

ROVCAL INC
Form S-3/A
October 29, 2009
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As filed with the Securities and Exchange Commission on October 29, 2009.

Registration No. 333-162057

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1

to

Form S-3

REGISTRATION STATEMENT

Under

THE SECURITIES ACT OF 1933

SPECTRUM BRANDS, INC.

(Exact name of registrant as specified in its charter)

(For co-registrants/subsidiary guarantors, please see Schedule A hereto)

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DELAWARE
(State or other jurisdiction of
incorporation or organization)

3692
(Primary Standard Industrial
Classification Code Number)

22-2423556
(I.R.S. Employer
Identification No.)

Six Concourse Parkway, Suite 3300

Atlanta, GA 30328

(770) 829-6200

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

John T. Wilson, Esq.

Senior Vice President, Secretary and General Counsel

Spectrum Brands, Inc.

Six Concourse Parkway, Suite 3300

Atlanta, GA 30328

(770) 829-6200

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:

Margaret A. Brown, Esq.

Skadden, Arps, Slate, Meagher & Flom, LLP

One Beacon Street

Boston, MA 02108

(617) 573-4800

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act of 1933, check the following box ☐

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act of 1933, check the following box ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

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		PROPOSED		
TITLE OF EACH CLASS		MAXIMUM		
OF SECURITIES TO BE		OFFERING	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT OF REGISTRATION FEE
REGISTERED (1)	AMOUNT TO BE REGISTERED	PRICE PER UNIT		
Common Stock, par value \$0.01 per share	23,437,082 shares (2)	\$ 22.75 (3)	\$ 533,193,615.50	\$ 29,752.20
12% Senior Subordinated Toggle Notes due 2019	\$ 155,866,408.00	100%	\$ 155,866,408.00	\$ 8,697.35
12% Senior Subordinated Toggle Notes due 2019	\$ 40,663,904.00 (4)	100%	\$ 40,663,904.00	\$ 2,269.05
Guarantee of 12% Senior Subordinated Toggle Notes due 2019				(5)
Totals			\$ 729,723,927.50	\$ 40,718.60(6)

- (1) This Registration Statement covers the resale by the selling securityholders named from time to time in the Prospectus which is a part of this Registration Statement of (i) the shares of Common Stock owned by the selling securityholders and (ii) the 12% Senior Subordinated Toggle Notes due 2019, including the related guarantees, owned by the selling securityholders.
- (2) Pursuant to Rule 416 promulgated under the Securities Act of 1933, as amended, there are also registered hereunder such indeterminate number of additional shares as may be issued to the selling securityholders to prevent dilution in connection with a stock split, stock dividend or similar event.
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) promulgated under the Securities Act of 1933, as amended, based on the average of the high and low prices of the Common Stock reported on the OTC Bulletin Board on September 16, 2009.
- (4) We are registering an additional principal amount of 12% Senior Subordinated Toggle Notes due 2019 that may be issued if the Registrant elects for each interest period until August 28, 2011 to make payments of additional interest on the notes in kind by increasing the principal amount of the notes.
- (5) Pursuant to Rule 457(n) promulgated under the Securities Act of 1933, no separate registration fee is payable with respect to guarantees of the 12% Senior Subordinated Toggle Notes due 2019.
- (6) This registration fee was previously paid in connection with the initial filing of the Registration Statement on September 22, 2009.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in

accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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Each of the following direct and indirect wholly owned subsidiaries of Spectrum Brands, Inc. are guarantors of the 12% Notes and are co-registrants with respect to the 12% Notes. The table below lists the jurisdiction of incorporation or organization and I.R.S. Employer Identification Number for each subsidiary guarantor.

Name	State of Incorporation or Organization	I.R.S. Employer Identification Number
Spectrum Jungle Labs Corporation	Texas	26-4038384
ROVCAL, Inc.	California	52-2068284
ROV Holding, Inc.	Delaware	22-2423555
Tetra Holding (US), Inc.	Delaware	42-1560545
United Industries Corporation	Delaware	43-1025604
Schultz Company	Missouri	43-0625762
Spectrum Neptune US Holdco Corporation	Delaware	20-0971051
United Pet Group, Inc.	Delaware	11-2392851
DB Online, LLC	Hawaii	20-0895221

The address, including zip code, area code and telephone number of each of the principal executive offices of the co-registrants listed above is Six Concourse Parkway, Suite 3300, Atlanta, Georgia 30328, (770) 829-6200.

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The information in this Prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This Prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED OCTOBER 29, 2009

Spectrum Brands, Inc.

12% Senior Subordinated Toggle Notes due 2019

Common Stock

On August 28, 2009, Spectrum Brands, Inc. ("Spectrum Brands") and its United States subsidiaries (collectively, the "Debtors") emerged from Chapter 11 reorganization proceedings (the "Reorganization") in accordance with the Debtors' confirmed joint plan of reorganization (the "Plan"). Pursuant to the Plan, Spectrum Brands issued:

\$218,076,405 in principal amount of reorganized Spectrum Brands' 12% Senior Subordinated Toggle Notes due 2019, which, as of October 28, 2009, are held in global form (together with the related guarantees, as "12% Notes") to the holders of its then existing public senior subordinated notes; and

30,000,000 shares of reorganized Spectrum Brands' common stock, par value \$0.01 per share (the "Common Stock"), to the holders of its then existing public senior subordinated notes, including 2,970,000 shares issued to supplemental and sub-supplemental loan participants in Spectrum Brands' debtor-in-possession senior secured revolving credit facility in the Reorganization, in each case in uncertificated form.

The 12% Notes bear interest at the rate of 12% per annum payable semi-annually on February 28 and August 28 of each year. Interest is payable in cash or in kind by increasing the principal amount of the notes, at Spectrum Brands' election. As noted elsewhere in this Prospectus, Spectrum Brands is restricted under the terms of its senior secured term credit agreement, as amended, from paying interest on the 12% Notes in cash until February 28, 2011 and, therefore, at least until such date, intends to satisfy its interest payment obligations under the 12% Notes by paying interest in kind. The 12% Notes will mature on August 28, 2019. They are unsecured senior subordinated obligations of Spectrum Brands and are guaranteed by all of the wholly owned direct and indirect United States subsidiaries of Spectrum Brands. In connection with the Reorganization, Spectrum Brands entered into registration rights agreements for the benefit of certain of the negotiating holders of its then existing public senior subordinated notes and certain of their respective transferees, as provided in the respective registration rights agreements, to allow such persons to resell shares of the Common Stock and the 12% Notes issued pursuant to the Plan as well as certain other securities of Spectrum Brands, in each case upon the terms and subject to the conditions set forth in the respective registration rights agreements.

In order to comply with Spectrum Brands' obligations under the registration rights agreements, Spectrum Brands and its United States subsidiaries filed the registration statement of which this Prospectus forms a part. This Prospectus relates to up to \$158,703,891 in principal amount of the 12% Notes (including \$32,837,275 representing an estimated additional aggregate principal amount of 12% Notes if Spectrum Brands elects for each interest period until August 28, 2011 to make payments of interest in kind by increasing the principal amount of the then outstanding 12% Notes) and up to 22,886,685 shares of the Common Stock, which may be offered for sale from time to time by the selling securityholders named in this Prospectus, which, as of October 28, 2009, include such negotiating noteholders. Neither Spectrum Brands nor any of its United States subsidiaries will receive any proceeds from the sale by the selling securityholders of such 12% Notes or such shares of Common Stock, as applicable. The selling securityholders may offer some or all of such shares or notes, as applicable, for sale from time to time through public or private transactions, at market prices prevailing at the time of sale, at prices related to such prevailing market prices, at

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negotiated prices, or at fixed prices, which may be changed. Spectrum Brands will pay all expenses relating to the offering by the selling securityholders, generally excluding those of certain counsel to the selling securityholders, any brokerage and underwriting discounts and selling commissions and transfer taxes, which will be paid by the selling securityholders. See Plan of Distribution. We urge you to carefully read this Prospectus and any accompanying prospectus supplement before you make an investment decision.

The Common Stock is quoted on the OTC Bulletin Board and the Pink Sheet Electronic Quotation Service under the symbol SPEB . Spectrum Brands common stock that was outstanding prior to August 28, 2009, or the effective date of the Plan (the Effective Date), and which was quoted on the Pink Sheet Electronic Quotation Service under the symbol SPCB, was cancelled on the Effective Date. As of October 28, 2009, the last reported bid price of the Common Stock quoted on the OTC Bulletin Board was \$23.10 per share.

Investing in the securities involves a high degree of risk. See Risk Factors beginning on page 7.

Neither the United States Securities and Exchange Commission (the SEC) 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 , 2009.

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IF IT IS AGAINST THE LAW IN ANY STATE OR OTHER JURISDICTION TO MAKE AN OFFER TO SELL THE 12% NOTES OR SHARES OF COMMON STOCK, OR TO SOLICIT AN OFFER FROM SOMEONE TO BUY THE 12% NOTES OR SHARES OF COMMON STOCK, REGISTERED PURSUANT TO THE REGISTRATION STATEMENT OF WHICH THIS PROSPECTUS FORMS A PART, THEN THIS PROSPECTUS DOES NOT APPLY TO ANY PERSON IN THAT STATE OR OTHER JURISDICTION, AND NO OFFER OR SOLICITATION IS MADE BY THIS PROSPECTUS TO ANY SUCH PERSON.	

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN OR INCORPORATED BY REFERENCE INTO THIS PROSPECTUS OR ANY RELATED PROSPECTUS SUPPLEMENT. NEITHER WE NOR ANY SELLING SECURITYHOLDER HAS AUTHORIZED ANYONE TO PROVIDE YOU WITH DIFFERENT INFORMATION. YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED IN OR INCORPORATED BY REFERENCE INTO THIS PROSPECTUS OR ANY RELATED PROSPECTUS SUPPLEMENT IS ACCURATE AS OF ANY DATE OTHER THAN ITS RESPECTIVE DATE. OUR BUSINESSES, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS MAY HAVE CHANGED SINCE THOSE DATES.

ABOUT THIS PROSPECTUS

This Prospectus is part of a registration statement that we filed with the SEC using a shelf registration process. This Prospectus provides you with a general description of the Common Stock and the 12% Notes that the selling securityholders may offer. You should read this Prospectus together with the additional information described in the sections entitled Incorporation by Reference and Where You Can Find Additional Information.

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INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference the information that we file with it, which means that we can disclose important information to you by referring you to those documents already on file. The information incorporated by reference is an important part of this Prospectus. We incorporate by reference the documents listed below:

Annual Report on Form 10-K for the fiscal year ended September 30, 2008 (as updated by the Current Report on Form 8-K filed with the SEC on September 18, 2009);

Quarterly Report on Form 10-Q for the fiscal quarters ended December 28, 2008, March 29, 2009 and June 28, 2009; and

Current Reports on Form 8-K filed with the SEC on October 10, 2008, October 27, 2008, November 5, 2008, November 12, 2008, November 21, 2008, December 16, 2008, February 3, 2009, February 9, 2009, February 27, 2009, March 11, 2009, March 26, 2009, April 10, 2009, April 15, 2009, April 22, 2009, May 5, 2009, May 12, 2009, June 1, 2009, June 15, 2009, June 17, 2009, June 25, 2009, July 16, 2009, August 7, 2009, August 26, 2009, August 31, 2009, September 2, 2009, September 15, 2009, September 18, 2009, October 5, 2009, October 13, 2009 and October 28, 2009.

Notwithstanding the foregoing, information furnished under Items 2.02 and 7.01 of any Current Report on Form 8-K, including the related exhibits under Item 9.01, is not incorporated by reference into this Prospectus.

In addition, all reports and other documents we subsequently file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), after the date of this Prospectus and prior to the termination of the offering of securities under this Prospectus will be deemed to be incorporated by reference into this Prospectus and to be part of this Prospectus from the date of the filing of such reports and documents. Any statement contained herein or in a document incorporated or deemed to be incorporated herein by reference shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in any subsequently filed document which is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

We will provide to each person, including any beneficial owner of the Common Stock or the 12% Notes, to whom a Prospectus is delivered, a copy of any or all of the reports or documents that have been incorporated by reference in this Prospectus but not delivered with this Prospectus. You may request a copy of these reports or documents at no cost to you, by writing or telephoning us at:

Spectrum Brands, Inc.

