

Graham Packaging Co Inc.  
Form S-1/A  
December 22, 2010  
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As filed with the Securities and Exchange Commission on December 21, 2010

Registration No. 333-170321

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**AMENDMENT NO. 1**  
**TO**  
**FORM S-1**  
**REGISTRATION STATEMENT**

*UNDER*

*THE SECURITIES ACT OF 1933*

**Graham Packaging Company Inc.**

(Exact name of registrant as specified in its charter)

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<b>Delaware</b> (State or other jurisdiction of incorporation or organization)	<b>3080</b> (Primary Standard Industrial Classification Code Number) 2401 Pleasant Valley Road	<b>52-2076126</b> (I.R.S. Employer Identification Number)
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York, Pennsylvania 17402

(717) 849-8500

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

**David W. Bullock**

2401 Pleasant Valley Road

York, Pennsylvania 17402

(717) 849-8500

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

*With a copy to:*

**Richard A. Fenyes, Esq.**

**Simpson Thacher & Bartlett LLP**

425 Lexington Avenue

New York, New York 10017

(212) 455-2000

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

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, 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 post-effective amendment filed pursuant to Rule 462(d) 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.

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.

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Large accelerated filer

Accelerated filer

Non-accelerated filer   
(Do not check if a  
smaller reporting company)

Smaller reporting company

## CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share (1)	Proposed Maximum Aggregate Offering Price (2)	Amount of Registration Fee (3)
Common stock, par value \$0.01 per share (1)	6,507,559 shares	\$12.86	\$83,687,209	\$5,967

- (1) This Registration Statement registers 6,507,559 shares of our common stock, of which 6,298,288 shares of our common stock are issuable upon the exchange of an equivalent number of limited partnership units of Graham Packaging Holdings Company. This Registration Statement also relates to such additional shares of Common Stock as may be issued with respect to such shares of Common Stock by way of a stock dividend, stock split or similar transaction.
- (2) Estimated solely for the purpose of calculating the registration fee under Rule 457(c) of the Securities Act of 1933, as amended (the Securities Act ), based on the average of high and low prices of the common stock on December 14, 2010, as reported on the New York Stock Exchange.
- (3) \$5,471 of the filing fee was previously paid.

**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 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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SUBJECT TO COMPLETION, DATED DECEMBER 21, 2010.

**The information in this preliminary prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

PRELIMINARY PROSPECTUS

# Graham Packaging Company Inc.

**6,507,559 Shares**

**Common Stock**

**\$ per share**

We are registering the resale from time to time by the selling stockholders identified in this prospectus of up to 6,507,559 shares of our common stock, of which up to 6,298,288 shares of our common stock are issuable upon the exchange of an equivalent number of limited partnership units of Graham Packaging Holdings Company ( Holdings ). We are registering the resale of our common stock to permit holders of limited partnership units of Holdings to sell in the open market or otherwise any of our shares of common stock that they receive upon exchange of Holdings limited partnership units. The selling stockholders will receive all of the net cash proceeds from this offering. We will not receive any cash proceeds from the resale of our shares of common stock by the selling stockholders, but we have agreed to bear certain expenses related to the registration of such resale.

Our common stock is listed on the New York Stock Exchange under the symbol GRM. The last reported sale price of our common stock on the New York Stock Exchange on December 20, 2010 was \$13.49 per share.

***Investing in our common stock involves risk. See Risk Factors beginning on page 13.***

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

Prospectus dated \_\_\_\_\_, 2010.

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You should rely only on the information contained in this prospectus, incorporated by reference into this prospectus, or in any free writing prospectus that we authorize be delivered to you. We and the selling stockholders have not authorized anyone to provide you with additional or different information from that contained in, or incorporated by reference into, this prospectus. If anyone provides you with additional, different or inconsistent information, you should not rely on it. The selling stockholders are not making an offer to sell these securities in any jurisdiction where an offer or sale is not permitted. You should assume that the information in this prospectus or incorporated by reference into this prospectus is accurate only as of the date on the front cover, regardless of the time of delivery of this prospectus or of any sale of our common stock. Our business, prospects, financial condition and results of operations may have changed since that date.

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This prospectus incorporates by reference important information. You should read the information incorporated by reference before deciding to invest in shares of our common stock and you may obtain this information without charge by following the instructions under Where You Can Find More Information appearing elsewhere in this prospectus.

