

GEORGIA GULF CORP /DE/
Form PREM14A
September 05, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

GEORGIA GULF CORPORATION

(Name of Registrant as Specified in its charter)

(Name of Person(s) Filing Proxy Statement, if Other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common stock of Georgia Gulf Corporation

(2) Aggregate number of securities to which transaction applies:

35,200,000 (the exact number of shares of Georgia Gulf Corporation common stock issuable in the Merger (as defined herein) is equal to the greater of (a) 35,200,000 shares or (b) the product of (1) the number of shares of Georgia Gulf Corporation common stock issued and outstanding immediately prior to the effective time of the Merger, multiplied by (2) 1.02020202, divided by the number of shares of Splitco (as defined herein) common stock issued and outstanding immediately prior to the effective time of the Merger, subject to further adjustment as described herein).

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

\$38.27 (calculated in accordance with Rule 457(c) and 457(f) under the Securities Act of 1933 based on the average high and low prices of the common stock of Georgia Gulf Corporation as reported on the New York Stock Exchange on August 30, 2012)

(4) Proposed maximum aggregate value of transaction:

\$1,347,104,000

(5) Total fee paid:

\$154,379

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

\$154,379

(2) Form, Schedule or Registration Statement No.:

333-183724

(3) Filing Party:

Georgia Gulf Corporation

(4) Date Filed:

September 5, 2012

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EXPLANATORY NOTE

This proxy statement relates to the special meeting of stockholders of Georgia Gulf Corporation (Georgia Gulf) to approve the issuance of shares of Georgia Gulf s common stock in the merger (the Merger) of Grizzly Acquisition Sub, Inc., a Delaware corporation (Merger Sub), a wholly-owned subsidiary of Georgia Gulf, with and into Eagle Spinco Inc., a Delaware corporation (Splitco), a wholly-owned subsidiary of PPG Industries, Inc. (PPG), whereby the separate corporate existence of Merger Sub will cease and Splitco will continue as the surviving company and as a wholly-owned subsidiary of Georgia Gulf. Splitco has filed a registration statement on Form S-4 and Form S-1 (Reg. No. 333-183727) to register the shares of its common stock, par value \$0.001 per share, which will be distributed to PPG s shareholders pursuant to a spin-off or a split-off in the Merger, which shares of Splitco common stock will be immediately converted into shares of Georgia Gulf common stock in the Merger. In addition, Georgia Gulf has filed a registration statement on Form S-4 (Reg. No. 333-183724) to register the shares of its common stock, par value \$0.01 per share, which will be issued in the Merger.

Based on market conditions prior to the closing of the Merger, PPG will determine whether the shares of Splitco common stock will be distributed to PPG s shareholders in a spin-off or a split-off. In a spin-off, all PPG shareholders would receive a pro rata number of shares of Splitco common stock. In a split-off, PPG would offer its shareholders the option to exchange their shares of PPG common stock for shares of Splitco common stock in an exchange offer, which shares would immediately be exchanged for shares of Georgia Gulf common stock in the Merger, resulting in a reduction in PPG s outstanding shares. If the exchange offer is undertaken and consummated but the exchange offer is not fully subscribed because less than all shares of Splitco common stock owned by PPG are exchanged, the remaining shares of Splitco common stock owned by PPG would be distributed on a pro rata basis to PPG shareholders whose shares of PPG common stock remain outstanding after consummation of the exchange offer. Splitco has filed its registration statement under the assumption that the shares of Splitco common stock will be distributed to PPG shareholders pursuant to a split-off. This proxy statement and Georgia Gulf s registration statement on Form S-4 also assume that the shares of Splitco common stock will be distributed to PPG shareholders pursuant to a split-off. Once a final decision is made regarding the manner of distribution of the shares, this proxy statement, Splitco s registration statement on Form S-4 and S-1 and Georgia Gulf s registration statement on Form S-4 will be amended to reflect that decision, if necessary.

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Preliminary Copy

, 2012

MERGER PROPOSED YOUR VOTE IS IMPORTANT

You are cordially invited to attend the special meeting of stockholders of Georgia Gulf Corporation (Georgia Gulf) at a.m. local time, on , 2012, at . A notice of the special meeting and the proxy statement follow.