Six Concourse Parkway, Suite 3300

Atlanta, Georgia 30328

Telephone: (770) 829-6200

Attention: Investor Relations

These reports and documents also may be accessed through our Internet website at www.spectrumbrands.com. Our website, and the information contained in, accessible from or connected to our website, shall not be deemed to be incorporated into, or otherwise constitute a part of, this Prospectus.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document that we file with the SEC at the Public Reference Room of the SEC at 100 F Street N.E., Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website at

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www.sec.gov that contains reports, proxy statements and other information that we file electronically with the SEC.

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We have filed with the SEC a registration statement on Form S-3 under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the securities described in this Prospectus. This Prospectus does not contain all of the information set forth in the registration statement and its exhibits. Statements made by us in this Prospectus as to the contents of any contract, agreement or other document referred to in this Prospectus are not necessarily complete. For a more complete description of these contracts, agreements and other documents, you should carefully read the exhibits to the registration statement and the documents that we refer to above under the caption "Incorporation by Reference."

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere or incorporated by reference into this Prospectus. Because it is a summary, it does not contain all of the information that you should consider before investing in our securities covered by this Prospectus. You should read this entire Prospectus carefully, including the section entitled "Risk Factors" and the documents that we incorporate by reference into this Prospectus, before making an investment decision.

Except where the context otherwise requires, the terms "we," "us" or "our" refer to Spectrum Brands, Inc. and its subsidiaries.

The Company

Spectrum Brands and its subsidiaries (collectively, the "Company") is a global branded consumer products company with leading market positions in six major product categories: consumer batteries; pet supplies; electric shaving and grooming; electric personal care; portable lighting and home and garden control products. We are a leading worldwide manufacturer and marketer of alkaline, zinc carbon and hearing aid batteries, as well as aquariums and aquatic health supplies and a leading worldwide designer and marketer of rechargeable batteries, battery-powered lighting products, electric shavers and accessories, grooming products and hair care appliances. Our operations also include the manufacturing and marketing of specialty pet supplies. We are also a leading North American manufacturer and marketer of herbicides, insecticides and repellents.

We sell our products in approximately 120 countries through a variety of trade channels, including retailers, wholesalers and distributors, hearing aid professionals, industrial distributors and original equipment manufacturers. We enjoy strong name recognition in our markets under the *Ravovac*, *VARTA* and *Remington* brands, each of which has been in existence for more than 80 years, and under the *Spectracide*, *Cutter*, *Tetra*, *8-in-1* and various other brands. We have manufacturing and product development facilities located in the United States, Europe, China and Latin America. We manufacture and market alkaline, zinc carbon and hearing aid batteries, herbicides, insecticides and repellents and specialty pet supplies. We design and market rechargeable batteries, battery-powered lighting products, electric shavers and accessories, grooming products and hair care appliances. Substantially all of our rechargeable batteries and chargers, shaving and grooming products, personal care products and portable lighting products are manufactured by third party suppliers, primarily located in Asia.

We are a Delaware corporation. Our principal executive offices are located at Six Concourse Parkway, Suite 3300, Atlanta, Georgia 30328. Our telephone number at that location is (770) 829-6200.

Chapter 11 Reorganization

On February 3, 2009, Spectrum Brands and thirteen of its United States subsidiaries (collectively, the "Debtors") filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Western District of Texas. On the Effective Date, the Debtors' joint plan of reorganization, or Plan, became effective and the Debtors emerged from Chapter 11 of the Bankruptcy Code. Pursuant to the Plan, Spectrum Brands' capital structure was realigned. Spectrum Brands' outstanding equity securities were cancelled with no distribution to holders of Spectrum Brands' existing equity. The Common Stock and the 12% Notes were issued to holders of allowed claims in respect of Spectrum Brands' then outstanding public senior subordinated notes. The supplemental and sub-supplemental participants in the Debtors' debtor-in-possession credit facility also received the Common Stock. When we use the terms "Predecessor" and "Old Spectrum" in this Prospectus, we are referring to Spectrum Brands and its subsidiaries.

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prior to the Effective Date and when we use the terms Successor and Reorganized Spectrum in this Prospectus, we are referring to Spectrum Brands and its subsidiaries after the Effective Date.

The Official Committee of Equity Security Holders (the Equity Committee), which represents the interests of the Debtors' pre-petition equity holders whose equity interests were cancelled pursuant to the terms of the Plan, filed a notice of appeal of the Confirmation Order on July 15, 2009. On September 21, 2009, the Equity Committee moved to withdraw its appeal of the Confirmation Order. The District Court granted the motion on September 23, 2009 and dismissed the Equity Committee's appeal without prejudice.

Subsidiary Guarantors

Each of Spectrum Brands' wholly owned direct and indirect United States subsidiaries have guaranteed Spectrum Brands' obligations under the 12% Notes.

Risk Factors

Our businesses are subject to many material risks and challenges that we describe in Risk Factors and elsewhere in this Prospectus. If any of these risks materialize or we are unable to overcome these challenges, we may fail to achieve our strategic goals, and our businesses, financial condition or results of operations could suffer.

Our Relationship with Certain Significant Securityholders

In connection with the Reorganization, as of the Effective Date, the Company entered into agreements with Harbinger Capital Partners Master Fund I, Ltd., Harbinger Capital Partners Special Situations Fund, L.P. and Global Opportunities Breakaway Ltd. (collectively, the Harbinger Parties), D. E. Shaw Laminar Portfolios, L.L.C. (Laminar) and Avenue International Master, L.P., Avenue Investments, L.P., Avenue Special Situations Fund V, L.P., Avenue Special Situations Fund IV, L.P. and Avenue-CDP Global Opportunities Fund, L.P. (collectively, the Avenue Parties), relating to their respective rights as holders of shares of the Common Stock or the 12% Notes, including a registration rights agreement with respect to the Common Stock (and other equity and securities convertible into equity of Spectrum Brands) and a registration rights agreement with respect to the 12% Notes. As of October 26, 2009, based on information provided to us by the respective Significant Securityholders, the Harbinger Parties collectively owned 12,053,819 shares of the Common Stock, and \$92,021,474 principal amount of the 12% Notes; Laminar owned 4,069,995 shares of the Common Stock and \$3,750,365 principal amount of the 12% Notes; and the Avenue Parties collectively owned 6,762,871 shares of the Common Stock and \$30,094,777 principal amount of the 12% Notes; representing approximately 39.4%, 13.3% and 22.1%, respectively, of the voting power of the Spectrum Brands' then outstanding voting securities and approximately 42.2%, 1.7% and 13.8%, respectively, of the then outstanding principal amount of the 12% Notes.

As of the Effective Date, Spectrum Brands also converted from a Wisconsin to a Delaware corporation and adopted a new Delaware certificate of incorporation and bylaws. The terms of the certificate of incorporation and bylaws of Reorganized Spectrum as well as the registration rights agreements were negotiated with representatives of each of the Harbinger Parties, Laminar and the Avenue Parties in the context of the Reorganization and in consideration for the support of the Plan of each of the Harbinger Parties, Laminar and the Avenue Parties holding Spectrum Brands' then outstanding senior subordinated notes pursuant to that certain Restructuring Support Agreement dated as of February 3, 2009, by and among Spectrum Brands and each such holder (the Support Agreement). Accordingly, the terms of these agreements may be more or less favorable

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than those that Spectrum Brands could have negotiated on a standalone basis. For a description of these registration rights agreements, read Certain Relationships and Related Person Transactions Agreements Between Each of the Significant Securityholders and Us in Connection with the Reorganization. For a description of the certificate of incorporation and bylaws, read Description of Common Stock.

In addition, also pursuant to the Plan, each of the Harbinger Parties, Laminar and the Avenue Parties designated certain persons who were approved by Spectrum Brands then existing directors and the Bankruptcy Court and, pursuant to the Plan and effective as of the Effective Date, appointed together with Mr. Hussey as directors of Spectrum Brands. See Certain Relationships and Related Person Transactions.

The Securities

The securities that may be offered by this Prospectus are described below. The selling stockholders and the selling noteholders may sell some or all of these securities from time to time as specified by them at the time of each offering. For a more complete description of the securities referenced below, see Description of the 12% Notes and Description of the Common Stock.

12% Senior Subordinated Toggle Notes due 2019

Issuer	Spectrum Brands, Inc.
Aggregate Principal Amount of the 12% Notes that may be offered by selling noteholders by this Prospectus	\$158,703,891 (including \$32,837,275 representing an estimated additional aggregate principal amount of 12% Notes if Spectrum Brands elects for each interest period until August 28, 2011 to make payments of interest in kind by increasing the principal amount of the then outstanding 12% Notes)
Aggregate Principal Amount of the 12% Notes outstanding	\$218,076,405, as of October 28, 2009.
Maturity Date	August 28, 2019.
Interest	Interest accrues on the 12% Notes at a rate of 12% per year and will be paid semi-annually in arrears entirely in cash or, at Spectrum Brands option, exercised semi-annually entirely by increasing the principal amount of the 12% Notes. Spectrum Brands is restricted under the terms of its senior secured term credit agreement, as amended, from paying interest on the 12% Notes in cash until the date that is 18 months from the Effective Date, or February 28, 2011, and, therefore, at least until such date, intends to satisfy its interest payment obligations by electing to increase the principal amount of the outstanding 12% Notes.
Mandatory Prepayment	At the end of any accrual period (as defined in Section 1272(a)(5) of the Internal Revenue Code of 1986, as amended (the Code)) ending

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after August 28, 2014 in which, but for this provision (x) the aggregate amount of accrued and unpaid original issue discount (as defined in Section 1273(a)(1) of the Code) on the 12% Notes would exceed (y) an amount equal to the product of (A) the issue price (as defined in Sections 1273(b) and 1274(a) of the Code) of the 12% Notes multiplied by (B) the yield to maturity (interpreted in accordance with Section 163(i) of the Code) of the 12% Notes, Spectrum Brands is required to pay at the end of each such accrual period without premium or penalty the minimum amount of principal plus accrued interest on the 12% Notes necessary to prevent any of the accrued and unpaid interest and original issue discount on the 12% Notes from being disallowed or deferred as a deduction under Section 163(e)(5) of the Code to Spectrum Brands.

Guarantees

Obligations under the 12% Notes and the indenture governing such notes are guaranteed on a senior subordinated basis by all of Spectrum Brands United States subsidiaries (such subsidiaries being the Guarantors). Newly created or acquired United States subsidiaries of Spectrum Brands are required to become Guarantors.

Ranking

The 12% Notes are subordinate to existing and future senior debt of Spectrum Brands, including (x) the Credit Agreement dated as of March 30, 2007, by and among Spectrum Brands, The Bank of New York Mellon (as successor to Goldman Sachs Credit Partners L.P.), as administrative agent, and the other parties thereto and (y) the Credit Agreement dated as of August 28, 2009, by and among Spectrum Brands, the subsidiaries of Spectrum Brands party thereto; General Electric Capital Corporation, as administrative agent, co-collateral agent, syndication agent, swingline lender and supplemental loan lender; Bank of America, N.A., as co-collateral agent and L/C issuer; and the lenders from time to time party thereto.

Redemption

Spectrum Brands may not optionally redeem the 12% Notes before August 28, 2012. The 12% Notes may be redeemed at a redemption premium of (a) 106% after August 28, 2012, (b) 103% after August 28, 2013, and (c) 100% after August 28, 2014.

Under the indenture governing the 12% Notes, Spectrum Brands is not required to redeem the 12% Notes, except (1) in connection with a change of control, (2) from the net proceeds of certain asset sales, and (3) as further described in the Mandatory Prepayment section above, if necessary to prevent any of the accrued and unpaid interest and original issue discount on the 12% Notes from being limited as a deduction under the AHYDO (applicable high yield discount obligation) rules.

Change of Control

In the event of a change of control of Spectrum Brands, Spectrum Brands is required to offer to repurchase the 12% Notes for cash equal to 101% of the aggregate principal amount of the 12% Notes repurchased.

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Indebtedness

The indenture governing the 12% Notes restricts Spectrum Brands and its restricted subsidiaries (currently all of Spectrum Brands' direct and indirect subsidiaries) from incurring certain indebtedness and, with respect to such subsidiaries, issuing preferred stock.

The indenture also restricts Spectrum Brands and each Guarantor from incurring any indebtedness that is subordinate in right of payment to any senior debt of such entity unless it is *pari passu* or subordinate in right of payment to the 12% Notes to the same extent.

