

CROWN HOLDINGS INC
Form 424B3
October 21, 2013
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PROSPECTUS

Crown Americas LLC
Crown Americas Capital Corp. IV
OFFER TO EXCHANGE

**\$1,000,000,000 4 1/2 % Senior Notes due 2023 and related Guarantees for all outstanding
4 1/2 % Senior Notes due 2023**

The exchange offer expires at 5:00 p.m., New York City time, on November 19, 2013, unless extended. Crown Americas LLC ("Crown Americas") and Crown Americas Capital Corp. IV ("Crown Americas Capital IV") and, together with Crown Americas, the Issuers) will exchange all old notes that are validly tendered and not validly withdrawn prior to the expiration of the exchange offer. You may withdraw tenders of old notes at any time before the exchange offer expires.

The form and terms of the new notes will be identical in all material respects to the form and terms of the old notes, except that the new notes:

will have been registered under the Securities Act;

will not bear restrictive legends restricting their transfer under the Securities Act;

will not be entitled to the registration rights that apply to the old notes; and

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will not contain provisions relating to increased interest rates in connection with the old notes under circumstances related to the timing of the exchange offer.

The new notes will be senior obligations of the issuers and initially will be guaranteed on a senior basis by their indirect parent, Crown Holdings, Inc. (Crown), and each of Crown s U.S. subsidiaries (other than Crown Americas, Crown Americas Capital Corp., Crown Americas Capital Corp. II, Crown Americas Capital Corp. III and Crown Americas Capital IV) that guarantees obligations under Crown s senior secured credit facilities, subject to customary release provisions. The entities providing such guarantees are referred to collectively as the guarantors. The notes will not be guaranteed by Crown s foreign subsidiaries. The new notes and new note guarantees will be effectively junior in right of payment to all existing and future secured indebtedness of the issuers and the guarantors to the extent of the value of the assets securing such indebtedness and will be junior in right of payment to all indebtedness of Crown s non-guarantor subsidiaries.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. Crown has agreed that, starting on the expiration date of the exchange offer and ending on the close of business one year after the expiration date, it will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

See Risk Factors beginning on page 11 for a discussion of risks that should be considered by holders prior to tendering their old notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is October 21, 2013.

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This prospectus incorporates important business and financial information that is not included in or delivered with this document. This information is available without charge upon written or oral request. To obtain timely delivery, note holders must request the information no later than five business days before the expiration date. The expiration date is November 19, 2013. See Incorporation of Documents by Reference.

You should rely only on the information contained in this document and any supplement, including the periodic reports and other information we file with the Securities and Exchange Commission or to which we have referred you. See Where You Can Find Additional Information. Neither Crown Americas, Crown Americas Capital IV nor Crown has authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. Neither Crown Americas, Crown Americas Capital IV nor Crown is making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted, where the person making the offer is not qualified to do so, or to any person who cannot legally be offered the securities.

The distribution of this prospectus and the offer or sale of the new notes may be restricted by law in certain jurisdictions. Persons who possess this prospectus must inform themselves about, and observe, any such restrictions. See Plan of Distribution. None of Crown Americas, Crown Americas Capital IV, Crown or any of their respective representatives is making any representation to any offeree or purchaser under applicable legal investment or similar laws or regulations. Each prospective investor must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells notes or possesses or distributes this prospectus and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and none of Crown Americas, Crown Americas Capital IV, Crown or any of their respective representatives shall have any responsibility therefor.

This prospectus does not constitute an offer to sell or a solicitation of an offer to buy securities to any person in any jurisdiction where it is unlawful to make such an offer or solicitation.

