense		(766,000)
		-----
		\$1,458,200

- (g) To record amortization of deferred financing costs.
- (h) To record tax impact of pro forma adjustments at 37.6%.
- (I) To eliminate intercompany accounts receivable/accounts payable.
- (j) No journal entry.
- (k) To eliminate intercompany sales.
- (m) To eliminate USA Detergents portion of the Armus JV profit.
- (n) To record first quarter excess purchase price amortization.
- (o) To record first quarter additional depreciation due to fair value adjustment.
- (p) To record first quarter deferred financing cost amortization.
- (q) To accrue additional interest expense associated with the acquisition.
- (r) To record tax effect of pro forma adjustments.
- (s) To record net income effect of pro forma adjustments.

#### New Accounting Pronouncements

In July 2001, the FASB issued SFAS No. 141, "Business Combinations" which establishes new standards for accounting and reporting requirements for business combinations and will require that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. Use of the pooling-of-interests method will be prohibited. The Company expects to adopt this statement for transactions that occur after June 30, 2001. This transaction, as noted, is based on the purchase method of accounting.

In July 2001, the FASB issued SFAS No. 142, "Goodwill and Other Intangible Assets," which supersedes APB Opinion No. 17, "Intangible Assets". Under its changes, SFAS No. 142 establishes new standards for goodwill acquired in a business combination and eliminates amortization of goodwill and instead sets forth methods to periodically evaluate goodwill for impairment. The Company expects to adopt this statement upon its effective date. Goodwill amortization relating to this transaction will continue through December 31, 2001. Starting with fiscal year 2002, Goodwill will be tested for any impairment under the rules set forth.

#### SIGNATURE

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

CHRUCH & DWIGHT CO., INC.  
a Delaware Corporation

Date: August 3, 2001  
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By: /s/ Robert A. Davies III  
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Robert A. Davies III  
Chief Executive Officer