Liens

The 12% Notes are unsecured obligations of Spectrum Brands. Under the indenture governing the 12% Notes, Spectrum Brands may not incur liens securing indebtedness, other than certain permitted liens including liens (a) in favor of Spectrum Brands or any of its restricted subsidiaries, (b) existing on the property of an entity at the time such entity is merged or consolidated with Spectrum Brands or any of its restricted subsidiaries, (c) existing on property at the time it is acquired by Spectrum Brands or any of its restricted subsidiaries, (d) existing on the date of original issuance of the 12% Notes, (e) securing certain permitted refinancing indebtedness, (f) incurred in the ordinary course of business and not exceeding \$25.0 million outstanding at one time and (g) on the assets of a foreign subsidiary of Spectrum Brands and securing indebtedness of a foreign subsidiary of Spectrum Brands, unless all payments due under the Indenture and the 12% Notes are secured on an equal and ratable basis with the obligations so secured until such time as such obligations are no longer secured by a lien.

Covenants

In addition to the above described provisions on interest payments, redemption, prepayment, change of control, indebtedness and liens, Spectrum Brands is subject to certain other covenants under the indenture governing the 12% Notes, including (a) requirements for Spectrum Brands to make certain reports to holders of the 12% Notes, (b) restrictions on making certain payments and dividends, (c) restrictions on entering into agreements that limit upstreaming of funds, (d) restrictions on merging, consolidating or selling assets, and (e) restrictions on engaging in affiliate transactions.

Events of Default

The indenture governing the 12% Notes contains events of default, including (a) default for thirty (30) days in paying interest due, (b) default in paying principal or premium due, (c) failure to comply with covenants restricting change of control, asset sale and merger, (d) failure to comply, upon due notice, with other covenants in the Indenture, (e) cross-default for defaults on material indebtedness, (f) failure to pay final judgments in excess of \$25.0 million, (g) if any note guarantee is held in any judicial proceeding to be unenforceable or invalid and (h) certain events of bankruptcy or insolvency.

Listing

The 12% Notes are not listed on any securities exchange or quoted on any automated quotation system.

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Common Stock

<i>Issuer</i>	Spectrum Brands, Inc.
<i>Par Value</i>	\$0.01 per share.
<i>Common Stock that may be offered by selling stockholders by this Prospectus</i>	Up to 22,886,685 shares
<i>Total Common Stock outstanding</i>	30,629,213 shares, as of October 28, 2009.
<i>Voting rights</i>	Holders of shares of Common Stock are entitled to one vote per share.
<i>Preemptive Rights</i>	Under Spectrum Brands' certificate of incorporation, subject to certain exceptions, before Spectrum Brands issues any shares of Spectrum Brands' capital stock, including rights, options, warrants or securities convertible into, exercisable for or exchangeable into capital stock, to any person, Spectrum Brands is required to offer to eligible holders of shares of Common Stock the right to purchase such holder's pro rata share of such securities. An "eligible holder" is defined in the certificate of incorporation as a party to such agreement (together with its affiliates) that holds 5% or more of the Company's outstanding shares of Common Stock or capital stock into which any of the Common Stock may be converted. For a further description of the certificate of incorporation see Description of Common Stock.
<i>Listing</i>	The Common Stock is not listed on any securities exchange or quoted on any automated quotation system, and the Common Stock is quoted on the OTC Bulletin Board and the Pink Sheet Electronic Quotation Service under the symbol "SPEB."
<i>Use of Proceeds</i>	We will not receive any proceeds for the sale by the selling stockholders of the Common Stock offered through this Prospectus or the sale by the selling noteholders of the 12% Notes offered through this Prospectus. See "Use of Proceeds."
	Impact of Fresh-Start Reporting

All conditions required for the adoption of "fresh-start" reporting were met upon emergence from Chapter 11 of the Bankruptcy Code on the Effective Date. However, in light of the proximity of that date to our accounting period close immediately following the Effective Date, which was August 30, 2009, we elected to adopt a convenience date of August 30, 2009 for recording "fresh-start" reporting (the "Fresh-Start Adoption Date"). We adopted "fresh-start" reporting in accordance with American Institute of Certified Public Accountants ("AICPA") Statement of Position No. 90-7, "Financial Reporting by Entities in Reorganization under the Bankruptcy Code" ("SOP 90-7"), which had a significant impact on our financial statements as compared to our historical financial statements. As a result, the historical financial data of Spectrum Brands prior to the Fresh-Start Adoption Date may not be entirely comparable to the historical financial data of Reorganized Spectrum and may be of limited value in evaluating our financial and operating prospects in the future. For more details on "fresh-start" reporting, see Chapter 11 Reorganization Accounting Impact of Reorganization and Unaudited Pro Forma Condensed Consolidated Financial Information.

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RISK FACTORS

*We urge you to consider carefully all of the information set forth in this Prospectus and incorporated by reference into this Prospectus, including the risk factors and other information contained in our most recent Annual Report on Form 10-K (as recast) and Quarterly Reports on Form 10-Q that we have filed with the SEC. Please refer to **Incorporation by Reference** and **Where You Can Find Additional Information**. We urge you to particularly evaluate the following risks before deciding to purchase the Common Stock or 12 % Notes. Various statements contained in this Prospectus (including some of the following risk factors) or incorporated by reference into this Prospectus constitute forward-looking statements. Please refer to the section entitled **Special Note Regarding Forward-Looking Statements**.*

Any investment in our company will be subject to risks inherent to our businesses. Before making an investment decision, you should carefully consider the risks described below together with all of the other information included in this Prospectus. The risks and uncertainties described below are not the only ones facing our company. Additional risks and uncertainties that we are not aware of or focused on or that we currently deem immaterial may also impair our business operations.

If any of the following risks actually occur, they could materially adversely affect our businesses, financial condition, liquidity or results of operations. In that case, the trading or other price of the Common Stock or the 12% Notes could decline and you may lose all or part of your investment.

Risks Related To Our Emergence From Bankruptcy

Our actual financial results may vary significantly from the projections filed with the bankruptcy court.

In connection with the Reorganization, the Debtors were required to prepare projected financial information to demonstrate to the bankruptcy court administering the Reorganization the feasibility of the Plan and the ability of the Debtors to continue operations upon emergence from bankruptcy. As part of the disclosure statement approved by the bankruptcy court and as otherwise furnished to the SEC, the projections reflected numerous assumptions concerning anticipated future performance and prevailing and anticipated market and economic conditions that were and continue to be beyond our and the other Debtors' control and that may not materialize. Projections are inherently subject to uncertainties and to a wide variety of significant business, economic and competitive risks. Our actual results may vary from those contemplated by the projections and the variations may be material. Neither these projections nor any form of the disclosure statement should be considered or relied upon in connection with the purchase of the Common Stock or the 12% Notes.

Because our consolidated financial statements are required to reflect fresh-start reporting adjustments to be made upon emergence from bankruptcy, financial information in our financial statements prepared after August 30, 2009 will not be comparable to our financial information from prior periods.

All conditions required for the adoption of fresh-start reporting were met upon emergence from Chapter 11 of the Bankruptcy Code on the Effective Date. However, in light of the proximity of that date to our accounting period close immediately following the Effective Date, which was August 30, 2009, we elected to adopt a convenience date of August 30, 2009 for recording fresh-start reporting. We adopted fresh-start reporting in accordance with the American Institute of Certified Public Accountants Statement of Position No. 90-7, **Financial Reporting by Entities in Reorganization under the Bankruptcy Code**, pursuant to which our reorganization value, which is intended to reflect the fair value of the entity before considering liabilities and approximate the amount a willing buyer would pay for the assets of the entity immediately after the Reorganization, will be allocated to the fair value of assets in conformity with Statement of Financial Accounting Standards No. 141, **Business Combinations**, using the purchase method of accounting for business combinations. We will state liabilities, other than deferred taxes, at a present value of amounts expected to be paid. The amount remaining after allocation of the reorganization value to the fair value of identified tangible and intangible assets will be reflected as goodwill, which is subject to periodic evaluation for impairment. In addition, under fresh-start reporting the accumulated deficit will be eliminated. Thus, our future balance sheets and results of

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operations will not be comparable in many respects to balance sheets and consolidated statements of operations data for periods prior to the adoption of fresh-start reporting. The lack of comparable historical information may discourage investors from purchasing the Common Stock or the 12% Notes. Additionally, the financial information incorporated by reference into this Prospectus may not be indicative of future financial information.

Risks Related To Our Businesses

Our substantial indebtedness could adversely affect our businesses, financial condition and results of operations and prevent us from fulfilling our obligations under the terms of our indebtedness.

We have, and we expect to continue to have, a significant amount of indebtedness. As of August 30, 2009, we had total indebtedness under our senior subordinated notes, senior credit facilities and other senior debt of approximately \$1.69 billion.

Our substantial indebtedness could make it more difficult for us to satisfy our obligations with respect to the terms of our indebtedness and has had and could continue to have other material adverse consequences for our business, including:

requiring us to dedicate a large portion of our cash flow to pay principal and interest on our indebtedness, which will reduce the availability of our cash flow to fund working capital, capital expenditures, research and development expenditures and other business activities;

increasing our vulnerability to general adverse economic and industry conditions;

limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

restricting us from making strategic acquisitions, dispositions or exploiting business opportunities;

placing us at a competitive disadvantage compared to our competitors that have less debt; and

limiting our ability to borrow additional funds (even when necessary to maintain adequate liquidity) or dispose of assets.

In addition, a substantial portion of our debt bears interest at variable rates. If market interest rates increase, the interest rate on our variable-rate debt will increase and will create higher debt service requirements, which would adversely affect our cash flow and could adversely impact our results of operations. While we may enter into agreements limiting our exposure to higher debt service requirements, any such agreements may not offer complete protection from this risk.

The terms of our indebtedness impose restrictions on us that may affect our ability to successfully operate our businesses.

Our senior term credit agreement and senior asset-based revolving credit agreement and the indenture governing our outstanding 12% Notes each contain covenants that, among other things, limit our ability to:

incur additional indebtedness;

borrow money or sell preferred stock;

create liens;

pay dividends on or redeem or repurchase stock;

make certain types of investments;

issue or sell stock in our subsidiaries;

restrict dividends or other payments from our subsidiaries;

issue guarantees of debt;

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transfer or sell assets and utilize proceeds of any such sales;

enter into agreements that restrict our restricted subsidiaries from paying dividends, making loans or otherwise transferring assets to us or to any of our other restricted subsidiaries;

enter into or engage in transactions with affiliates;

merge, consolidate or sell all or substantially all of our assets; or

pay cash interest on our 12% Notes until the date that is 18 months from the effective date of the Plan, or February 28, 2011.

In addition, our senior term credit agreement and the senior asset-based revolving credit agreement each require us to meet a number of financial ratios and tests. Noncompliance with these covenants could materially and adversely affect our ability to finance our operations or capital needs and to engage in other business activities that may be in our best interest and may also restrict our ability to expand or pursue our business strategies. We may not be able to comply with all of our covenants and obligations in all our debt instruments.

We face risks related to the current economic crisis.

The continued credit crisis and related turmoil in the global financial system has had and may continue to have an impact on our businesses and our financial condition. Global economic conditions have significantly impacted economic markets within certain sectors, including financial industries and retail business being particularly impacted. Our ability to generate revenue, in particular from sales of our home and garden products, pet supplies, electric shaving and grooming and electric personal care products, depends significantly on discretionary consumer spending. It is difficult to predict new general economic conditions that could impact consumer and customer demand for our products or our ability to manage normal commercial relationships with our customers, suppliers and creditors. The recent emergence of a number of negative economic factors, including heightened investor concerns about the credit quality of mortgages, constraints on the supply of credit to households, continuing increases in energy prices, lower equity prices, softening home values, uncertainty and perceived weakness in the labor market and general consumer fears of a recession or depression could have a negative impact on discretionary consumer spending. If the current situation deteriorates significantly, our business could be negatively impacted, including as a result of reduced demand for our products or supplier or customer disruptions. Any significant decrease in discretionary consumer spending could have a material adverse effect on our revenues, results of operations and financial condition. In addition, our ability to access the capital markets may be severely restricted at a time when we would like, or need, to do so, which could have an impact on our flexibility to react to changing economic and business conditions.

We participate in very competitive markets and we may not be able to compete successfully.