At the special meeting, you will be asked to approve a proposal to issue shares of Georgia Gulf common stock in connection with the combination of the chlor-alkali and derivatives business of PPG Industries, Inc. (PPG) with the business of Georgia Gulf through the merger (the Merger) of Grizzly Acquisition Sub, Inc., a Delaware corporation (Merger Sub), a wholly-owned subsidiary of Georgia Gulf, with and into Eagle Spinco Inc., a Delaware corporation (Splitco), a wholly-owned subsidiary of PPG, whereby the separate corporate existence of Merger Sub will cease and Splitco will continue as the surviving company and as a wholly-owned subsidiary of Georgia Gulf. You will also be asked to approve a proposal to approve adjournments or postponements of the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the issuance of shares of Georgia Gulf common stock in the Merger. **If the proposal to approve the issuance of shares of Georgia Gulf common stock in the Merger is not approved, the Merger cannot be completed.**

As more fully described in the accompanying proxy statement, in order to complete the Merger and the related transactions, PPG will separate and transfer substantially all of the assets and liabilities of its chlor-alkali and derivatives business to Splitco. In connection with this separation, Splitco will incur new indebtedness in the form of a term loan in the amount of approximately \$225.0 million, the proceeds of which will be distributed to PPG, and will issue senior notes in the amount of approximately \$675.0 million to PPG. PPG will then offer to PPG shareholders the right to exchange all or a portion of their shares of PPG common stock for shares of Splitco common stock in an exchange offer. If the exchange offer is consummated but is not fully subscribed, PPG will distribute the remaining shares of Splitco common stock on a pro rata basis to PPG shareholders whose shares of PPG common stock remain outstanding after consummation of the exchange offer.

Immediately after this distribution, the Merger and related transactions will be completed, and each share of Splitco common stock will be converted into the right to receive Georgia Gulf common stock based on the exchange ratio set forth in the Merger Agreement. Georgia Gulf expects to issue 35.2 million shares of Georgia Gulf common stock in the Merger, although the exact number of shares to be issued in the Merger will not be known until the closing date.

After consummation of the Merger, the chlor-alkali and derivatives business of PPG will be owned by Splitco, which will be a wholly-owned subsidiary of Georgia Gulf. Splitco will be the obligor under the term loan and senior notes, which will be guaranteed by Georgia Gulf and certain of its subsidiaries. Further, immediately after the consummation of the Merger, at least 50.5% of Georgia Gulf common stock is expected to be held by pre-Merger holders of PPG common stock and no more than 49.5% of Georgia Gulf common stock is expected to be held by pre-Merger Georgia Gulf stockholders. After the Merger, Georgia Gulf common stock issued will continue to be listed on the New York Stock Exchange under Georgia Gulf's current symbol, GGC.

Your board of directors believes that the Merger and the addition of the chlor-alkali and derivatives business of PPG should create value for Georgia Gulf stockholders by creating an integrated chemicals and building products leader with increased scale, enhancing Georgia Gulf's integration as a result of significant U.S. natural

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gas driven chlor-alkali production and providing Georgia Gulf with significant cost synergies and a strong capital structure. **As a result, your board of directors recommends that you vote FOR the proposal to issue shares of Georgia Gulf common stock in the Merger and FOR the proposal to approve adjournments or postponements of the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the issuance of shares of Georgia Gulf common stock in the Merger.**

All Georgia Gulf stockholders are cordially invited to attend the special meeting, although only those stockholders of record at the close of business on _____, 2012 are entitled to notice of the special meeting and to vote at the special meeting and any adjournments or postponements of the special meeting.

Your vote is very important. Please vote by completing, signing and dating the enclosed proxy card for the special meeting and mailing the proxy card to us, whether or not you plan to attend the special meeting. If you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be counted as a vote **FOR** each of the proposals presented at the special meeting. In addition, you may vote by proxy by calling the toll-free telephone number or by using the Internet as described in the instructions included with the enclosed proxy card. If you do not return your card, vote by telephone or by using the Internet, or if you do not specifically instruct your bank, broker or other nominee how to vote any shares held for you in _____ street name, _____ your shares will not be voted at the special meeting.

This document is a proxy statement of Georgia Gulf for its use in soliciting proxies for the special meeting. This document answers questions about the proposed merger, the related transactions and the special meeting, and includes a summary description of the merger and the related transactions. We urge you to review this entire document carefully. **In particular, you should consider the matters discussed under Risk Factors beginning on page 27.**

We thank you for your consideration and continued support.

Sincerely,

Paul D. Carrico

President and Chief Executive Officer

This document is dated _____, 2012 and is first being mailed to Georgia Gulf's stockholders on or about _____, 2012.

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NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To the Stockholders:

A special meeting of stockholders (the special meeting) of Georgia Gulf Corporation (Georgia Gulf) will be held at a.m. local time, on , 2012, at . The special meeting will be held for the following purposes:

1. to approve the issuance of shares of Georgia Gulf common stock in the Merger;
2. to adjourn or postpone the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the issuance of shares of Georgia Gulf common stock in the Merger; and
3. to transact any other business that may properly come before the special meeting or any adjourned or postponed session of the special meeting.

