

OWENS ILLINOIS INC /DE/
Form S-3ASR
October 29, 2010
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As filed with the Securities and Exchange Commission on October 29, 2010.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Owens-Illinois, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

One Michael Owens Way

Perrysburg, Ohio 43551-2999

(567) 336-5000

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

22-2781933

(I.R.S. Employer
Identification Number)

James W. Baehren
Senior Vice President Strategic Planning,
General Counsel and Secretary
One Michael Owens Way

Perrysburg, Ohio 43551-2999

(567) 336-5000

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

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Copy to:

Scott C. Herlihy, Esq.

Latham & Watkins LLP

555 Eleventh Street, NW, Suite 1000

Washington, DC 20004

(202) 637-2200

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

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, 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, 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.

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Large accelerated filer x Accelerated filer o Non-accelerated filer o Smaller reporting company o
 (Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)		Proposed maximum offering price per share (2)		Proposed maximum aggregate offering price (2)		Amount of registration fee (2)
Common Stock, \$0.01 par value per share	14,534,298	\$	27.52	\$	399,983,881	\$	28,518.85

- (1) Represents the number of shares of our common stock (the Common Stock) issuable upon exchange of 3.00% Exchangeable Senior Notes due 2015 (the Notes) of Owens-Brockway Glass Container Inc., an indirect, wholly-owned subsidiary, at an exchange rate corresponding to the initial exchange rate of 21.0642 shares of our Common Stock per \$1,000 principal amount of the Notes. In accordance with Rule 416(a) under the Securities Act of 1933, as amended (the Securities Act), this Registration Statement covers any additional shares of Common Stock as may be issued in connection with any stock dividend, stock split, recapitalization or other similar transaction.
- (2) Estimated in accordance with Rule 457(c) under the Securities Act of 1933 solely for the purpose of calculating the registration fee. The Proposed maximum offering price per share is based upon the average of the high and low prices for the Company s Common Stock as reported on the New York Stock Exchange on October 26, 2010 (\$27.52).

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PROSPECTUS

Owens-Illinois, Inc.

COMMON STOCK

On May 7, 2010 and May 20, 2010, Owens-Brockway Glass Container Inc. (Owens-Brockway), our indirect, wholly-owned subsidiary, issued and sold \$690,000,000 3.00% Exchangeable Senior Notes due 2015, which we refer to as the Notes, in a private placement exempt from registration under the Securities Act. Upon an exchange of a Note, Owens-Brockway will pay an amount of cash and we will deliver a number of shares of our Common Stock, if any, to the exchange holder for each \$1,000 principal amount of Notes exchanged based on a formula tied to the trading price of our Common Stock. The exchange rate for the Notes initially equals 21.0642 shares of our Common Stock per \$1,000 principal amount of the Notes. Exchanging holders may use this prospectus to re-sell from time to time shares of our Common Stock issuable upon exchange of the Notes. We will not receive any of the proceeds from the sale of our Common Stock by the selling stockholders.

Our Common Stock is listed for trading on the New York Stock Exchange under the symbol OI. On October 28, 2010, the closing sale price of our Common Stock as reported on the New York Stock Exchange was \$27.50 per share.

Investing in our Common Stock involves risks. Please read Risk Factors beginning on page 3 of this prospectus.

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

The date of this prospectus is October 29, 2010.

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ABOUT THIS PROSPECTUS

You should rely only on the information contained or incorporated by reference in this prospectus and in any prospectus supplement. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. No offer of the securities covered by this prospectus is being made in any jurisdiction where the offer is not permitted. You should assume that the information appearing in this prospectus, any prospectus supplement and any other document incorporated by reference is accurate only as of the date on the front cover of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

Under no circumstances should the delivery to you of this prospectus create any implication that the information contained in this prospectus is correct as of any time after the date of this prospectus.

Unless otherwise indicated or unless the context otherwise requires, all references in this prospectus to O-I, OI Inc., Owens-Illinois, the Company, we, us, and our mean Owens-Illinois, Inc. and its wholly owned subsidiaries, including Owens-Illinois Group, Inc.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-3, of which this prospectus is a part, with the Securities and Exchange Commission (SEC) that registers the issuance and sale of the securities offered by this prospectus under the Securities Act. The registration statement, including the attached exhibits, contains additional relevant information about us. The rules and regulations of the SEC allow us to omit some information included in the registration statement from this prospectus.