The markets in which we participate are very competitive. In the consumer battery market, our primary competitors are Duracell (a brand of Procter & Gamble), Energizer and Panasonic (a brand of Matsushita). In the electric shaving and grooming and electric personal care product markets, our primary competitors are Braun (a brand of Procter & Gamble), Norelco (a brand of Philips), and Vidal Sassoon and Revlon (brands of Helen of Troy). In the pet supplies market, our primary competitors are Mars, Hartz and Central Garden & Pet. In our Home and Garden Business our principal national competitors are the Scotts Company, Central Garden & Pet and S.C. Johnson. In each of our markets, we also face competition from numerous other companies.

We and our competitors compete for consumer acceptance and limited shelf space based upon brand name recognition, perceived quality, price, performance, product packaging and design innovation, as well as creative marketing, promotion and distribution strategies. Our ability to compete in these consumer product markets may be adversely affected by a number of factors, including, but not limited to, the following:

We compete against many well established companies that may have substantially greater financial and other resources, including personnel and research and development, and greater overall market share than we do.

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In some key product lines, our competitors may have lower production costs and higher profit margins than we do, which may enable them to compete more aggressively in offering retail discounts, rebates and other promotional incentives.

Product improvements or effective advertising campaigns by competitors may weaken consumer demand for our products.

Consumer purchasing behavior may shift to distribution channels where we do not have a strong presence.

Consumer preferences may change to lower margin products or products other than those we market.

If our product offerings are unable to compete successfully, our sales, results of operations and financial condition could be materially and adversely affected.

We depend on key personnel and may not be able to retain those employees or recruit additional qualified personnel.

We are highly dependent on the continuing efforts of our senior management team and other key personnel. Our businesses, financial condition and results of operations could be materially adversely affected if we lose any of these persons and are unable to attract and retain qualified replacements.

Some of our directors may be designated by the Harbinger Parties, Laminar and/or the Avenue Parties, which could cause conflicts of interest that result in our not acting on opportunities we otherwise may have.

In accordance with the Plan and pursuant to the Support Agreement, each of the Harbinger Parties, Laminar and the Avenue Parties designated certain persons who were nominated by Spectrum Brands then existing directors and effective as of the Effective Date, appointed, together with Kent J. Hussey, to the board of directors of Spectrum Brands. In the future, directors may be elected by the Harbinger Parties, Laminar and/or the Avenue Parties through exercise of their voting power. Such election of directors to our board of directors could create, or appear to create, conflicts of interest with respect to matters involving both us and the Harbinger Parties, Laminar and/or the Avenue Parties that could have different implications for the Harbinger Parties, Laminar and/or the Avenue Parties than they do for us. We cannot assure you that the provisions in our governing documents will adequately address any potential conflicts of interest or that potential conflicts of interest will be resolved in our favor or that we will be able to take advantage of corporate opportunities presented to directors that were designated by the Harbinger Parties, Laminar and/or the Avenue Parties. As a result, we may be precluded from pursuing certain growth initiatives. Further, the interests of the Harbinger Parties, Laminar and/or the Avenue Parties and our other stockholders may diverge. In addition, in connection with the Reorganization, Spectrum Brands has adopted a new certificate of organization that waives certain causes of action that may arise with respect to potential conflicts of interest with eligible stockholders, which may include the Harbinger Parties, Laminar and/or the Avenue Parties. For a further description of the certificate of incorporation see Description of the Common Stock. Under these circumstances, persons who might otherwise accept our invitation to join our board of directors may decline.

Adverse weather conditions during our peak selling season for our home and garden control products could have a material adverse effect on our home and garden business.

Weather conditions in North America have a significant impact on the timing and volume of sales of certain of our lawn and garden and household insecticide and repellent products. Periods of dry, hot weather can decrease insecticide sales, while periods of cold and wet weather can slow sales of herbicides. In addition, an abnormally cold spring throughout North America could adversely affect insecticide sales and therefore have a material adverse effect on our home and garden business.

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Our products utilize certain key raw materials; any increase in the price of these raw materials could have a material and adverse effect on our businesses, financial condition and profits.

The principal raw materials used to produce our products including zinc powder, electrolytic manganese dioxide powder and steel are sourced either on a global or regional basis, and the prices of those raw materials are susceptible to price fluctuations due to supply and demand trends, energy costs, transportation costs, government regulations, duties and tariffs, changes in currency exchange rates, price controls, general economic conditions and other unforeseen circumstances. In particular, during 2007 and 2008 we experienced extraordinary price increases for raw materials, particularly as a result of strong demand from China.

We regularly engage in forward purchase and hedging derivative transactions in an attempt to effectively manage and stabilize some of the raw material costs we expect to incur over the next 12 to 24 months; however, our hedging positions may not be effective or may not anticipate beneficial trends in a particular raw material market or as a result of changes in any of our businesses may no longer be useful for the Company. In addition, for certain of the principle raw materials we use to produce our products, such as electrolytic manganese dioxide powder, there are no available effective hedging markets. If these efforts are not effective or expose us to above average costs for an extended period of time and we are unable to pass our raw materials costs on to our customers, our future profitability may be materially and adversely affected. Further, with respect to transportation costs, certain modes of delivery are subject to fuel surcharges which are determined based upon the current cost of diesel fuel in relation to pre-established agreed upon costs. We may be unable to pass these fuel surcharges on to our customers which may have an adverse effect on our profitability and results of operations.

In addition, we have exclusivity arrangements and minimum purchase requirements with certain of our suppliers for our home and garden business, which increase our dependence upon and exposure to those suppliers. Some of those agreements include caps on the price we pay for our supplies and in certain instances, these caps have allowed us to purchase materials at below market prices. When we attempt to renew those contracts the other parties to the contracts may not be willing to include or may limit the effect of those caps and could even attempt to impose above market prices in an effort to make up for any below market prices paid by us prior to the renewal of the agreement. Any failure to timely obtain suitable supplies at competitive prices could materially adversely affect our businesses, financial condition and results of operations.

We may not be able to fully utilize our United States net operating loss carryforwards.

As of June 28, 2009, we are estimating that at September 30, 2009 we will have United States (U.S.) federal and state net operating loss carryforwards of approximately \$1.169 and \$2.058 billion, respectively. These net operating loss carryforwards expire through years ending in 2029. As of June 28, 2009, management determined that it continues to be more likely than not that the net U.S. deferred tax asset, excluding certain indefinite lived intangibles, would not be realized in the future and as such recorded a full valuation allowance to offset the net U.S. deferred tax asset, including the Company's net operating loss carryforwards. In addition, the Company has had changes of ownership, as defined under Internal Revenue Code Section 382, that continue to subject a significant amount of the Company's U.S. net operating losses and other tax attributes to certain limitations. If we are unable to fully utilize our net operating losses to offset taxable income generated in the future, our results of operations could be materially and negatively impacted.

Consolidation of retailers and our dependence on a small number of key customers for a significant percentage of our sales may negatively affect our businesses, financial condition and profits.

As a result of consolidation of national mass merchandisers, a significant percentage of our sales are attributable to a very limited group of retailer customers. Because of the importance of these key customers, demands for price reductions or promotions by such customers, reductions in their purchases, changes in their financial condition or loss of their accounts could have a material adverse effect on our business, financial condition and results of operations. In addition, as a result of the desire of retailers to more closely manage

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inventory levels, there is a growing trend among them to purchase our products on a just-in-time basis. This requires us to shorten our lead-time for production in certain cases and more closely anticipate their demand, which could in the future require us to carry additional inventories, increase our working capital and related financing requirements or result in excess inventory becoming unusable or obsolete. Furthermore, we primarily sell branded products and a move by one or more of our large customers to sell significant quantities of private label products, which we do not produce on their behalf and which directly compete with our products, could have a material adverse effect on our businesses, financial condition and results of operations.

If we are unable to improve existing products and develop new, innovative products, or if our competitors introduce new or enhanced products, our sales and market share may suffer.

Both we and our competitors make significant investments in research and development. If our competitors successfully introduce new or enhanced products that present technological advantages over or otherwise outperform our products, or are perceived by consumers as doing so, we may be unable to compete successfully in market segments affected by these changes. In addition, we may be unable to compete if our competitors develop or apply technology which permits them to manufacture products at a lower relative cost. The fact that many of our principal competitors have substantially greater resources than we do increases this risk. The patent rights or other intellectual property rights of third parties, restrictions on our ability to expand or modify manufacturing capacity or financial and other constraints on our research and development activity may also limit our ability to introduce products that are competitive on a performance basis.

Our future success will depend, in part, upon our ability to improve our existing products and to develop, manufacture and market new, innovative products. If we fail to successfully develop, manufacture and market new or enhanced products or develop product innovations, our ability to maintain or grow our market share may be adversely affected, which in turn could materially adversely affect our businesses, financial condition and results of operations.

As a result of our international operations, we face a number of risks related to exchange rates and foreign currencies.

Our international sales and certain of our expenses are transacted in foreign currencies. During the quarter ended June 28, 2009, approximately 42% of our net sales and 44% of our operating expenses were denominated in currencies other than U.S. dollars. We expect that the amount of our revenues and expenses transacted in foreign currencies will increase as our Latin American, European and Asian operations grow and, as a result, our exposure to risks associated with foreign currencies could increase accordingly. Significant changes in the value of the U.S. dollar in relation to foreign currencies could have a material effect on our businesses, financial condition and results of operations. Changes in currency exchange rates may also affect our sales to, purchases from and loans to our subsidiaries as well as sales to, purchases from and bank lines of credit with our customers, suppliers and creditors that are denominated in foreign currencies.

Our international operations may expose us to a number of risks related to conducting business in foreign countries.

Our international operations and exports and imports to and from international markets are subject to a number of special risks which could have a material adverse effect on our businesses, financial condition and results of operations. These risks include, but are not limited to:

changes in the economic conditions or consumer preferences or demand for our products in these markets;

economic and political destabilization, governmental corruption and civil and labor unrest;

restrictive actions by multi-national governing bodies, foreign governments or subdivisions thereof (e.g., duties, quotas and restrictions on transfer of funds);

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changes in foreign labor laws and regulations affecting our ability to hire and retain employees;

changes in U.S. and foreign laws regarding trade and investment;

noncompliance by our business partners with, or a failure by our business partners to enforce, rules and regulations targeting fraudulent conduct; and

difficulty in obtaining distribution and support for our products.

There are three particular European Union (EU) Directives, Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment, Waste of Electrical and Electronic Equipment and the Directive on Batteries and Accumulators and Waste Batteries that may have a material impact on our businesses. Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment requires us to eliminate specified hazardous materials from products we sell in EU member states. Waste of Electrical and Electronic Equipment requires us to collect and treat, dispose of or recycle certain products we manufacture or import into the EU at our own expense. The Directive on Batteries and Accumulators and Waste Batteries bans heavy metals in batteries by establishing maximum quantities of heavy metals in batteries and mandates waste management of these batteries, including collection, recycling and disposal systems, with the costs imposed upon producers and importers such as us. Complying or failing to comply with the EU directives may harm our businesses. For example:

Although contractually assured with our suppliers, we may be unable to procure appropriate Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment compliant material in sufficient quantity and quality and/or be able to incorporate it into our product procurement processes without compromising quality and/or harming our cost structure.

We may face excess and obsolete inventory risk related to non-compliant inventory that we may continue to hold in Fiscal 2009 for which there is reduced demand and we may need to write down the carrying value of such inventories.

We may be unable to sell certain existing inventories of our batteries in Europe.

Many of the developing countries in which we operate do not have significant governmental regulation relating to environmental safety, occupational safety, employment practices or other business matters routinely regulated in the United States or may not rigorously enforce such regulation. As these countries and their economies develop, it is possible that new regulations or increased enforcement of existing regulations may increase the expense of doing business in these countries. In addition, social legislation in many countries in which we operate may result in significantly higher expenses associated with labor costs, terminating employees or distributors and closing manufacturing facilities. Increases in our costs as a result of increased regulation, legislation or enforcement could materially and adversely affect our businesses, results of operations and financial condition.

Sales of certain of our products are seasonal and may cause our quarterly operating results and working capital requirements to fluctuate.

Sales of our battery and electric shaving and grooming and personal care products are seasonal. A large percentage of sales for these products generally occur during our first fiscal quarter that ends on or about December 31, due to the impact of the December holiday season. Sales of our lawn and garden and household insect control products that are offered through our home and garden business are also seasonal. A large percentage of our sales of these products occur during the spring and summer, typically our second and third fiscal quarters. As a result of this seasonality, our inventory and working capital needs relating to these products fluctuate significantly during the year. In addition, orders from retailers are often made late in the period preceding the applicable peak season, making forecasting of production schedules and inventory purchases difficult. If we are unable to accurately forecast and prepare for customer orders or our working capital needs, or there is a general downturn in business or economic conditions during these periods, our businesses, financial condition and results of operations could be materially and adversely affected.