*Market data and certain industry forecasts used herein were obtained from internal surveys, market research, publicly available information and industry publications. While we believe that market research, publicly available information and industry publications we use are reliable, we have not independently verified market and industry data from third-party sources. Moreover, while we believe our internal surveys are reliable, they have not been verified by any independent source.*

All brand names and trademarks appearing in this prospectus are the property of their respective holders.

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**PROSPECTUS SUMMARY**

*This summary highlights certain significant aspects of our business and this offering, but it is not complete and does not contain all of the information that you should consider before making your investment decision. You should carefully read the entire prospectus and the information incorporated by reference into this prospectus, including the information presented under the section entitled Risk Factors and the financial data and related notes, before making an investment decision. This summary contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from future results contemplated in the forward-looking statements as a result of factors such as those set forth in Risk Factors and Special Note Regarding Forward-Looking Statements.*

*Unless the context otherwise requires, all references herein to we, our, us or GPC refer to Graham Packaging Company Inc. and its subsidiaries, including, since our acquisition of Liquid Container, Liquid Container's Entities and their subsidiaries (as such terms are defined under Recent Acquisitions and Related Transactions). All references herein to Holdings refer to Graham Packaging Holdings Company and its subsidiaries. All references herein to the Operating Company refer to Graham Packaging Company, L.P. and its subsidiaries. All references herein to Liquid Container refer to Graham Packaging LC, L.P. (formerly known as Liquid Container L.P.) and its subsidiaries. All references herein to selling stockholders refer to the Graham Family (as defined below); Roger M. Prevot; G. Robinson Beeson; Scott G. Booth; William J. Mertens; Robert E. Cochran, Jr.; George Stevens; David W. Cargile and Geoffrey Lu. All references herein to Blackstone refer to The Blackstone Group L.P. and its affiliates. All references herein to the Graham Family refer to GPC Holdings, L.P.; Graham Alternative Partners I; Graham Capital Company; Graham Engineering Corporation; and their affiliates or other entities controlled by Donald C. Graham and his family. Unless the context otherwise requires, all references herein to the Board refer to the board of directors of Graham Packaging Company Inc.*

**Our Company**

We are a worldwide leader in the design, manufacture and sale of value-added, custom blow molded plastic containers for branded consumer products. We operate in product categories where customers and end users value the technology and innovation that our custom plastic containers offer as an alternative to traditional packaging materials such as glass, metal and paperboard. We selectively pursue opportunities where we can leverage our technology portfolio to continue to drive the trend of conversion to plastic containers from other packaging materials. Our customers include leading multi-national and regional blue-chip consumer product companies that seek customized, sustainable plastic container solutions in diverse and stable end markets, such as the food and beverage and the household consumer products markets. We believe we are well-positioned to meet the evolving needs of our customers who often use our technology to differentiate their products with value-added design and performance characteristics such as smooth-wall panel-less bottles, unique pouring and dispensing features, multilayer bottles incorporating barrier technologies to extend shelf life, and ultra lightweight bottles with hot-fill capabilities that allow containers to be filled at high temperatures.

We believe we have the number one market share positions in North America for hot-fill juices, sports drinks/isotonics, yogurt drinks, liquid fabric care, dish detergents, hair care, skin care and certain other products. For the year ended December 31, 2009, approximately 90% of our net sales from continuing operations were realized in these product categories. We do not participate in markets where technology is not a differentiating factor, such as the carbonated soft drink or bottled water markets.

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Our value-added products are supported by more than 1,000 issued or pending patents. We strive to provide the highest quality products and services to our customers, while remaining focused on operational excellence and continuous improvement. These priorities help to reduce our customers' costs, while also maximizing our financial performance and cash flow. As of September 30, 2010, we had a network of 97 manufacturing facilities through which we supply our customers. Approximately 31% of these 97 manufacturing facilities are located on site at our customers' plants. The vast majority of our sales are made pursuant to long-term customer contracts that include the pass-through of the cost of plastic resin, as well as mechanisms for the pass-through of certain other manufacturing costs.

Collectively, our product portfolio, technologies, end markets and operations all contribute to our industry-leading margins and strong cash flow.

