

VARIFORM INC
Form S-4/A
September 05, 2008

As filed with the Securities and Exchange Commission on September 5, 2008
Registration No. 333-153262

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1
to
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Ply Gem Holdings, Inc.
(Exact name of Registrant as specified in its
charter)
Delaware
(State or other jurisdiction of incorporation or
organization)
3089
(Primary Standard Industrial Classification
Code Number)
20-0645710
(IRS Employer Identification No.)

Ply Gem Industries, Inc.
(Exact name of Registrant as specified in its
charter)
Delaware
(State or other jurisdiction of incorporation or
organization)
3089
(Primary Standard Industrial Classification
Code Number)
11-1727150
(IRS Employer Identification No.)

5020 Weston Parkway, Suite 400
Cary, North Carolina 27513
(919) 677-3900
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Shawn K. Poe
Ply Gem Holdings, Inc.
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(919) 677-3900
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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New York, New York 10019-6064
(212) 373-3000

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

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, 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(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.

Large accelerated filer "

Accelerated filer "

Non-accelerated filer (Do not check if a smaller reporting company) "
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	Proposed maximum aggregate offering price	Amount of registration fee
11.75% Senior Secured Notes Due 2013	\$700,000,000	100%	\$700,000,000 (1)	\$27,510 (2)
Guarantees of 11.75% Senior Secured Notes Due 2013	N/A	N/A	N/A	N/A (3)

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(f) of the Securities Act of 1933.

(2) The registration fee has been calculated pursuant to Rule 457(f) under the Securities Act of 1933. This amount has been previously paid.

(3) No additional consideration is being received for the guarantees, and, therefore no additional fee is required.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant s 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 this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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TABLE OF ADDITIONAL REGISTRANTS

Name	State or Other Jurisdiction of Incorporation or Organization	Primary Standard Industrial Classification Code Number	IRS Employer Identification Number
Great Lakes Window, Inc.	Ohio	3089	34-1548026
Kroy Building Products, Inc.	Delaware	3089	04-3248415
Napco, Inc.	Delaware	3089	13-3637496
Variform, Inc.	Missouri	3089	43-0799731
MWM Holding, Inc.	Delaware	3089	22-3889412
MW Manufacturers Inc.	Delaware	3089	63-0400153
AWC Holding Company	Delaware	3089	20-1096406
Alenco Holding Corporation	Delaware	3089	75-2908312
AWC Arizona, Inc.	Delaware	3089	30-3399914
Alenco Interests, L.L.C.	Delaware	3089	58-2609498
Alenco Extrusion Management, L.L.C.	Delaware	3089	76-0674041
Alenco Building Products Management, L.L.C.	Delaware	3089	76-0674044
Alenco Trans, Inc.	Delaware	3089	75-2908315
Glazing Industries Management, L.L.C.	Delaware	3089	76-0674043
New Alenco Extrusion, Ltd.	Texas	3089	76-0674016
New Alenco Window, Ltd.	Texas	3089	76-0674017
New Glazing Industries, Ltd.	Texas	3089	76-0674018
Alenco Extrusion GA, L.L.C.	Delaware	3089	74-2994904
Aluminum Scrap Recycle, L.L.C.	Delaware	3089	76-0674046
Alenco Window GA, L.L.C.	Delaware	3089	74-2994900
Alcoa Home Exteriors, Inc.	Ohio	3089	31-0459490
Ply Gem Pacific Windows Corporation	Delaware	3089	20-5169626

The address of each of the additional registrants is c/o Ply Gem Holdings, Inc., 5020 Weston Parkway, Suite 400, Cary, North Carolina 27513.

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THE
INFORMATION
IN THIS
PROSPECTUS IS
NOT COMPLETE
AND MAY BE
CHANGED. WE
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 STATE
WHERE THE
OFFER OR SALE
IS NOT
PERMITTED.

SUBJECT TO COMPLETION, DATED SEPTEMBER 5, 2008

PROSPECTUS

Ply Gem Industries, Inc.
Exchange Offer for \$700,000,000
11.75% Senior Secured Notes due 2013

The Notes and the Guarantees

- We are offering to exchange \$700,000,000 of our outstanding 11.75% Senior Secured Notes due 2013, which were issued on June 9, 2008 and which we refer to as the initial notes, for a like aggregate amount of our registered 11.75% Senior Secured Notes due 2013, which we refer to as the exchange notes. The initial notes were issued, and the exchange notes will be issued, under an indenture dated as of June 9, 2008.