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MARKETS, RANKING AND OTHER DATA

The data included in this prospectus regarding markets and ranking, including the position of Crown and its competitors within these markets, are based on independent industry publications, reports of government agencies or other published industry sources and the estimates of Crown based on its management's knowledge and experience in the markets in which it operates. We believe these data are accurate in all material respects as of the date of this prospectus. Crown's estimates have been based on information obtained from customers, suppliers, trade and business organizations and other contacts in the markets in which it operates. This information may prove to be inaccurate because of the method by which Crown obtained some of the data for these estimates or because this information cannot always be independently verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other inherent limitations and uncertainties. Furthermore, facts, statistics and estimates upon which these publications and data are based and to which Crown cites in this prospectus may become outdated, obsolete or inaccurate as underlying facts or markets or industry conditions change.

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SUMMARY

The following summary should be read in connection with, and is qualified in its entirety by, the more detailed information and financial statements (including the accompanying notes) included elsewhere or incorporated by reference in this prospectus. See Risk Factors for a discussion of certain factors that should be considered in connection with this offering. Unless the context otherwise requires:

Crown refers to Crown Holdings, Inc. and its subsidiaries on a consolidated basis;

Crown Cork refers to Crown Cork & Seal Company, Inc. and not its subsidiaries;

Crown European Holdings refers to Crown European Holdings SA and not its subsidiaries;

Crown Americas refers to Crown Americas LLC and not its subsidiaries;

Crown Americas Capital IV refers to Crown Americas Capital Corp. IV;

we, us, our and the issuers refer to Crown Americas and Crown Americas Capital IV, collectively;

old notes refers to the \$1 billion aggregate principal amount of ~~4~~4% Senior Notes due 2023 issued in two separate offerings on January 9, 2013 and January 15, 2013;

new notes refers to the \$1 billion aggregate principal amount of ~~4~~4% Senior Notes due 2023 offered in exchange for the old notes pursuant to this prospectus; and

notes refers collectively to the old notes and the new notes.

Crown Holdings, Inc.

Crown is a worldwide leader in the design, manufacture and sale of packaging products for consumer goods. Crown's primary products include steel and aluminum cans for food, beverage, household and other consumer products and metal vacuum closures and caps. These products are manufactured in Crown's plants both within and outside the U.S. and are sold through Crown's sales organization to the soft drink, food, citrus, brewing, household products, personal care and various other industries. At June 30, 2013, Crown operated 145 plants along with sales and service facilities throughout 41 countries and had approximately 22,800 employees. Consolidated net sales for Crown in 2012 were \$8.5 billion with 73% of 2012 net sales derived from operations outside the United States.

Recent Developments

On October 16, 2013, Crown announced its financial results for the third quarter ended September 30, 2013.

Crown intends to file its Quarterly Report on Form 10-Q for the quarter ended September 30, 2013 with the Securities and Exchange Commission on or prior to November 12, 2013 and this Recent Developments section is qualified by such quarterly report when filed.

2013 Third Quarter Highlights

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Net sales in the third quarter grew to \$2,389 million over \$2,302 million in the third quarter of 2012, primarily due to increased global beverage can volumes and \$26 million from the impact of foreign currency translation, partially offset by the pass-through of lower raw material costs.

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Third quarter gross profit improved to \$394 million over \$369 million in the 2012 third quarter, primarily due to increased beverage can volumes, lower depreciation expense and \$5 million of favorable foreign currency translation.

Selling and administrative expense increased to \$95 million in the third quarter over \$92 million in the prior year third quarter, including \$2 million of increase due to foreign currency translation.

Interest expense in the third quarter was \$58 million compared to \$57 million in the third quarter of 2012 primarily due to higher average debt outstanding.

In the third quarter of 2013, Crown recorded restructuring charges of \$33 million (\$28 million, net of tax, or \$0.20 per diluted share) primarily in connection with an initiative to reduce headcount across its European operations. Crown also recorded tax charges of \$18 million (\$0.13 per diluted share) related to new tax legislation enacted during the quarter.

Net income attributable to Crown in the third quarter was \$113 million compared to \$325 million in the third quarter last year. Income per diluted share was \$0.81 in the third quarter compared to \$2.20 in the third quarter of 2012.

During the third quarter, Crown repurchased 2.5 million shares of its outstanding common stock for \$106 million through open market purchases and has now purchased 6.9 million shares for \$300 million in the first nine months of 2013.