On September 23, 2010, we acquired the Liquid Container Entities, which we view as strategically important to us. Liquid Container is a custom blow molded plastic container manufacturer based in West Chicago, Illinois, that primarily services food and household product categories. In the food category, Liquid Container produces packaging for peanut butter, mayonnaise, coffee, creamer, cooking oil, nuts, instant drink mixes, and other food items. The household category consists of containers for bleach, laundry detergent, spray cleaners, automotive cleaning products, drain cleaners, and other consumer-based household products. Liquid Container utilizes high density polyethylene ( HDPE ), polyethylene terephthalate ( PET ), and polypropylene resins to manufacture their containers. Liquid Container employs approximately 1,000 employees in its 14 non-union plants located across the United States. Seven of the plants are near sites, operating within a few miles of their customers' production facilities. For the year ended December 31, 2009, on a pro forma basis for the Transactions, we would have generated net sales of approximately \$2,626.5 million.

### **Our Markets**

We supply plastic containers to a significant number of end markets and geographies. Our products provide differentiated packaging for consumer products that help address basic needs such as nutrition, hygiene and home care. The end markets we supply are generally characterized by stable, long-term demand trends that are relatively insulated from economic cycles.

In our food and beverage product category, which represented 61.0% of our net sales from continuing operations for the year ended December 31, 2009, we produce containers for a broad array of end markets that have accepted plastic as the preferred packaging material, such as the markets for juices and juice drinks, yogurt drinks, teas, sports drinks/isotonics and vitamin enhanced waters, as well as snacks, liquor, toppings, jellies and jams. Based on our knowledge and experience in the industry, our focus on markets which are likely to convert to plastic and the technology and innovation we bring to our customers and our current market position, we believe we are strategically positioned to benefit from the considerable market opportunity that remains in categories yet to convert, or that are in the early stages of conversion, to plastic containers, including beer, sauces, salsas and nutritional products.

In addition, we supply the household, personal care/specialty and automotive lubricants product categories, which represented 18.6%, 7.6% and 12.8%, respectively, of our net sales from continuing operations for the year ended December 31, 2009. We produce containers for liquid fabric care, dish care, hard-surface cleaners, hair care, skin care and oral care products, as well as automotive lubricants.

For the year ended December 31, 2009, we generated approximately 86% of our net sales from continuing operations in North America. We have a meaningful international presence, and we expect to continue to grow alongside our multi-national customers as they expand into new geographies. We are well-positioned through our existing international locations, customer partnerships and joint ventures to take advantage of emerging demand.

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trends in markets such as Latin America, Eastern Europe, India and the rest of Asia. These markets offer compelling opportunities for our custom plastic containers due to changing consumption patterns, increasing penetration rates of packaged goods and emerging consumer bases.

### **Our Strengths**

***Global Leader in the Value-Added Plastic Packaging Market.*** We believe we are one of the few companies that can provide value-added custom plastic containers on a global scale, manufactured from a variety of resins. For the year ended December 31, 2009, approximately 90% of our net sales from continuing operations were realized in our custom product categories. We have deliberately focused our technologies and assets on key custom markets that tend to support higher global growth and margins. We believe we have the leading domestic market position for custom plastic containers for juice, beer, yogurt drinks, frozen concentrate and pasta sauce and the leading position in Europe for custom plastic containers for yogurt drinks. In addition, we have grown internationally alongside our multi-national consumer product customers. Our proven business model positions us to benefit from the continued growth of our existing consumer product customers in international markets where we anticipate significant demand for plastic containers.

***Strategically Positioned to Benefit from Secular Trends in Packaging.*** We believe we are a leader in the conversion to plastic containers for many major product categories such as shelf-stable, chilled and frozen concentrate juices, beer, food products, energy drinks and ready-to-drink teas. The conversion to plastic containers from other packaging materials has been accelerated by technological advancements, changing consumer preferences and an increased focus on lightweight, sustainable packaging. The advantages of plastic containers, such as shatter resistance, reduced shipping weight, ease of opening and dispensing and resealability, have established plastic as the packaging material of choice on a global basis. We believe we are well positioned to use our technology to help drive the conversion in categories yet to convert, or that are in the early stages of conversion, to plastic containers.