We file annual, quarterly, and other reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. Our SEC filings are available to the public through the SEC s website at <http://www.sec.gov> and are also available free of charge through our web site at <http://www.o-i.com> as soon as reasonably practicable after we file them with, or furnish them to, the SEC. Other than the specific documents incorporated by reference, information on our web site is not incorporated into this prospectus or our other securities filings and does not form a part of this prospectus. You may also read and copy any materials we file with the SEC at the

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SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room.

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus information that we file with them. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of this prospectus. We incorporate by reference the documents listed below, other than any portions of the respective filings that were furnished (pursuant to Item 2.02 or Item 7.01 of current reports on Form 8-K or other applicable SEC rules) rather than filed:

- our annual report on Form 10-K for the year ended December 31, 2009 as filed with the SEC on February 10, 2010;
- our quarterly report on Form 10-Q for the quarter ended March 31, 2010, as filed with the SEC on April 29, 2010;
- our quarterly report on Form 10-Q for the quarter ended June 30, 2010, as filed with the SEC on July 29, 2010;
- our quarterly report on Form 10-Q for the quarter ended September 30, 2010, as filed with the SEC on October 28, 2010; and
- our current reports on Form 8-K, as filed with the SEC on May 7, 2010, May 21, 2010 and October 28, 2010.

All documents that we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and until the offerings hereunder are completed will be deemed to be incorporated by reference into this prospectus and will be a part of this prospectus from the date of the filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that also is or is deemed to be incorporated by reference in this prospectus modifies or supersedes that statement. Any statement that is modified or superseded will not constitute a part of this prospectus, except as so modified or superseded.

You may request a copy of these filings (other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing), at no cost, by writing to us at the following address or calling the following number:

Owens-Illinois, Inc.

One Michael Owens Way

Perrysburg, Ohio 43551-2999

(567) 336-5000

Attn: Investor Relations

FORWARD-LOOKING STATEMENTS

This document contains forward looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and Section 27A of the Securities Act of 1933. Forward-looking statements reflect the Company's current expectations and projections about future events at the time, and thus involve uncertainty and risk. It is possible the Company's future financial performance may differ from expectations due to a variety of factors including, but not limited to the following: (1) foreign currency fluctuations relative to the U.S. dollar, (2) changes in capital availability or cost, including interest rate fluctuations, (3) the general political, economic and competitive conditions in markets and countries where the Company has its operations, including the announced expropriation of the Company's operations in Venezuela, disruptions in capital markets, disruptions in the supply chain, competitive pricing pressures, inflation or deflation, and changes in tax rates and laws, (4) consumer preferences for alternative forms of packaging, (5) fluctuations in raw material and labor costs, (6) availability of raw materials, (7) costs and availability of energy, (8) transportation costs, (9) the ability of

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the Company to raise selling prices commensurate with energy and other cost increases, (10) consolidation among competitors and customers, (11) the ability of the Company to integrate operations of acquired businesses and achieve expected synergies, (12) unanticipated expenditures with respect to environmental, safety and health laws, (13) the performance by customers of their obligations under purchase agreements, and (14) the timing and occurrence of events which are beyond the control of the Company, including any expropriation of the Company's Venezuelan operations and events related to asbestos-related claims. It is not possible to foresee or identify all such factors. Any forward-looking statements in this document are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate in the circumstances. Forward-looking statements are not a guarantee of future performance and actual results or developments may differ materially from expectations. While the Company continually reviews trends and uncertainties affecting the Company's results of operations and financial condition, the Company does not assume any obligation to update or supplement any particular forward-looking statements contained in this document.

INDUSTRY AND MARKET DATA

We have obtained some industry and market share data from third-party sources that we believe are reliable. In many cases, however, we have made statements in this prospectus (or in documents incorporated by reference in this prospectus) regarding our industry and our position in the industry based on estimates made based on our experience in the industry and our own investigation of market conditions. We believe these estimates to be accurate as of the date of this prospectus. However, this information may prove to be inaccurate because of the method by which we obtained some of the data for our estimates or because this information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. As a result, you should be aware that the industry and market data included or incorporated by reference in this prospectus, and estimates and beliefs based on that data, may not be reliable. We cannot guarantee the accuracy or completeness of any such information.