- We will pay interest on the exchange notes semi-annually on June 15 and December 15 of each year, beginning on December 15, 2008, at a rate of 11.75% per annum. The exchange notes will mature on June 15, 2013.
 - The exchange notes will be guaranteed on a senior secured basis by our parent, Ply Gem Holdings, Inc., and substantially all of our subsidiaries located in the United States.
- The exchange notes and the related guarantees will be secured on a first-priority lien basis by substantially all of the assets (other than the assets securing our obligations under our senior secured asset-based revolving credit facility, or ABL Facility, which consist primarily of accounts receivable and inventory) of Ply Gem Industries, Inc. and the guarantors and on a second-priority lien basis by the assets that secure our ABL Facility, in each case as described in this prospectus. The exchange notes will rank equally with all of our existing and future senior indebtedness.

Terms of the exchange offer

- It will expire at 5:00 p.m., New York City time, on _____, _____, unless we extend it.
- If all the conditions to this exchange offer are satisfied, we will exchange all of our initial notes that are validly tendered and not withdrawn for the exchange notes.
- You may withdraw your tender of initial notes at any time before the expiration of this exchange offer.
- The exchange notes that we will issue you in exchange for your initial notes will be substantially identical to your initial notes except that, unlike your initial notes, the exchange notes will have no transfer restrictions or registration rights.
- The exchange notes that we will issue you in exchange for your initial notes are new securities with no established market for trading.

Before participating in this exchange offer, please refer to the section in this prospectus entitled “Risk Factors” commencing on page 19.

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.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of those exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act of 1933, as amended. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange securities received in exchange for initial notes where those initial notes were acquired by that broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See “Plan of Distribution.”

The date of this prospectus is _____, 2008.

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 MARKET AND INDUSTRY DATA

Market data and other statistical information used throughout this prospectus are based on independent industry publications, government publications, reports by market research firms or other published independent sources. Some data are also based on good faith estimates by our management, which are derived from their review of internal surveys, as well as the independent sources listed above. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness.

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PROSPECTUS SUMMARY

This summary may not contain all of the information that may be important to you. You should read this prospectus carefully in its entirety before making an investment decision. In particular, you should read the section entitled “Risk Factors” included elsewhere in this prospectus and the consolidated financial statements and notes thereto included elsewhere in this prospectus.

The term “initial notes” refers to the 11.75 % Senior Secured Notes due 2013 that were issued on June 9, 2008 in a private offering, and the term “exchange notes” refers to the 11.75% Senior Secured Notes due 2013 offered with this prospectus. The term “notes” refers to the initial notes and the exchange notes, collectively. Unless otherwise specified or the context requires otherwise, (i) the term “Ply Gem Holdings” refers to Ply Gem Holdings, Inc.; (ii) the term “Ply Gem Industries” refers to Ply Gem Industries, Inc., our principal operating subsidiary, and (iii) the terms “we,” “us,” “our,” “Ply Gem” and the “Company” refer collectively to Ply Gem Holdings and its subsidiaries. “Adjusted EBITDA” has the meaning set forth in the footnotes to “— Summary Historical Financial Information.”

Our Company

We are a leading manufacturer of residential exterior building products in North America. We offer a comprehensive product line of vinyl siding and skirting, vinyl windows and doors, and vinyl and composite fencing and railing that serves both the home repair and remodeling and new home construction sectors in all 50 states and Western Canada. Vinyl building products have the leading share of sales by volume in siding and windows, and a fast growing share of sales by volume in fencing in the United States. We also manufacture vinyl and aluminum soffit and siding accessories, aluminum trim coil, wood and aluminum windows and steel and fiberglass doors, enabling us to bundle complementary and color-matched products and accessories with our core vinyl products. We believe our broad product offering and geographically diverse manufacturing base allow us to better serve our customers and provide us with a competitive advantage over other vinyl building products suppliers. We have two reportable segments: (i) siding, fencing and railing and (ii) windows and doors.

We market our products using several leading brands across multiple price points, which enables us to diversify our sales across distribution channels with minimal channel conflict and reach the greatest number of end customers. We believe we are able to compete on favorable terms and conditions and maintain a strong customer base as a result of our extensive distribution coverage, high quality, innovative and comprehensive product line, proprietary vendor managed inventory program and production efficiency.