***Stable, Long-Term Customer Relationships.*** We have enjoyed long-standing relationships with our largest and most important customers due to our technology, innovation, product quality and our ability to reduce our customers' packaging costs. The majority of these customers are under long-term contracts and have been doing business with us, on average, for over 20 years. We believe we have helped establish the branding for many of our top customers, and in some cases, we are the sole source provider in multiple geographies. These efforts have led to awards from several of our major customers, including Heinz Supplier of the Year (2006, 2007, 2008 and 2009), 2008 Anheuser Busch Select Supplier, 2007 Dannon Supplier of the Year, 2005 Miller Beer Supplier of the Year and 2008 Abbott Supplier Excellence Award.

***Superior Technology with Long History of Innovation.*** We use technology and innovation to drive conversions, as well as to deliver solutions that meet our customers' needs for new designs, product performance requirements, cost management and sustainability. We have demonstrated significant success in designing plastic containers that include customized features such as smooth-wall panel-less bottles, complex shapes, reduced weight, handles, grips, view stripes, pouring features and graphic-intensive customized labeling. Our products must often meet specialized performance and structural requirements, such as hot-fill capability, recycled material usage, oxygen and carbon dioxide barriers, flavor protection and multi-layering. Our strong design capabilities have been especially important to our customers, who generally use packaging to differentiate and add value to their brands, which enable them to spend less on promotion and advertising. We have filed for over 1,000 patents over the past five years for our design and functional package innovations.

***On-Site Model Provides Stability and Global Opportunities.*** Approximately 31% of our 97 manufacturing facilities are located on-site at our customers' plants. Our on-site plants enable us to work closely with our customers, reducing working capital needs through just-in-time inventory management,

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generating significant savings opportunities through process re-engineering and eliminating freight and warehouse expenses. In many cases, our on-site operations are integrated with our customers' manufacturing operations, so our products are delivered by direct conveyance to the customers' filling lines. As our customers expand globally, our on-site model offers us opportunities to expand alongside our customers in attractive, high-growth markets, while minimizing our investment risk.

***Leader in Sustainability.*** We have emerged as a leader in sustainability initiatives within the packaging industry. We believe we are the only provider of 100% post-consumer resin ( PCR ) containers for food and juice applications. Our product design capabilities capitalize on the inherent benefits of plastic to produce lightweight bottles that help our customers reduce material usage, lower container weight, save freight costs and improve product-to-package ratios. Our on-site business model also helps eliminate unnecessary freight costs by providing a product source close to our customers, as well as helping to synchronize demand planning with our customers' plants to further reduce inefficiency. We also provide PCR as a resin source alternative for our customers and produce PCR ourselves at our Graham Recycling Plant in York, Pennsylvania.

***Focus on Operational Excellence.*** We strive to provide the highest quality products to our customers, while continually eliminating inefficiency and reducing costs. We are committed to improve productivity and reduce non-value-added activities and costs in our production processes, purchasing activities, selling, general and administrative expenses, capital expenditures and working capital. For example, from January 1, 2006, through September 30, 2010, we closed or merged several plants that did not meet our internal performance criteria; we implemented information systems to analyze customer profitability and drove subsequent improvement actions and exited certain relationships; we centralized nearly all procurement activities; and we benchmarked and subsequently reduced selling, general and administrative expenses. We utilize our Graham Performance System, a bi-weekly performance management review of our continuous improvement process, where we measure performance and track progress on initiatives relating to safety, quality, productivity, capital expenditures, working capital and other actions leading to improved financial performance. Overall, we have a strong pipeline of specific cost reduction opportunities, which we intend to implement to optimize our cost structure.

***Attractive, Stable Margins and Strong Cash Flow Generation.*** Our strong profit margins, combined with our disciplined approach to capital expenditures, focus on higher margin business opportunities and stringent working capital management, enable us to generate strong and recurring cash flow. The stability of our margins is enhanced by the pass-through of the cost of resin to customers by means of corresponding changes in product pricing. For the nine months ended September 30, 2010, we generated \$182.7 million in cash flow from operations, which reduced our net debt (total outstanding indebtedness net of cash and cash equivalents) and enabled us to make strategic investments in our business. We also have a very strong liquidity position with \$170.0 million of cash and cash equivalents as of September 30, 2010 and significant availability under our senior secured revolving credit facility. Additionally, the majority of our indebtedness matures in 2014 and beyond. In addition, our cash taxes are minimized by net operating losses and other tax assets. We believe our strong financial position allows us to serve our customers effectively and pursue our strategic plan of stable and profitable growth while maximizing cash flow, reducing financial leverage and increasing stockholder returns.