OWENS-ILLINOIS, INC.

We are the largest manufacturer of glass containers in the world, with the leading position in Europe, North America, South America and Asia Pacific. Established in 1903, O-I employs more than 24,000 people with 81 plants in 22 countries. In 2009, net sales were \$7.1 billion.

RISK FACTORS

The securities to be offered by this prospectus may involve a high degree of risk. When considering an investment in any of the securities, you should consider carefully all of the risk factors described under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2009, or any other document filed by us with the SEC after the date of this prospectus (including, but not limited to, subsequent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, or amendments to such reports). If applicable, we will include in any prospectus supplement a description of those significant factors that could make the offering described in the prospectus supplement speculative or risky.

USE OF PROCEEDS

We will not receive any of the proceeds from the sale of shares of Common Stock by the selling stockholders.

SELLING STOCKHOLDERS

The following table, as it may be amended by supplements to this prospectus, sets forth information, as of the date hereof, with respect to the selling stockholders and the number of shares of our Common Stock that would become beneficially owned by each stockholder should we issue our Common Stock to such selling stockholder that may be offered pursuant to this prospectus upon the exchange or redemption of Owens-Brockway's 3.00% Exchangeable Senior Notes due 2015. The number of shares of our Common

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Stock issuable upon the exchange or redemption of the Notes shown in the table below assumes exchange of the full amount of Notes held by each selling stockholder at the maximum exchange rate of 21.0642 shares of our Common Stock per \$1,000 principal amount of Notes and a cash payment in lieu of any fractional share. The exchange rate is subject to adjustment in certain events but is not adjusted for accrued interest. As a result, the number of shares issuable upon exchange of the Notes may increase or decrease in the future.

No estimate can be given as to the number of shares of our Common Stock that each selling stockholder will own after the sale of any shares under this prospectus, because the selling stockholders may offer all, some or none of their respective shares. No selling stockholder named in the table below owns or will own more than 1% of our outstanding Common Stock before or after the offering.

Stockholder Name	Number of Shares of Common Stock Beneficially Owned Prior to Offering (1)	Number of Shares of Common Stock to be Offered (2)	Percentage Ownership of Common Stock After Offering (3)
KBC Financial Products USA Inc.	1,685	1,685	*
Columbia Convertible Securities Fund	94,789	94,789	*
Ellsworth Fund Ltd.	10,532	10,532	*
Bankcroft Fund Ltd.	10,532	10,532	*
Camden Asset Management, L.P. (Bank of America Pension Plan)	38,969	38,969	*
Camden Asset Management, L.P. (Citigroup Pension Plan)	5,266	5,266	*
Camden Asset Management, L.P. (Equity Overlay Fund, LLC)	13,692	13,692	*
Camden Asset Management, L.P. (John Deere Pension Plan Trust)	8,426	8,426	*
Camden Asset Management, L.P. (Hollowbattle)	148,503	148,503	*
Camden Asset Management, L.P. (Redbourn Partners, Ltd.)	125,332	125,332	*
Camden Asset Management, L.P. (Yawlfarer #1)	15,798	15,798	*
Camden Asset Management, L.P. (Yawlfarer #2)	12,639	12,639	*
O Connor Global Convertible Bond Master Limited	21,064	21,064	*
O Connor Global Multi-Strategy Alpha Master Limited	575,052	575,052	*
O Connor Global Convertible Arbitrage II Master Limited	75,304	75,304	*

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O Connor Opportunistic Strategies Limited	34,229	34,229	*
Man Umbrella SICAV	57,926	57,926	*
Alcon Laboratories	10,152	10,152	*
HFR CA Opportunity Master Trust	23,950	23,950	*
The Advent Convertible Arbitrage Master Fund	344,778	344,778	*
The Advent Convertible Arbitrage Fund , Cayman Fund II	84,193	84,193	*
San Francisco City and County Employee Retirement System	35,598	35,598	*
Occidental Petroleum Corporation	8,931	8,931	*
British Virgin Islands Social Security Board	5,708	5,708	*
Independence Blue Cross (KHPE Advent Convertible)	20,600	20,600	*
Pro Mutual	21,316	21,316	*
The Police and Fire Retirement System of the City of Detroit	11,016	11,016	*
Trustmark Insurance Company	2,296	2,296	*