2013 Nine Month Results

Net sales for the first nine months of 2013 grew to \$6,585 million over \$6,433 million in the first nine months of 2012, reflecting increased global beverage can volumes and \$39 million from foreign currency translation, partially offset by the pass-through of lower raw material costs.

Gross profit for the nine month period rose to \$1,068 million over \$996 million in the first nine months of 2012. The increase in gross profit primarily reflects increased beverage can sales, lower depreciation expense and \$8 million of favorable foreign currency translation.

Selling and administrative expense for the nine month period was \$301 million compared to \$288 million for the same 2012 period and included a 2013 second quarter charge of \$11 million to record a reserve against a portion of the outstanding receivable balance due from a European food can customer.

Interest expense for the first nine months of 2013 was \$179 million compared to \$170 million in the same period of 2012, reflecting higher average debt outstanding.

Net income attributable to Crown for the first nine months of 2013 was \$287 million compared to \$528 million in the first nine months of 2012. Income per diluted share for the first nine months of 2013 was \$2.02 compared to \$3.53 in the first nine months of last year.

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(in millions, except share and per share data)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Net sales	\$ 2,389	\$ 2,302	\$ 6,585	\$ 6,433
Cost of products sold	1,961	1,887	5,419	5,304
Depreciation and amortization	34	46	98	133
Gross profit	394	369	1,068	996
Selling and administrative expense	95	92	301	288
Provision for restructuring	33	7	41	10
Asset impairments and sales	(2)	(14)	(2)	(24)
Loss from early extinguishment of debt			38	
Interest expense	58	57	179	170
Interest income	(1)	(2)	(4)	(5)
Foreign exchange	(2)	(2)		(4)
Income before income taxes	213	231	515	561
Provision for/(benefit from) income taxes	73	(111)	152	(28)
Equity earnings/(loss)	(1)	2	(2)	2
Net income	139	344	361	591
Net income attributable to noncontrolling interests	(26)	(19)	(74)	(63)
Net income attributable to Crown Holdings	\$ 113	\$ 325	\$ 287	\$ 528
Earnings per share attributable to Crown Holdings common shareholders:				
Basic	\$ 0.82	\$ 2.23	\$ 2.04	\$ 3.59
Diluted	\$ 0.81	\$ 2.20	\$ 2.02	\$ 3.53
Weighted average common shares outstanding:				
Basic	137,821,990	145,473,722	140,484,130	147,084,204
Diluted	139,154,205	147,808,232	141,873,439	149,439,269
Actual common shares outstanding	138,047,748	144,056,850	138,047,748	144,056,050

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(in millions)

Net Sales	Segment Information			
	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Americas Beverage	\$ 583	\$ 574	\$ 1,717	\$ 1,701
North America Food	249	259	652	672
European Beverage	481	451	1,344	1,285
European Food	543	547	1,349	1,383
Asia Pacific	300	246	877	720
Total reportable segments	2,156	2,077	5,939	5,761
Non-reportable segments	233	225	646	672
Total net sales	\$ 2,389	\$ 2,302	\$ 6,585	\$ 6,433

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(in millions)

September 30,	2013	2012
Assets		
Current assets		
Cash and cash equivalents	\$ 236	\$ 240
Receivables, net	1,477	1,397
Inventories	1,331	1,207
Prepaid expenses and other current assets	218	209
Total current assets	3,262	3,053
Goodwill	2,010	1,976
Property, plant and equipment, net	2,087	1,845
Other non-current assets	685	736
Total	\$ 8,044	\$ 7,610
Liabilities and equity		
Current liabilities		
Short-term debt	\$ 363	\$ 297
Current maturities of long-term debt	172	104
Accounts payable and accrued liabilities	2,175	1,975
Total current liabilities	2,710	2,376
Long-term debt, excluding current maturities	3,718	3,596
Other non-current liabilities	1,429	1,411
Noncontrolling interests	281	252
Crown Holdings shareholders' deficit	(94)	(25)
Total equity	187	