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We may not be able to adequately establish and protect our intellectual property rights.

To establish and protect our intellectual property rights, we rely upon a combination of national, foreign and multi-national patent, trademark and trade secret laws, together with licenses, confidentiality agreements and other contractual arrangements. The measures we take to protect our intellectual property rights may prove inadequate to prevent third parties from misappropriating our intellectual property. We may need to resort to litigation to enforce or defend our intellectual property rights. If a competitor or collaborator files a patent application claiming technology also invented by us, or a trademark application claiming a trademark, service mark or trade dress also used by us, in order to protect our rights, we may have to participate in an expensive and time consuming interference proceeding before the United States Patent and Trademark Office or a similar foreign agency. In addition, our intellectual property rights may be challenged by third parties. Even if our intellectual property rights are not directly challenged, disputes among third parties could lead to the weakening or invalidation of our intellectual property rights. Furthermore, competitors may independently develop technologies that are substantially equivalent or superior to our technology. Obtaining, protecting and defending intellectual property rights can be time consuming and expensive, and may require us to incur substantial costs, including the diversion of management and technical personnel. Moreover, the laws of certain foreign countries in which we operate or may operate in the future do not protect, and the governments of certain foreign countries do not enforce, intellectual property rights to the same extent as do the laws and government of the U.S., which may negate our competitive or technological advantages in such markets. Also, some of the technology underlying our products is the subject of nonexclusive licenses from third parties. As a result, this technology could be made available to our competitors at any time. If we are unable to establish and then adequately protect our intellectual property rights, then our businesses, financial condition and results of operations could be materially and adversely affected.

Claims by third parties that we are infringing on their intellectual property could adversely affect our businesses.

From time to time in the past we have been subject to claims that we are infringing upon the intellectual property of others, we currently are the subject of claims that we are infringing upon the intellectual property of others, and it is possible that third parties will assert infringement claims against us in the future. An adverse finding against us in these or similar trademark or other intellectual property litigations may have a material adverse effect on our businesses, financial condition and results of operations. Any such claims, with or without merit, could be time consuming and expensive, and may require us to incur substantial costs, including the diversion of management and technical personnel, cause product delays or require us to enter into licensing or other agreements in order to secure continued access to necessary or desirable intellectual property. If we are deemed to be infringing a third party's intellectual property and are unable to continue using that intellectual property as we had been, our business and results of operations could be harmed if we are unable to successfully develop non-infringing alternative intellectual property on a timely basis or license non-infringing alternatives or substitutes, if any exist, on commercially reasonable terms. In addition, an unfavorable ruling in intellectual property litigation could subject us to significant liability, as well as require us to cease developing, manufacturing or selling the affected products or using the affected processes or trademarks. Any significant restriction on our proprietary or licensed intellectual property that impedes our ability to develop and commercialize our products could have a material adverse effect on our business, financial condition and results of operations.

Our dependence on a few suppliers and one of our U.S. facilities for certain of our products makes us vulnerable to a disruption in the supply of our products.

Although we have long-standing relationships with many of our suppliers, we do not have long-term contracts with them. An adverse change in any of the following could have a material adverse effect on our businesses, financial condition and results of operations:

our relationships with our suppliers;

the terms and conditions upon which we purchase products from our suppliers;

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the financial condition of our suppliers;

the ability to import outsourced products; or

our suppliers' ability to manufacture and deliver outsourced products on a timely basis.

If our relationship with one of our key suppliers is adversely affected, we may not be able to quickly or effectively replace such supplier and may not be able to retrieve tooling, molds or other specialized production equipment or processes used by such supplier in the manufacture of our products.

In addition, we manufacture the majority of our foil cutting systems for our shaving product lines, using specially designed machines and proprietary cutting technology, at our Portage, Wisconsin facility. Damage to this facility, or prolonged interruption in the operations of this facility for repairs, as a result of labor difficulties, or for other reasons, would have a material adverse effect on our ability to manufacture and sell our foil shaving products which would in turn harm our businesses, financial condition and results of operations.

Class action and derivative action lawsuits and other investigations, regardless of their merits, could have an adverse effect on our business, financial condition and results of operations.

Spectrum Brands and certain of its officers and directors have been named in the past, and may be named in the future, as defendants of class action and derivative action lawsuits. In the past, Spectrum Brands has also received requests for information from government authorities. Regardless of their subject matter or merits, class action lawsuits and other government investigations may result in significant cost to us, which may not be covered by insurance, may divert the attention of management or otherwise have an adverse effect on our business, financial condition and results of operations.

We may be exposed to significant product liability claims which our insurance may not cover and which could harm our reputation.

In the ordinary course of our business, we may be named as defendants in lawsuits involving product liability claims. In any such proceeding, plaintiffs may seek to recover large and sometimes unspecified amounts of damages and the matters may remain unresolved for several years. Any such matters could have a material adverse effect on our business, results of operations and financial condition if we are unable to successfully defend against or settle these matters or if our insurance coverage is insufficient to satisfy any judgments against us or settlements relating to these matters. Although we have product liability insurance coverage and an excess umbrella policy, our insurance policies may not provide coverage for certain, or any, claims against us or may not be sufficient to cover all possible liabilities. Moreover, any adverse publicity arising from claims made against us, even if the claims were not successful, could adversely affect the reputation and sales of our products.

We may incur material capital and other costs due to environmental liabilities.

Because of the nature of our operations, our facilities are subject to a broad range of federal, state, local, foreign and multi-national laws and regulations relating to the environment. These include laws and regulations that govern:

discharges to the air, water and land;

the handling and disposal of solid and hazardous substances and wastes; and

remediation of contamination associated with release of hazardous substances at our facilities and at off-site disposal locations.

Risk of environmental liability is inherent in our business. As a result, material environmental costs may arise in the future. In particular, we may incur capital and other costs to comply with increasingly stringent environmental laws and enforcement policies, such as the European Union directives, Restriction of the Use of

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Hazardous Substances in Electrical and Electronic Equipment, Waste of Electrical and Electronic Equipment and the Directive on Batteries and Accumulators and Waste Batteries, discussed above. Although we believe that we are substantially in compliance with applicable environmental regulations at our facilities, we may not be in compliance with such regulations in the future, which could have a material adverse effect upon our business, financial condition and results of operations.

From time to time, we have been required to address the effect of historic activities on the environmental condition of our properties or former properties. We have not conducted invasive testing at all our facilities to identify all potential environmental liability risks. Given the age of our facilities and the nature of our operations, material liabilities may arise in the future in connection with our current or former facilities. If previously unknown contamination of property underlying or in the vicinity of our manufacturing facilities is discovered, we could be required to incur material unforeseen expenses. If this occurs, it may have a material adverse effect on our business, financial condition and results of operations. We are currently engaged in investigative or remedial projects at a few of our facilities and any liabilities arising from such investigative or remedial projects at such facilities may be material.

We are also subject to proceedings related to our disposal of industrial and hazardous material at off-site disposal locations or similar disposals made by other parties for which we are responsible as a result of our relationship with such other parties. These proceedings are under Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) or similar state laws that hold persons who arranged for the disposal or treatment of such substances strictly liable for costs incurred in responding to the release or threatened release of hazardous substances from such sites, regardless of fault or the lawfulness of the original disposal. Liability under CERCLA is typically joint and several, meaning that a liable party may be responsible for all of the costs incurred in investigating and remediating contamination at a site. As a practical matter, liability at CERCLA sites is shared by all of the viable responsible parties. We occasionally are identified by federal or state governmental agencies as being a potentially responsible party for response actions contemplated at an off-site facility. At the existing sites where we have been notified of our status as a potentially responsible party, it is either premature to determine if our potential liability, if any, will be material or we do not believe that our liability, if any, will be material. We may be named as a potentially responsible party under CERCLA or similar state laws in the future for other sites not currently known to us, and the costs and liabilities associated with these sites may be material.

Compliance with various public health, consumer protection and other regulations applicable to our products and facilities could increase our cost of doing business and expose us to additional requirements with which we may be unable to comply.

Certain of our products sold through and facilities operated under each of our business segments are regulated by the United States Environmental Protection Agency, the United States Food and Drug Administration or other federal consumer protection and product safety agencies and are subject to the regulations such agencies enforce, as well as by similar state, foreign and multinational agencies and regulations. For example, in the United States, all products containing pesticides must be registered with the United States Environmental Protection Agency and, in many cases, similar state and foreign agencies before they can be manufactured or sold. Our inability to obtain or the cancellation of any registration could have an adverse effect on our business, financial condition and results of operations. The severity of the effect would depend on which products were involved, whether another product could be substituted and whether our competitors were similarly affected. We attempt to anticipate regulatory developments and maintain registrations of, and access to, substitute chemicals and other ingredients, but we may not always be able to avoid or minimize these risks.

The Food Quality Protection Act (FQPA) established a standard for food-use pesticides, which is that a reasonable certainty of no harm will result from the cumulative effect of pesticide exposures. Under the FQPA, the United States Environmental Protection Agency is evaluating the cumulative effects from dietary and non-dietary exposures to pesticides. The pesticides in certain of our products which are sold through our home

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and garden business continue to be evaluated by the United States Environmental Protection Agency as part of this program. It is possible that the United States Environmental Protection Agency or a third party active ingredient registrant may decide that a pesticide we use in our products will be limited or made unavailable to us. We cannot predict the outcome or the severity of the effect of the United States Environmental Protection Agency's continuing evaluations of active ingredients used in our products.

In addition, the use of certain pesticide and fertilizer products which are sold through our global pet supplies business and through our home and garden business may be regulated by various local, state, federal and foreign environmental and public health agencies. These regulations may require that: only certified or professional users apply the product, that certain products be used only on certain types of locations (such as not for use on sod farms or golf courses), that users post notices on properties where products have been or will be applied, that users notify individuals in the vicinity that products will be applied in the future, that the product not be applied for aesthetic purposes, or that certain ingredients may not be used. Compliance with such public health regulations could increase our cost of doing business and expose us to additional requirements with which we may be unable to comply.

We face risks related to our sales of products obtained from third-party suppliers.

We sell a number of products that are manufactured by third party suppliers over which we have no direct control. While we have implemented processes and procedures to try to ensure that the suppliers we use are complying with all applicable food and health regulations, there can be no assurances that such suppliers in all instances will comply with such processes and procedures or otherwise with applicable food and health regulations. Noncompliance could result in our marketing and distribution of contaminated or defective products which could subject the Company to liabilities and could result in the imposition by governmental authorities of procedures or penalties that could restrict or eliminate our ability to purchase products from non-compliant suppliers. Any or all of these effects could adversely affect the Company's business, financial condition and results of operations.

Our businesses could suffer from the effects of the H1N1 virus.

The effects of the H1N1 virus, commonly known as Swine Flu, could adversely affect our businesses. An outbreak of the virus in a given location could severely interfere with and substantially disrupt the manufacture and/or shipment of our products and could have a material adverse effect on our operations. A prolonged recurrence of the virus could also adversely affect the various economies into which we ship our products and cause an immediate and prolonged drop in consumer demand for our products in those economies. Any of these events could adversely affect our financial condition and results of operations. The general impact, if any, of the virus on our operations, our results of operations and financial condition is highly speculative, cannot be accurately predicted or quantified, and would depend on numerous factors, including the rate of contagion, the regions of the world most affected, the effectiveness of treatment for the infected population and the rates of mortality and morbidity.

Public perceptions that some of the products we produce and market are not safe could adversely affect us.

We manufacture and market a number of complex chemical products bearing our brands relating to our home and garden business, such as herbicides and pesticides. On occasion, customers and some current or former employees have alleged that some products failed to perform up to expectations or have caused damage or injury to individuals or property.

In 2007, certain pet food manufactured in China, which was tainted with a mildly toxic chemical known as melamine, and sold in the United States was linked to numerous companion animal fatalities and triggered a widespread recall of pet food by many major pet food suppliers. Sales of our pet food and pet treat products may be adversely affected because of general consumer distrust of pet food suppliers who manufacture pet food or pet

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treats in China or distribute pet food or pet treats manufactured in China or negative public perceptions resulting from enhanced scrutiny by the FDA or other governmental authorities of pet food and pet treats and related animal food products. Public perception that any of our products are not safe, whether justified or not, could impair our reputation, damage our brand names and have a material adverse effect on our businesses, financial condition and results of operations.