***Experienced Management Team with Meaningful Equity Incentives.*** We have recruited a world-class management team that has successfully executed on transformational company initiatives over the past three years. Their achievements include: increasing our gross margin; decreasing our selling, general and administrative expenses; reducing our annual capital expenditures; generating improved cash flow; reducing our financial leverage; improving our return on capital employed; executing our sustainability initiatives; and expanding our business in high-growth markets, including India and China. Our senior managers are meaningfully invested in our performance, which gives them an ongoing stake in the creation of stockholder value. After giving effect to the offering contemplated in this prospectus, management currently owns approximately 2.0% of our common stock on a fully diluted basis.

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### **Our Strategy**

We intend to capitalize on our leadership positions in value-added custom plastic containers to increase our earnings before interest, taxes, depreciation and amortization ( EBITDA ) and cash flow in order to reduce our financial leverage and increase stockholder return. We seek to achieve this objective by pursuing the following strategies:

***Manage our Business for Stable Growth and Strong Cash Flow Generation.*** We primarily serve the food and beverage and the household consumer products markets, which tend to be relatively stable due to the underlying demand characteristics of these markets. We will continue to manage our business for growth that meets our disciplined financial performance criteria. We plan to continue to generate cash flow through EBITDA growth and disciplined capital expenditure and working capital management. Our stable growth and strong cash flow will allow us to reduce our financial leverage and increase stockholder return.

***Leverage Our Technology Portfolio to Meet the Needs of Our Customers.*** Most of our customers use packaging to differentiate their products in order to improve their profit margins and market share. We plan to build on our track record of delivering innovations that add value through differentiated shapes and features, and technologies that provide specialized performance and structural attributes. We will also continue to build on our long history of success in meeting the evolving sustainability needs of our customers including reduced raw material content (lightweighting) and increased use of recycled content.

***Targeted Organic Growth in Attractive Markets Utilizing Our Proven Business Model.*** We intend to drive conversions to plastic packaging in markets such as beer, sauces, salsas and nutritional products. These markets allow us to grow through the deployment of our proven technologies to new applications which can often result in new on-site opportunities. We will also seek opportunities in new markets, including high-growth emerging markets such as Latin America, Eastern Europe, India and the rest of Asia. These markets offer compelling opportunities for our custom plastic containers due to changing consumption patterns, increasing penetration rates of packaged goods and emerging consumer bases.

***Continue to Focus on Operational Excellence.*** Our goal is to be the highest quality, most cost-effective provider of value-added custom plastic containers in our markets. We believe we have established a track record of implementing operational improvements and building a lean operating and overhead structure. We intend to focus on further cost reductions through continuous improvement initiatives, leveraging our design and process technology and maintaining our rigorous operational management systems. We believe our focus on operational improvement will continue to drive customer quality, capital efficiency, cash flow and ultimately return on capital employed.

***Supplement Organic Growth with Opportunistic and Accretive Strategic Investments.*** In addition to our primary organic growth strategy, we plan to consider selective investments, joint ventures and strategic acquisitions to supplement our growth objectives. We intend to focus on disciplined and accretive investments that leverage our core strengths in custom plastic containers and enhance our current product, market, geography and customer strategies.

### **Liquid Container Acquisition Strategy**

Liquid Container represents a strategically important acquisition for us as it expands our customer reach within our existing food and consumer products end markets while providing us with additional technological capabilities and an expansion of our geographical reach.

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**Customer Expansion within Existing End Markets.** The Liquid Container Acquisition will significantly increase the size and scope of our operations, particularly in the food category (which represents approximately 76% of Liquid Container's unit sales volume) and provide us with considerable opportunities to convert new products to plastic containers. At the same time, we believe that the Liquid Container Acquisition will introduce us to new customers, particularly in the smaller-sized branded consumer products company space. Liquid Container's top five customers, who comprised approximately \$186 million, or 52%, of their sales in 2009, purchased only \$3 million from us, which is less than 1% of our 2009 net sales, providing us with the opportunity to cross-sell to each other's customers.

**Access to New Technologies.** Liquid Container has been a leader in custom blow molded plastic containers used in cold fill applications (peanut butter, mayonnaise, coffee, and creamer) as well as has new hot-fill technologies (ThermaSet™), which complement ours, and we believe can help drive new conversions. Additionally, we believe that Liquid Container's process and operational expertise, combined with ours, can create additional efficiencies across the combined manufacturing footprint.