Georgia Gulf's board of directors has approved the Merger, the Transactions, the Merger Agreement, the Separation Agreement and the Additional Agreements (each as defined in this proxy statement), and determined that the Merger and the issuance of Georgia Gulf common stock in the Merger are advisable and in the best interests of Georgia Gulf and its stockholders. Georgia Gulf's board of directors recommends that stockholders vote FOR the proposal to issue shares of Georgia Gulf common stock in the Merger and FOR the proposal to approve adjournments or postponements of the special meeting for the purpose of soliciting additional proxies, if necessary or appropriate. If the proposal to approve the issuance of shares of Georgia Gulf common stock in the Merger is not approved, the Merger cannot be completed.

All Georgia Gulf stockholders are cordially invited to attend the special meeting, although only those stockholders of record at the close of business on , 2012 are entitled to notice of the special meeting and to vote at the special meeting and any adjournments or postponements of the special meeting.

WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING IN PERSON, PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED POSTAGE-PAID ENVELOPE OR VOTE YOUR SHARES OF GEORGIA GULF COMMON STOCK BY CALLING THE TOLL-FREE TELEPHONE NUMBER OR BY USING THE INTERNET AS DESCRIBED IN THE INSTRUCTIONS INCLUDED WITH YOUR PROXY CARD AT YOUR EARLIEST CONVENIENCE.

By Order of the Board of Directors,

Timothy Mann, Jr.

Executive Vice President, General Counsel and Secretary

Please vote your shares promptly. You can find instructions for voting on the enclosed proxy card.

, 2012

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REFERENCES TO ADDITIONAL INFORMATION

This document incorporates important business and financial information about Georgia Gulf from documents filed with the SEC that have not been included or delivered with this document. This information is available to Georgia Gulf stockholders without charge by accessing the SEC's website maintained at www.sec.gov, or upon written or oral request to Georgia Gulf Corporation, 115 Perimeter Center Place, Suite 460, Atlanta, Georgia 30346, Attention: Investor Relations, telephone: (770) 395-4500. See "Where You Can Find More Information; Incorporation by Reference."

All information contained or incorporated by reference in this document with respect to Georgia Gulf and Merger Sub and their respective subsidiaries, as well as information on Georgia Gulf after the consummation of the Transactions, has been provided by Georgia Gulf. All other information contained or incorporated by reference in this document with respect to PPG, Splitco or their respective subsidiaries, or the PPG Chlor-alkali and Derivatives Business and with respect to the terms and conditions of PPG's exchange offer has been provided by PPG. This document contains or incorporates by reference references to trademarks, trade names and service marks, including tri-ethane[®], VersaTrans[®] and Accu-Tab[®], that are owned by PPG and its related entities. Transitions[®] is a registered trademark of Transitions Optical, Inc.

The information included in this document regarding PPG's exchange offer is being provided for informational purposes only and does not purport to be complete. For additional information on PPG's exchange offer and the terms and conditions of PPG's exchange offer, Georgia Gulf's stockholders are urged to read Splitco's registration statement on Form S-4 and Form S-1 (Reg. No. 333-183727), Georgia Gulf's registration statement on Form S-4 (Reg. No. 333-183724), when each is available, and all other documents Splitco or Georgia Gulf file with the SEC relating to the Merger. This document constitutes only a proxy statement for Georgia Gulf stockholders relating to the special meeting and is not an offer to sell or a solicitation of an offer to purchase shares of Georgia Gulf common stock, PPG common stock or Splitco common stock.

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HELPFUL INFORMATION

In this document:

Additional Agreements means the Employee Matters Agreement, the Tax Matters Agreement, the Shared Facilities, Services and Supply Agreement, the Transition Services Agreement, the Servitude Agreement, the Electric Generation, Distribution and Transmission Facilities Lease, and the Chlorine, Liquid Caustic Soda and Hydrochloric Acid Sales Agreements;

ASC means the Financial Accounting Standards Board Accounting Standards Codification;

Chlorine, Liquid Caustic Soda and Hydrochloric Acid Sales Agreements means those certain agreements to be entered into at the date of the Separation between PPG and Georgia Gulf;

Chlorine Sales Agreement Amendment means the Amendment, dated as of July 18, 2012, to the Chlorine Sales Contract, dated as of January 1, 1985, as amended, between PPG and a subsidiary of Georgia Gulf;