If we are unable to negotiate satisfactory terms to continue existing or enter into additional collective bargaining agreements, we may experience an increased risk of labor disruptions and our results of operations and financial condition may suffer.

Approximately 20% of our total labor force is employed under collective bargaining agreements. Four of these agreements, which cover approximately 56% of the labor force under collective bargaining agreements, or approximately 11% of our total labor force, are scheduled to expire during Fiscal 2010. While we currently expect to negotiate continuations to the terms of these agreements, there can be no assurances that we will be able to obtain terms that are satisfactory to us or otherwise to reach agreement at all with the applicable parties. In addition, in the course of our business, we may also become subject to additional collective bargaining agreements. These agreements may be on terms that are less favorable than those under our current collective bargaining agreements. Increased exposure to collective bargaining agreements, whether on terms more or less favorable than existing collective bargaining agreements, could adversely affect the operation of our business, including through increased labor expenses. While we intend to comply with all collective bargaining agreements to which the Company is subject, there can be no assurances that we will be able to do so and any noncompliance could subject the Company to disruptions in its operations and materially and adversely affect its results of operations and financial condition.

Significant changes in actual investment return on pension assets, discount rates, and other factors could affect our results of operations, equity, and pension contributions in future periods.

Our results of operations may be positively or negatively affected by the amount of income or expense we record for our defined benefit pension plans. U.S. GAAP requires that we calculate income or expense for the plans using actuarial valuations. These valuations reflect assumptions about financial market and other economic conditions, which may change based on changes in key economic indicators. The most significant year-end assumptions we used to estimate pension income or expense are the discount rate and the expected long-term rate of return on plans assets. In addition, we are required to make an annual measurement of plan assets and liabilities, which may result in a significant change to equity. Although pension expense and pension funding contributions are not directly related, key economic factors that affect pension expense would also likely affect the amount of cash we would contribute to pension plans as required under the Employee Retirement Income Security Act.

Risks Related to the Common Stock

Risks of trading in an over the counter market.

The Common Stock currently trades in the over-the-counter market. Securities traded in the over-the-counter market generally have significantly less liquidity than securities traded on a national securities exchange, through factors such as a reduction in the number of investors that will consider investing in the securities, the number of market makers in the securities, reduction in securities analyst and news media coverage and lower market prices than might otherwise be obtained. As a result, holders of shares of Common Stock may find it difficult to resell their shares at prices quoted in the market or at all. Furthermore, because of the limited market and generally low volume of trading in the Common Stock that could occur, the share price of the Common Stock could be more likely to be affected by broad market fluctuations, general market conditions, fluctuations in our operating results, changes in the markets perception of our businesses, and announcements made by us, our competitors or parties with whom we have business relationships. In some cases, we may be subject to additional compliance requirements under applicable state laws in the issuance of Spectrum Brands

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securities. The lack of liquidity in the Common Stock may also make it difficult for us to issue additional securities for financing or other purposes, or to otherwise arrange for any financing we may need in the future. In addition, we may experience other adverse effects, including, without limitation, the loss of confidence in us by current and prospective suppliers, customers, employees and others with whom we have or may seek to initiate business relationships.

The market price of the Common Stock is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond our control.

Factors that may influence the price of the Common Stock include, without limitation, the following:

loss of any of our key customers or suppliers;

additions or departures of key personnel;

sales of the Common Stock;

our ability to execute our business plan;

operating results that fall below expectations;

additional issuances of the Common Stock;

low volume of sales due to concentrated ownership of the Common Stock;

intellectual property disputes;

industry developments;

economic and other external factors; and

period-to-period fluctuations in our financial results.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of the Common Stock. You should also be aware that price volatility might be worse if the trading volume of shares of the Common Stock is low.

If the selling stockholders sell a large number of shares all at once or in large blocks, the market price of the Common Stock would most likely decline.

It is possible that the selling stockholders will offer all of the shares covered by this Prospectus for sale. Further, because it is possible that a significant number of shares could be sold at the same time, the sales, or the possibility thereof, may have a depressive effect on the future

market price of Common Stock.

Additional issuances of the Common Stock may result in dilution to Spectrum Brands' existing stockholders.

Spectrum Brands may issue up to 3,333,333 shares of Common Stock, or options exercisable for shares of Common Stock, under its 2009 equity incentive plan. In addition, Spectrum Brands' board of directors has the authority to issue additional shares of our capital stock to provide additional financing or for other purposes in the future. The issuance of any such shares or exercise of any such options may result in a reduction of the book value or market price of the outstanding shares of Common Stock. If Spectrum Brands does issue any such additional shares or any such options are exercised, such issuance or exercise also will cause a reduction in the proportionate ownership and voting power of all other stockholders. As a result of such dilution, the proportionate ownership interest and voting power of a holder of shares of Common Stock could be decreased. Further, any such issuance or exercise could result in a change of control. Under Spectrum Brands' certificate of incorporation, holders of 5% or more of the outstanding Common Stock or Spectrum Brands capital stock into which any shares of Common Stock may be converted have certain rights to purchase their pro rata share of certain future issuances of securities. See Description of the Common Stock.

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Spectrum Brands has historically not paid dividends on its public common stock, and, therefore, any return on investment may be limited to the value of the Common Stock.

Spectrum Brands has not declared or paid dividends on Spectrum Brands' common stock since Spectrum Brands commenced public trading in 1997, and we do not anticipate paying dividends in the foreseeable future. The payment of dividends on the Common Stock will depend on earnings, financial condition and other business and economic factors affecting it at such time as Spectrum Brands' board of directors may consider relevant, including the ability to do so under Spectrum Brands' credit and other debt agreements. If Spectrum Brands does not pay dividends, returns on an investment in the Common Stock will only occur if our stock price appreciates.

Limited influence of minority holders of the Common Stock.

If holders of the Common Stock constituting a majority were to determine to act in concert with respect to any proposal or other item requiring a stockholder vote, other stockholders would then be unable to affect the outcome of such stockholder vote. As of October 28, 2009, we had no knowledge of any such determination to act in concert.

Risks Related to the 12% Notes

The right to receive payment on the 12% Notes is subject to payment of our senior debt. The 12% Notes will be effectively subordinated to all existing and future liabilities of our subsidiaries that are not subsidiary guarantors.

The 12% Notes are junior in right of payment to all existing and future senior debt of the Company, including, without limitation, amounts outstanding, if any, under our senior term credit facility or senior asset-based revolving credit facility. In addition, the guarantees of the 12% Notes are junior to all senior debt of each of the respective guarantors, which are the U.S. subsidiaries of Spectrum Brands. Spectrum Brands and its subsidiaries may incur additional senior indebtedness, including, without limitation, senior debt, from time to time, subject, among other things, to the terms of their outstanding indebtedness. If indebtedness is incurred by a subsidiary that is not a guarantor, the 12% Notes will be structurally subordinated to such indebtedness with respect to the assets of such subsidiary. In the event of a bankruptcy, liquidation or reorganization of any of the obligors under the 12% Notes, the assets of such obligors will be available to pay obligations under the 12% Notes only after all of such obligors' senior debt has been paid in full. There may not be sufficient assets remaining to pay amounts due on any or all of the 12% Notes then outstanding.

There is a limited trading market for the 12% Notes, which may make it difficult to sell the 12% Notes.

The 12% Notes constitute a new issue of securities of Spectrum Brands with no established market. No assurance can be given that an active public or other market will develop for the 12% Notes or as to the liquidity of or the market for the 12% Notes. If a market does not develop or is not maintained, holders of the 12% Notes may experience difficulty in reselling the 12% Notes or may be unable to sell them at all. If a market for the 12% Notes develops, any such market may cease to continue at any time. If a public market develops for the 12% Notes, future prices of the 12% Notes will depend on many factors, including, among other things, prevailing interest rates, Spectrum Brands and its subsidiaries' results of operations and the markets for similar securities and other factors, including Spectrum Brands and its subsidiaries' financial condition. The 12% Notes may trade at a discount from their principal amount.

If the selling noteholders sell a large number of the 12% Notes all at once or in large blocks, the market price of the 12% Notes would most likely decline.

It is possible that the selling noteholders will offer all of the 12% Notes covered by this Prospectus for sale. Further, because it is possible that a significant number of the 12% Notes could be sold at the same time, the sales, or the possibility thereof, may have a depressive effect on the future market price of the 12% Notes.

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We may not be able to comply with the terms of the 12% Notes or the related indenture.

The indenture governing the 12% Notes contains covenants that, among other things, limit our ability to:

incur additional indebtedness;

pay dividends on, redeem or repurchase our capital stock;

make investments;

issue or sell capital stock of our restricted subsidiaries;

transfer assets and dispose of proceeds of such sales;

enter into agreements that restrict our restricted subsidiaries from paying dividends, making loans or otherwise transferring assets to us or to any of our other restricted subsidiaries;

engage in transactions with affiliates; or

merge, consolidate or sell all or substantially all of our assets.

Our ability to comply with such agreements may be affected by events beyond our control, including prevailing economic, financial and industry conditions. The breach of any such covenants or restrictions could result in a default under the indenture or under our other debt agreements. Such an event of default under our debt agreements would permit lenders or noteholders, as the case may be, to declare all amounts borrowed from them to be due and payable, together with accrued and unpaid interest, and the commitments of lenders under our Senior Asset-Based Revolving Facility to make further extensions of credit under the facility could be terminated. If we were unable to repay debt to our senior lenders, such lenders could proceed against the collateral securing such debt.

We may be unable to repurchase the 12% Notes upon a change of control.

Upon the occurrence of specific change of control events, the Company will be required to offer to repurchase 12% Notes at a redemption premium. The lenders under the senior term credit facility and the senior asset-based revolving credit facility have a similar right to be repaid upon a change of control. Any of the Company's future debt agreements also may contain a similar provision. The Company's ability to pay cash to the holders of the 12% Notes in connection with such repurchase will be limited by the Company's and its subsidiaries' then existing financial resources. Accordingly, it is possible that the Company will not have sufficient funds at the time of the change of control to make the required repurchase of 12% Notes.

In addition, the terms of the senior term credit agreement and the senior asset-based revolving credit agreement limit the Company's ability to purchase 12% Notes until all debt under the respective agreements is paid in full. Any of the Company's future debt agreements may contain similar restrictions.

If the Company fails to repurchase any 12% Notes submitted in a change of control offer, it would constitute an event of default under the indenture governing the notes which would, in turn, constitute an event of default under the senior term credit agreement and the senior asset-based revolving credit agreement limit and could constitute a default under other of the Company's agreements, even if the change of control itself would not cause a default. This would allow some of the Company's lenders to proceed against the Company's assets.

A court could avoid the guarantees of the 12% Notes under fraudulent transfer law.

Our U.S. subsidiaries guarantee our obligations under the 12% Notes. If any guarantor becomes a debtor in a case under the United States Bankruptcy Code or suffers other financial difficulty, a court might avoid (that is, cancel) its guarantee under federal or state fraudulent transfer law. The court might do so if it found that when the guarantor entered into its guarantee (or, in some jurisdictions, when it became obligated to make payments thereunder), it received less than reasonably equivalent value or fair consideration for its guarantee and (1) was

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or was rendered insolvent, (2) was left with inadequate capital to conduct its business, (3) believed or should have believed that it would incur debts beyond its ability to pay or (4) was a defendant in an action for money damages or had a judgment for money damages docketed against it and, in either case, the judgment went unsatisfied. The court also might avoid a guarantee, without regard to these factors, if it found that the guarantor entered into its guarantee with actual intent to hinder, delay or defraud its creditors.

A court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration for its guarantee unless the guarantor benefited directly or indirectly from the 12% Notes. If a court avoided a guarantee, a holder of 12% Notes would no longer have a claim against the guarantor. In addition, the court might order such holder of 12% Notes to repay any amounts received from the guarantor.

Courts in different jurisdictions measure solvency differently. In general, however, a court would consider an entity insolvent either if the sum of its existing debts exceeds the fair value of all its property, or if the present fair saleable value of its assets is less than the amount required to pay the probable liability on its existing debts as those debts become due. For this analysis, debts includes contingent and unliquidated debts.

Despite current indebtedness levels, we may still be able to incur more debt, which could further exacerbate the risks described above.