**Geographical Expansion.** Liquid Container's 14 plants are located in the U.S. and bring us additional manufacturing capacity in regions where our business lacks a robust footprint. In particular, Liquid Container has two plants in California and three in the southern U.S., as well as some additional capacity on the East Coast, that can provide a base for future production. While Liquid Container has been focused solely on the U.S. market, their key customers do have multinational presence. We believe there is an opportunity to service those customers' international operations with our existing footprint, especially in Latin America.

**Similar Attractive Financial Profile.** Liquid Container has strong, long-term customer relationships, serving consumer staple markets in the food and household categories. Similar to us, Liquid Container uses technology and operational excellence to serve their customer base with innovation and cost effective packaging solutions. Liquid Container has resin pass through mechanisms in the majority of their contracts, helping to further stabilize margins from resin commodity price swings. Liquid Container's strong profit margins and disciplined capital spending have led to strong cash flow generation.

**Opportunity for Cost Savings.** We believe the combined purchasing power can yield savings in freight, energy, outside services, leased equipment, and miscellaneous raw materials such as packaging, pallets, shrink wrap, and spare parts. We also believe we can gain operating efficiencies at Liquid Container's facilities by implementing projects from our Graham Performance System continuous improvement process. These projects range from energy and air compression audits to outside warehousing, material handling efficiencies, and line speed improvements. Additionally, we believe we can eliminate overlapping corporate functions and expenses.

## **Risks Related to Our Business, Our Indebtedness and this Offering**

Before you invest in our common stock, you should be aware that there are various risks related to, among other things: competition; development of product innovations; protection of proprietary technology; reliance on our largest customers; decreases in customer purchase amounts; increases in resin prices or decreases in resin supply; foreign currency fluctuations; local laws in several countries; asset impairment charges; goodwill impairment charges; our dependence on key personnel; new acquisitions; labor relations; our dependence on blow molding equipment; environmental costs and liabilities; risks associated with being deemed an investment company; difficulties in profit generation; our substantial leverage; the possibility that we may incur additional leverage; restrictive covenants in our debt agreements; inability to renew or replace our debt on favorable terms or at all; the possibility of default under our credit agreement if a change of control occurs; the volatility of the market price of our common stock; sales of additional common stock or Holdings limited partnership units by existing owners; payments of certain tax benefits attributable to our existing owners; that we are dependent on

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Holdings for distributions; the possibility that we may not pay cash dividends; anti-takeover provisions; the control of our company by Blackstone; and being a controlled company under New York Stock Exchange rules. For more information about these and other risks, please read Risk Factors. You should carefully consider these risk factors together with all of the other information in this prospectus or incorporated by reference into this prospectus.

### **Corporate History and Information**

We were incorporated in Delaware under the name BMP/Graham Holdings Corporation on November 5, 1997 in connection with the recapitalization transaction in which Blackstone, management and other investors became the indirect holders of 85.0% of the partnership interests of Holdings, which was completed on February 2, 1998. We are a holding company whose only material assets are the direct ownership of an 87.9% limited partnership interest in Holdings and 100% of the limited liability company interests of BCP/Graham Holdings L.L.C. ( BCP ), which holds a 2.9% general partnership interest in Holdings. We changed our name to Graham Packaging Company Inc. on December 10, 2009. We completed the initial public offering of our common stock on February 17, 2010, in which we issued 16,666,667 common shares and raised net proceeds of approximately \$150.0 million. On March 16, 2010, we completed the sale of additional 1,565,600 common shares offered to the underwriters and received approximately \$14.7 million of net proceeds. Our common stock is listed on the New York Stock Exchange and is traded under the symbol GRM.

The predecessor to Holdings, controlled by the predecessors of the Graham Family, was formed in the mid-1970s as a regional domestic custom plastic container supplier. Holdings was formed under the name Sonoco Graham Company on April 3, 1989, as a Pennsylvania limited partnership. It changed its name to Graham Packaging Company on March 28, 1991, and to Graham Packaging Holdings Company on February 2, 1998. The primary business activity of Holdings is its direct and indirect ownership of 100% of the partnership interests in the Operating Company. The Operating Company was formed under the name Graham Packaging Holdings I, L.P. on September 21, 1994, as a Delaware limited partnership and changed its name to Graham Packaging Company, L.P. on February 2, 1998, in connection with the 1998 recapitalization. On October 7, 2004, we acquired the blow molded plastic container business of Owens-Illinois, Inc. ( O-I Plastic ), which essentially doubled our size. Our operations have included the operations of O-I Plastic since the acquisition date.

Our principal executive offices are located at 2401 Pleasant Valley Road, York, Pennsylvania 17402, telephone (717) 849-8500. We and Holdings file annual, quarterly and current reports and other information with the Securities and Exchange Commission (the SEC ). Those filings with the SEC are, and will continue to be, available to the public on the SEC's website at <http://www.sec.gov>. Those filings are, and will continue to be, also available to the public on, or accessible through, our corporate web site at <http://www.grahampackaging.com>. The information contained on our website or that can be accessed through our website neither constitutes part of this prospectus nor is incorporated by reference into this prospectus.

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**Recent Acquisitions and Related Transactions**

On July 1, 2010, we acquired China Roots Packaging PTE Ltd. ( China Roots ), a plastic container manufacturing company located in Guangzhou, China, for approximately \$15 million, subject to certain adjustments. China Roots manufactures plastic containers and closures for food, health care, personal care and petrochemical products. Its customers include several global consumer product marketers. In 2009, China Roots net sales were approximately \$16.3 million.

On September 23, 2010, we acquired the Liquid Container Entities (as defined below) from each of the limited partners (the Liquid Limited Partners ) of Liquid Container L.P. (currently known as Graham Packaging LC, L.P. ) ( Liquid L.P. ) and each of the stockholders (the Stockholders ) of (i) Liquid Container Inc. ( Liquid ), a Delaware corporation, (ii) CPG-L Holdings, Inc. ( CPG ), a Delaware corporation, and (iii) WCK-L Holdings, Inc. ( WCK ) and, together with Liquid and CPG, the Liquid General Partners ), a Delaware corporation. Liquid L.P. and the Liquid General Partners are collectively referred to as the Liquid Entities. We purchased all the shares from the Stockholders and all of the limited partnership units from the Liquid Limited Partners (collectively, the Liquid Acquisition ) for approximately \$564.3 million, subject to a potential working capital adjustment.

In connection with the Liquid Container Acquisition, on September 23, 2010, we issued the 8.25% senior notes due 2018 in the aggregate amount of \$250.0 million (the 2018 Senior Notes ).

On September 23, 2010, we entered into the Sixth Amendment to the Credit Agreement (the Amendment ), amending our credit agreement dated as of October 7, 2004. Pursuant to the Amendment, and in connection with the acquisition of the Liquid Container Entities, we also entered into a new senior secured term loan facility in an aggregate principal amount of \$913.0 million ( Term Loan D ) and extinguished the amount outstanding under the existing senior secured term loan due October 7, 2011 ( Term Loan B ) in the amount of \$563.7 million, including accrued interest. The remaining proceeds were used to finance the Liquid Container Acquisition and pay related costs and expenses. The Term Loan D will mature on the earliest of (i) September 23, 2016, (ii) the date that is 91 days prior to the maturity of the Company s 8.25% senior notes due January 2017 if such senior notes have not been repaid or refinanced in full by such date or (iii) the date that is 91 days prior to the maturity of the Company s 9.875% senior subordinated notes due October 2014 if such senior notes have not been repaid or refinanced in full by such date.

The purchase agreement related to the Liquid Entities contains a stated purchase price of \$568.0 million, plus cash on hand, minus certain indebtedness and subject to a potential working capital adjustment, resulting in a payment by us of \$564.3 million on September 23, 2010. Included in this amount was a payment of \$208.2 million to satisfy existing indebtedness of the Liquid Entities, including accrued interest, then outstanding. As of September 30, 2010, additional indebtedness of approximately \$7.1 million remained outstanding and was subsequently repaid on December 1, 2010. The Company and the sellers are in the process of finalizing the working capital adjustment and this adjustment could be material.

The Liquid Container Acquisition, the related borrowings under the Term Loan D, the issuance of the 2018 Senior Notes, the repayment of the Liquid Container Entities existing indebtedness, the Refinancing and the payment of related fees and expenses are collectively referred to in this prospectus as the Transactions.