We may be able to incur additional indebtedness in the future. The terms of the indenture governing the 12% Notes and our existing credit facilities do not fully prohibit us from doing so. The addition of new debt to our current debt levels could increase the leverage-related risks described above.

Minority holders of the 12% Notes may have limited influence with respect to matters requiring a vote of holders of the 12% Notes.

We would note that if holders of the 12% Notes constituting a majority were to determine to act in concert with respect to any proposal or other item requiring a vote of holders of the 12% Notes, other holders of the 12% Notes would then be unable to affect the outcome of such vote. As of October 28, 2009, we had no knowledge of any such determination to act in concert.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

We have made or implied certain forward-looking statements in this Prospectus and the documents incorporated by reference in this Prospectus. All statements, other than statements of historical facts included in this Prospectus, including the statements regarding our business strategy, future operations, financial position, estimated revenues, projected costs, projected synergies, prospects, plans and objectives of management, as well as information concerning expected actions of third parties, are forward-looking statements. When used in this Prospectus, the words anticipate, intend, plan, estimate, believe, expect, project, could, will, should, may and similar expressions are also intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Since these forward-looking statements are based upon current expectations of future events and projections and are subject to a number of risks and uncertainties, many of which are beyond our control, actual results or outcomes may differ materially from those expressed or implied herein, and you should not place undue reliance on these statements. Important factors that could cause our actual results to differ materially from those expressed or implied herein include, without limitation:

the impact of the Reorganization;

the impact of our substantial indebtedness on our business, financial condition and results of operations;

the impact of restrictions in our debt instruments on our ability to operate our business, finance our capital needs or pursue or expand business strategies;

any failure to comply with financial covenants and other provisions and restrictions of our debt instruments;

the impact of unusual expenses resulting from the implementation of new business strategies, divestitures or current and proposed restructuring activities;

the impact of fluctuations in commodity prices, costs or availability of raw materials or terms and conditions available from suppliers, including suppliers' willingness to advance credit;

interest rate and exchange rate fluctuations;

the loss of, or a significant reduction in, sales to a significant retail customer or significant suppliers;

competitive promotional activity or spending by competitors or price reductions by competitors;

the introduction of new product features or technological developments by competitors and/or the development of new competitors or competitive brands;

the effects of general economic conditions, including inflation, recession or fears of a recession, depression or fears of a depression, labor costs and stock market volatility or changes in trade, monetary or fiscal policies in the countries where we do business;

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changes in consumer spending preferences and demand for our products;

our ability to develop and successfully introduce new products, protect our intellectual property and avoid infringing the intellectual property of third parties;

our ability to successfully implement, achieve and sustain manufacturing and distribution cost efficiencies and improvements, and fully realize anticipated cost savings;

the cost and effect of unanticipated legal, tax or regulatory proceedings or new laws or regulations (including environmental, public health and consumer protection regulations);

public perception regarding the safety of our products, including the potential for environmental liabilities, product liability claims, litigation and other claims;

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the impact of pending or threatened litigation;

changes in accounting policies applicable to our business;

government regulations;

the seasonal nature of sales of certain of our products;

the effects of climate change and unusual weather activity; and

the effects of political or economic conditions, terrorist attacks, acts of war or other unrest in international markets.

Some of the above-mentioned factors are described in further detail in the section entitled Risk Factors. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the SEC, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise to reflect actual results or changes in factors or assumptions affecting such forward-looking statement.

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CHAPTER 11 REORGANIZATION

Commencement of the Chapter 11 Cases

On February 3, 2009, Spectrum Brands and thirteen of its United States subsidiaries filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Western District of Texas (the **Bankruptcy Court**).

Plan of Reorganization and Exit Financing

On February 3, 2009, the Debtors filed the Plan, describing their proposal for reorganizing, and a related disclosure statement with the Bankruptcy Court. On July 15, 2009 the Bankruptcy Court entered a written confirmation order approving the Plan (the **Confirmation Order**). The Plan became effective on August 28, 2009, and the Debtors emerged from the Reorganization.

In order to consummate the Plan, the Debtors obtained a \$242 million asset-based exit loan facility pursuant to a credit agreement among the Spectrum Brands, the Subsidiaries of Spectrum Brands party thereto, General Electric Capital Corporation, as the administrative agent, co-collateral agent, swingline lender and supplemental loan lender, Bank of America, N.A., as co-collateral agent and L/C Issuer, RBS Asset Finance, Inc., through its division RBS Business Capital, as syndication agent and the lenders party thereto.

The Official Committee of Equity Security Holders (the **Equity Committee**), which represents the interests of the Debtors' pre-petition equity holders whose equity interests were cancelled pursuant to the terms of the Plan, filed a notice of appeal of the Confirmation Order on July 15, 2009. On July 16, 2009, the Equity Committee filed a motion to stay the Confirmation Order pending appeal in the District Court (**Stay Motion**) in the United States District Court for the Western District of Texas (Case No. 09-CV-0576). On July 23, 2009, the District Court concluded that the Equity Committee had not carried its burden of proof and denied the Stay Motion (**Order Denying Stay**). On July 27, 2009, the Equity Committee filed in the United States Court of Appeals for the Fifth Circuit (**Fifth Circuit**) an emergency motion of an expedited appeal of the Order Denying Stay and an emergency motion for stay pending appeal. The Fifth Circuit denied the Equity Committee's emergency motion for stay pending appeal on August 19, 2009. Because the District Court and the Fifth Circuit denied the stay motions pending before them, the Plan, by its terms, became effective on August 28, 2009. After the effective date, the Equity Committee moved to withdraw its appeal of the Order Denying Stay in the Fifth Circuit. The Fifth Circuit entered an order dismissing the appeal on September 11, 2009. On September 21, 2009, the Equity Committee moved to withdraw its appeal of the Confirmation Order. The District Court granted the motion on September 23, 2009 and dismissed the Equity Committee's appeal without prejudice.

Accounting Impact of the Reorganization

All conditions required for the adoption of **fresh-start** reporting were met upon emergence from Chapter 11 of the Bankruptcy Code on August 28, 2009. However, in light of the proximity of that date to our accounting period close immediately following August 28, 2009, which was August 30, 2009, we elected to adopt a convenience date of August 30, 2009 for recording **fresh-start** reporting. Under **fresh-start** reporting, a new reporting entity is considered to be created and our reorganization value was allocated to our assets based on, and the assets' recorded values were adjusted to reflect, the fair values of those assets at the date **fresh-start** reporting is applied. Any portion of Spectrum Brands' reorganization value not attributable to specific assets was an indefinite-lived intangible asset referred to as **reorganization value in excess of value of identifiable assets** and reported as goodwill. As a result of adopting **fresh-start** reporting and emerging from Chapter 11 protection, historical financial information is not comparable with financial information for those periods after emergence from Chapter 11 protection. As further described in **Effect of Consummation of the Plan** below, the Debtors' emergence from Chapter 11 protection resulted in a complete change in ownership of the Company's equity securities.

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Effect of Consummation of the Plan

Pursuant to and by operation of the Plan, on the Effective Date, all of Old Spectrum's existing equity securities, including the existing common stock and stock options, were extinguished and deemed cancelled. Spectrum Brands filed a certificate of incorporation authorizing new shares of the Common Stock. Pursuant to and in accordance with the Plan, on the Effective Date, Spectrum Brands issued a total of 27,030,000 shares of the Common Stock and \$218,076,405 in aggregate principal amount of 12% Notes to holders of allowed claims with respect to Old Spectrum's 8 1/2% Senior Subordinated Notes due 2013, 7 3/8% Senior Subordinated Notes due 2015 and Variable Rate Toggle Senior Subordinated Notes due 2013. Also on the Effective Date, Spectrum Brands issued a total of 2,970,000 shares of the Common Stock to supplemental and sub-supplemental debtor-in-possession facility participants in respect of the equity fee earned under the Debtors' debtor-in-possession credit facility.

Internal Restructuring Transactions

The Plan contemplated that on, as of, or after the Effective Date, with the consent of its Board of Directors, each of the reorganized Debtors may take such actions as may be necessary or appropriate to effect a corporate or operational restructuring of their respective businesses, to otherwise simplify the overall corporate or operational structure of the reorganized Debtors, to achieve corporate or operational efficiencies, or to otherwise improve financial results. On the Effective Date, the Board of Directors of Spectrum Brands approved an internal restructuring of the reorganized Debtors to consolidate the Company's legal structure within its three business segments, global batteries and personal care, global pet supplies and home and garden. The restructuring contemplates, among other things, that Southern California Foam, Inc.; Aquaria, Inc.; Perfecto Manufacturing, Inc. and Aquarium Systems Inc., each a wholly owned subsidiary of Spectrum Brands and a guarantor of the 12% Notes, would be merged with and into United Pet Group, Inc. (UPG), another wholly owned subsidiary guarantor, with UPG surviving. The internal restructuring became effective on October 1, 2009.

USE OF PROCEEDS

We will not receive any proceeds from the sale of the Common Stock offered through this Prospectus by the selling stockholders or the sale of the 12% Notes offered through this Prospectus by the selling noteholders.

DIVIDEND POLICY

We currently intend to retain future earnings, if any, to reinvest in our businesses and do not anticipate declaring or paying any dividends in the foreseeable future. The Successor has not declared or paid any dividends on its common stock since the Effective Date, and the Predecessor did not declare or paid any cash dividends on its common stock since it commenced public trading in 1997. In addition, the terms of our senior credit facilities and the indenture governing our outstanding 12% Notes restrict our ability to pay dividends to Spectrum Brands' stockholders. Any future determination to pay cash dividends will be at the discretion of Spectrum Brands' board of directors and will be dependent upon our financial condition, results of operations, capital requirements, contractual restrictions and such other factors as the board of directors deems relevant.

DILUTION

The Common Stock and the 12% Notes offered by this Prospectus are currently issued and outstanding. Accordingly, there will be no dilution to our existing securityholders from any sales of such Common Stock or the 12% Notes.

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RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for the periods indicated. For purposes of computing the ratio of earnings to fixed charges, earnings represent earnings from continuing operations before income taxes, equity in earnings (loss) of investees and minority interest plus fixed charges. Fixed charges include (a) interest on indebtedness (whether expensed or capitalized) and (b) amortization premiums, discounts and capitalized expenses related to indebtedness.

	For the Nine Months Ended	For the year ended September 30,				
	June 28, 2009	2008	2007	2006	2005	2004
Ratio of Earnings to Fixed Charges	0.3	(2.7)	(0.9)	(1.4)	1.4	2.2

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The following unaudited pro forma condensed consolidated financial information (the "Pro Forma Financial Information") sets forth selected historical consolidated financial information for Spectrum Brands and its consolidated subsidiaries. The historical data provided as of and for the fiscal year ended September 30, 2008 are derived from the Company's audited consolidated financial statements which have been incorporated by reference into this Prospectus.

The Pro Forma Financial Information is provided for informational and illustrative purposes only. These tables should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations, and the consolidated financial statements and related notes in the Current Report on Form 8-K, September 18, 2009 and the Quarterly Report(s) on Form 10-Q which have been incorporated by reference into this Prospectus. In addition, the historical financial statements of the Company will not be comparable to the financial statements of Reorganized Spectrum following emergence from Chapter 11 due to the effects of the consummation of the Plan as well as adjustments for "fresh-start" accounting.

The Pro Forma Financial Information gives effect to the following categories of adjustments as if such transactions had occurred on October 1, 2008 for the unaudited pro forma condensed consolidated statement of operations, and on June 28, 2009 for the unaudited pro forma condensed consolidated balance sheet. Each of these adjustments is described more fully below and within the notes of the Pro Forma Financial Information:

the effectiveness of the Plan and the implementation of the transactions contemplated by the Plan; and

the adoption of "fresh-start" accounting, in accordance with American Institute of Certified Public Accountants Statement of Position 90-7, "Financial Reporting by Entities in Reorganization under the Bankruptcy Code" ("SOP 90-7").

The Pro Forma Financial Information does not purport to represent what Reorganized Spectrum's actual results of operations or financial position would have been had the Plan become effective or had the other transactions described above occurred on October 1, 2008 or June 28, 2009, as the case may be. In addition, the dollar amount of new equity and stockholders' equity on the unaudited pro forma condensed consolidated balance sheet is not an estimate of the market value of the Common Stock or any other shares of capital stock of Reorganized Spectrum as of the Effective Date or at any other time. We make no representations as to the market value, if any, of the Common Stock or of any other shares of capital stock of Reorganized Spectrum.