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**The Offering**

Common stock offered by the selling stockholders	Up to 6,507,559 shares of our common stock may be offered by the selling stockholders, of which 6,298,288 are issuable by us to the selling stockholders upon the exchange of an equivalent number of limited partnership units of Holdings.
Common stock outstanding immediately after this offering	69,365,549 shares, assuming the exchange of 6,298,288 limited partnership units of Holdings for 6,298,288 of shares of our common stock.
Use of proceeds	The selling stockholders will receive all net cash proceeds from the resale of the shares of our common stock in this offering.
Dividend policy	We currently expect to retain future earnings, if any, for use in the operation and expansion of our business and in the repayment of our debt and do not anticipate paying any cash dividends in the foreseeable future. Our ability to pay dividends on our common stock is limited by the covenants of our senior secured credit agreement and indentures and may be further restricted by the terms of any future debt or preferred securities. See Dividend Policy and Description of Indebtedness.
NYSE ticker symbol	GRM

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**SUMMARY FINANCIAL DATA**

The following tables set forth our summary historical consolidated financial data for and at the end of each of the years in the five-year period ended December 31, 2009, and for the nine-month periods ended September 30, 2009 and 2010, respectively.

The summary consolidated statement of operations data and the summary consolidated cash flow data for the years ended December 31, 2007, 2008 and 2009 and the summary consolidated balance sheet data as of December 31, 2008 and 2009 have been derived from our audited consolidated financial statements included in reports incorporated herein by reference. The summary consolidated statement of operations data and the summary consolidated cash flow data for the year ended December 31, 2006, and the summary consolidated balance sheet data as of December 31, 2007, presented below, have been derived from our audited consolidated financial statements not incorporated herein by reference. The summary consolidated statement of operations data and the summary consolidated cash flow data for the year ended December 31, 2005, and the summary consolidated balance sheet data as of December 31, 2005 and 2006, presented below, are unaudited.

The summary consolidated financial data as of and for the nine-month periods ended September 30, 2009 and 2010, have been derived from unaudited consolidated financial statements included in reports incorporated herein by reference. In the opinion of management, these unaudited consolidated financial statements include all adjustments, consisting only of usual recurring adjustments, necessary for fair presentation of such data. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or any future period.

The information in the following tables gives effect to the 1,465.4874-for-one stock split of our common stock which occurred on February 4, 2010.

On November 12, 2009, the Company paid 2.3 million euros (approximately \$3.5 million) to sell all of the shares of its wholly-owned subsidiary Graham Emballages Plastiques S.A.S., located in Meaux, France, to an independent third party. The Company's exit from this location was due to its failure to meet internal financial performance criteria. The Company determined that the results of operations for this location, which had previously been reported in the Europe segment, would be reported as discontinued operations, in accordance with the guidance under Accounting Standards Codification (ASC) 205-20, Discontinued Operations. The Company's consolidated statements of operations have been restated to reflect these discontinued operations. Accordingly, the selected financial data below, unless otherwise indicated, is based on results from continuing operations.

The following tables are qualified in their entirety by, and should be read in conjunction with, the information under Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, which are incorporated herein by reference, and the historical financial statements and related notes included in reports incorporated herein by reference.

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	Year Ended December 31,					Nine Months Ended	
	2005	2006	2007	2008	2009	2009	2010
	(In millions except share and per share data)						
	(Unaudited)					(Unaudited)	
<b>STATEMENT OF OPERATIONS DATA:</b>							
Net sales (1)	\$ 2,447.8	\$ 2,500.4	\$ 2,470.9	\$ 2,559.0	\$ 2,271.0	\$ 1,736.4	\$ 1,868.8
Cost of goods sold (1)	2,153.3	2,212.3	2,129.4	2,183.3	1,866.6	1,418.3	1,533.8
Gross profit (1)	294.5	288.1	341.5	375.7	404.4	318.1	335.0
Selling, general and administrative expenses	127.2	131.3	136.2	127.6	122.4	89.5	140.2
Asset impairment charges (2)	7.0	25.9	157.7	96.1	41.8	14.2	3.7
Net loss on disposal of fixed assets	13.7	14.3	19.5	6.8	6.5	4.4	2.2
Operating income	146.6	116.6	28.1	145.2	233.7	210.0	188.9
Interest expense	184.7	205.3	205.9	180.0	176.9	127.0	131.0
Interest income	(0.6)	(0.6)	(0.9)	(0.8)	(1.1)	(0.8)	(0.5)
Net loss (gain) on debt extinguishment (3)		2.1	4.5				