Reorganization Adjustments

The "Effects of the Plan" column in the Pro Forma Financial Information gives effect to the effectiveness of the Plan and the implementation of the transactions contemplated by the Plan, including the discharge of administrative claims and of estimated claims allowed by the Bankruptcy Court upon confirmation, our recapitalization upon emergence from reorganization under chapter 11 of the Bankruptcy Code. These adjustments include:

separating liabilities that are subject to compromise from liabilities that are not subject to compromise;

distinguishing transactions and events that are directly associated with the reorganization from the ongoing operations of the businesses; and

ceasing to accrue interest on the Company's Variable Rate Toggle Senior Subordinated Notes due 2013 (the "Variable Rate Notes"), the Company's 7 3/8% Senior Subordinated Notes due 2015 (the "7 3/8 Notes") and the Company's 8 1/2% Senior Subordinated Notes due 2013 (the "8 1/2 Notes") (collectively, the "Senior Subordinated Notes") outstanding prior to the Effective Date.

For additional information regarding the Reorganization Adjustments, see the notes to the Pro Forma Financial Information.

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Fresh-Start Adjustments

The Fresh-Start Adjustments column of the Pro Forma Financial Information gives effect to fresh-start accounting adjustments, in accordance with SOP 90-7. The Company's reorganization value, which represents the Company's best estimate of fair value and approximates the amount a willing buyer would pay for the Company immediately after the Reorganization, will be allocated to the fair value of assets in conformity with Statement of Financial Accounting Standards No. 141, Business Combinations (SFAS 141). The Fresh-Start Adjustments are based on an assumed enterprise value of \$2.275 billion. Under SOP 90-7, reorganization value is generally allocated first to tangible assets and identifiable intangible assets, and lastly to excess reorganization value (i.e., goodwill).

The asset valuations used in this Prospectus represent current estimates based on data available. However, updates to these valuations will be completed as of the fresh-start adoption date based on the results of asset and liability valuations, as well as the related calculation of deferred taxes. The differences between the actual valuations and the current estimated valuations used in preparing the Pro Forma Financial Information will be reflected in our future balance sheets and may affect amounts, including depreciation and amortization expense, which we will recognize in our statement of operations post-emergence. In addition, the Company will realize certain non-recurring expenses subsequent to the Effective Date related to its Chapter 11 Reorganization. As such, the Pro Forma Financial Information may not accurately represent our post-emergence financial condition or results from operations, and any differences may be material.

For additional information regarding the Fresh-Start Adjustments, see the notes to the Pro Forma Financial Information.

Table of Contents**Unaudited Pro Forma Condensed Consolidated Statement of Operations****For the Twelve Months Ended September 30, 2008****(In thousands, except share and per share amounts)**

	Historical	Effects of the Plan	Fresh-Start Adjustments	Successor
Net Sales	2,426,571			2,426,571
Cost of goods sold	1,489,971		11,310 (c)(d)	1,501,281
Restructuring and related charges	16,499			16,499
Gross profit	920,101		(11,310)	908,791
Selling	506,365			506,365
General and administrative	188,934		14,613 (d)(e)(f)	203,547
Research and development	25,315			25,315
Goodwill and intangibles impairment	22,838			22,838
Restructuring and related charges-operating	861,234			861,234
Total operating expenses	1,604,686		14,613	1,619,299
Operating income (loss)	(684,585)		(25,923)	(710,508)
Interest expense	229,013	(42,006) (b)		187,007
Other (income) expense, net	1,220			1,220
Income (loss) from continuing operations before reorganization items and income taxes	(914,818)	42,006	(25,923)	(898,735)
Reorganization items, net				
Loss from continuing operations before income tax	(914,818)	42,006	(25,923)	(898,735)
Income tax expense (benefit)	(9,460)		(3,155) (g)	(12,615)
Loss from continuing operations	(905,358)	42,006	(22,768)	(886,120)
Basic earnings per share:				
Weighted average shares of CS outstanding	50,921			30,000 (h)
Loss from continuing operations	(17.78)			(29.54)

Table of Contents**Unaudited Pro Forma Condensed Consolidated Statement of Operations****For the Nine Months Ended June 28, 2009****(In thousands, except share and per share amounts)**

	Historical	Effects of the Plan	Fresh-Start Adjustments	Successor
Net Sales	1,641,126			1,641,126
Cost of goods sold	1,022,914		(2,740) (c)(d)	1,020,174
Restructuring and related charges	13,210			13,210
Gross profit	605,002		2,740	607,742
Selling	301,220			301,220
General and administrative	116,822		15,100 (d)(e)(f)	131,922
Research and development	17,638			17,638
Goodwill and intangibles impairment				
Restructuring and related charges-operating	27,190	(7,591) (a)		19,599
Total operating expenses	462,870	(7,591)	15,100	470,379
Operating income (loss)	142,132	7,591	(12,360)	137,363
Interest expense	148,559	(10,078) (b)		138,481
Other (income) expense, net	3,546			3,546
Income (loss) from continuing operations before reorganization items and income taxes	(9,973)	17,669	(12,360)	(4,664)
Reorganization items, net	83,832	(83,832) (a)		
Loss from continuing operations before income tax	(93,805)	101,501	(12,360)	(4,664)
Income tax expense (benefit)	31,842		(1,304) (g)	30,538
Loss from continuing operations	(125,647)	101,501	(11,056)	(35,202)
Basic earnings per share:				
Weighted average shares of CS outstanding	51,437			30,000 (h)
Loss from continuing operations	(2.44)			(1.17)
Reorganization Adjustments				

(a) Adjustment reflects the elimination of pre-petition bankruptcy-related reorganization expenses of \$7,591 and the elimination of the Company's post-petition bankruptcy-related reorganization costs of \$83,832. The Company currently estimates an additional \$8,800 of bankruptcy-related reorganization costs subsequent to June 28, 2009. These additional costs have been excluded from the pro forma adjustments as the costs are non-recurring.

(b) The Plan includes substantial changes to the Company's debt structure. The interest expense adjustments resulted in a net decrease of \$42,006 and \$10,078 for pro forma Fiscal 2008 and the nine month pro forma period ended June 28, 2009, respectively. The adjustment consists of the following:

	Twelve Months ended September 30, 2008	Nine Months ended June 28, 2009
Interest on adjusted term loans	\$ 108,258	\$ 81,194
Interest on new senior subordinated debt	26,169	19,627
Interest on new supplemental loan	7,875	5,906
Interest on exit financing facility	8,126	6,094
Accretion of discount/premium	33,134	24,662
 Total pro forma interest expense	 183,562	 137,483
Less: elimination of interest expense on pre-petition debt	(225,568)	(147,561)
 Pro forma adjustment	 \$ (42,006)	 \$ (10,078)

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The expected interest rates on the post-emergence financing facilities bear interest at a stated fixed rate or at the London Interbank Borrowing Rate (LIBOR) plus a margin, as summarized below:

	Amount	Rate	LIBOR Floor
Term Loan B, U.S. Dollar	\$ 973,998	LIBOR + 6.5%	1.5%
Term Loan, Euro	356,920	LIBOR + 7.0%	1.5%
New Senior Subordinated Notes	218,076	12.0%	NA
Exit financing	125,013	LIBOR + 4.0%	2.5%
Supplemental Loan	45,000	LIBOR + 14.5%	3.0%

\$ 1,719,007

As of August 28, 2009, the three month LIBOR was approximately 0.4%, and accordingly the Company estimates that it will be required to use the LIBOR floors summarized above. The Company estimates its weighted average interest rate on its estimated financing post emergence to be approximately 8.8% (based on current LIBOR rates and excluding fair value adjustment amortization) and its total indebtedness to be \$1,719,007. A 1/8th percentage increase or decrease in the expected weighted average interest rate would increase or decrease interest expense on the post-emergence debt facilities by \$2,149.

In conjunction with the expected new borrowings, the Company currently estimates that it will incur approximately \$114,108 of debt issuance costs, original issuance discount (OID) and fair value adjustments on the post-emergence financing. The debt issuance costs are classified as current or long-term assets, as appropriate. The OID and fair value adjustments associated with post-emergence financing are reflected as a reduction to the carrying value of the debt. The carrying value is accreted up to face value over the term of the debt. The table below details these amounts and the related amortization period, which is recorded as interest expense:

	Total Amount	Amortization Period
Debt issuance costs	\$ 8,949	3 years
Original Issuance Discount	21,976	3 - 10 years
Fair Value Adjustments	83,183	3 years

\$ 114,108

The fair value adjustment arises from the term loans, whose face value amounts are in excess of the related fair value of the debt as of fresh start adoption date.

Fresh-Start Adjustments

- (c) The Company estimates cost of sales will increase by approximately \$50,786 during the first inventory turn post-emergence due to the write-up of inventory. This cost has been excluded from the pro forma adjustments as this amount is non-recurring.
- (d) Property, plant and equipment are recorded at fair value. The Company currently estimates that property, plant and equipment will be increased by approximately \$34,250. Post-emergence, the Company will depreciate buildings at an original useful life of 40 years, however currently anticipates no other changes to the useful life guidelines for the other property, plant and equipment classes.

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The Company currently estimates the post-emergence depreciation expense will increase by approximately \$12,479 in the first year after emergence as shown in the pro forma Fiscal 2008 period. Due to older assets with remaining useful lives of 1 year or less at the date of emergence and changes in estimated depreciable lives, the Company currently estimates the post-emergence depreciation expense in the second year after emergence will decrease as shown in the \$3,026 pro forma adjustment for the nine month pro forma period ended June 28, 2009. The adjustment to depreciation expense is classified as follows:

	Twelve Months 2008	Nine Months 2009
Cost of goods sold	\$ 11,310	\$ (2,740)
General and administrative	1,169	(286)
	\$ 12,479	\$ (3,026)

- (e) Intangible assets are recorded at fair value. The Company currently estimates the intangible assets will be increased by approximately \$742,815. The Company currently estimates the post-emergence intangible amortization to increase approximately \$13,951 in pro forma Fiscal 2008. The estimated intangible amortization increase recorded for the nine month pro forma period ended June 28, 2009 is \$15,669. The Company's adjustment for pro forma Fiscal 2008 is less for the 2009 nine month pro forma period as the historical Fiscal 2008 amortization expense includes additional expense as a result of the Company reclassifying the Home and Garden Business as a continuing operation.

Existing goodwill of \$234,435 is eliminated and excess reorganization value of approximately \$513,719 is recorded for amounts in excess of reorganization value allocable to identifiable tangible and intangible assets. There is no impact to the unaudited pro forma condensed consolidated statements of operations for the increase in goodwill since goodwill is not amortized, but rather is subject to annual impairment testing.

- (f) The Company currently estimates employee benefit obligations will increase by approximately \$5,855 as a result of re-measuring the pension obligations and other post employment benefits (OPEB) as of the fresh start adoption date.

The decrease to pension and OPEB expense for the pro forma Fiscal 2008 period of approximately \$371 and \$136 is due to the elimination of prior service costs and net actuarial losses, respectively, recognized in the period. The decrease to pension and OPEB expense for the nine months ended June 28, 2009 of approximately \$165 and \$118 is due to the elimination of prior service costs and net actuarial losses, respectively, recognized in the period.

- (g) The Company estimates the pro-forma net tax expense for non-U.S. subsidiaries will decrease by approximately \$3,155 for the pro forma Fiscal 2008 period and \$1,304 for the nine month period ended June 30, 2009. During all periods presented, the Company had full valuation allowance for all net U.S. deferred tax assets, exclusive of indefinite-lived intangibles. Due to the Company's full valuation allowance position, any tax effect of the pro forma adjustments for the U.S. parent and U.S. subsidiaries would be offset by an adjustment to the valuation allowance. As such, the Company has recorded a zero tax effect for the pro-forma adjustments related to the U.S. parent and U.S. subsidiaries.

- (h) For purposes of the Company's basic and diluted pro forma loss per share calculations, the Company has used the following amounts of shares of common stock of reorganized Spectrum outstanding as of August 30, 2009, or the fresh start adoption date:

Direct shares issued to holders of allowed noteholder claims	27,030,000
Shares issued pursuant to the terms of the DIP Facility	2,970,000

	30,000,000
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Spectrum Brands, Inc. and Subsidiaries

Unaudited Pro Forma Condensed Consolidated Balance Sheet