Ply Gem Holdings is a holding company with no operations or assets of our own other than the capital stock of our subsidiaries. For the six months ended June 28, 2008, we had net sales of \$597.7 million, Adjusted EBITDA of \$45.4 million and a net loss of \$41.3 million. For the year ended December 31, 2007, we had net sales of \$1,363.5 million, Adjusted EBITDA of \$173.5 million and net income of \$5.6 million.

Our Competitive Strengths

We believe we are well-positioned in our industry and that our key competitive strengths are:

- **Leading Sector Positions.** We maintain leadership positions across the siding, fencing, railing, windows and door market sectors. We believe we are the No. 2 supplier of vinyl siding and designer accents, the No. 1 supplier of related aluminum accessories and a leader and innovator in the vinyl fencing and railing products. Additionally, we believe we are among the top three producers of vinyl windows in North America. We believe we hold the No. 1 position in the manufactured housing channel and hold a strong position in both the retail and one-step distribution channels. We believe these market leading positions enable us to outperform the industry in unit volumes, increase

our market share, launch new products and maintain profitability.

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- **Diverse, High-Quality Product Portfolio.** We offer a comprehensive range of exterior building products including vinyl siding and skirting, vinyl windows and patio doors and vinyl fencing and railing among others. Particularly, our window product platform offers a wide spectrum of aluminum, vinyl and wood clad windows at multiple price points. The breadth of our product offering meets many of the needs of our diverse customer base and allows us to reduce the potential impact of a decline in demand that might result from reliance on a single product.
- **Strong Brand Equity.** Our brands are well-recognized for innovation and quality in the building trade, and we believe that they are a distinguishing factor in customer selection. We sell our high-quality products under several brand names: MW, Patriot, Alenco, Great Lakes, Insulate, Mastic, Alcoa Home Exteriors, Variform, Georgia-Pacific, Napco, Kroy and CWD, among others. We believe there are significant opportunities to leverage our existing brands by targeting cross-selling opportunities.
- **Multi-Channel Distribution Network and Diversified Sales Base.** We have a multi-channel distribution network in the U.S. and Western Canada that serves both the home repair and remodeling and new home construction sectors, which exhibit different, but often counter-balancing, demand characteristics. Our multiple brand and multi-channel distribution strategy has increased our sales and penetration within these sectors. Our customer base includes distributors, retail home centers, lumberyards, remodeling dealers and builders. We believe our strategy enables us to minimize channel conflict, reduce our reliance on any one channel and reach the greatest number of end customers, and provides us with greater ability to sustain our financial performance through economic fluctuations.
- **Efficient Manufacturing.** We are a low-cost manufacturer of high-quality vinyl siding, windows and patio doors. We continue to achieve manufacturing efficiencies across our product categories through vertical integration, strategic sourcing, process-based reductions in material, production and warranty costs, and control of selling, general and administrative expense. We are committed to continuous improvement across product categories and have made approximately \$55.1 million in capital expenditures, including upgrades to equipment, facilities and technology, over the three years ended December 31, 2007. We believe our low cost production allows us to maintain attractive operating margins while offering a compelling value proposition to our customers.
- **Proven Ability to Realize Cost Savings.** We continue to demonstrate our ability to right size our manufacturing capacity to the scale of the market including closing two vinyl siding plants and one window plant within the past 24 months, which generated savings of over \$16.0 million. Additionally, we have reduced our headcount by approximately 30% since 2006 and have identified additional cost saving initiatives to take place in 2008. We have also been able to realize significant synergies and cost savings from the acquisitions of MW, Alenco and AHE's siding business.
- **Large Polyvinyl Chloride Resin Purchaser.** We are one of the largest procurers of polyvinyl chloride resin (PVC) in North America. As such, we are able to capitalize on our established relationships with key suppliers as a result of our purchasing scale and to strategically manage our sourcing to secure the best available prices, terms and input availability through various cycles. We believe our position helped us secure supply during the resin shortage caused by Hurricane Katrina in 2005.
 - **Strong Operating Cash Flow.** We have historically generated strong operating cash flow before debt service due to (i) our efficient manufacturing processes, (ii) our ability to pass increases in raw materials and freight costs through to our customers, (iii) economies of scale, (iv) low maintenance capital expenditures and (v) modest working capital needs.

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- **Strong Management Team with Significant Ownership.** We are led by an experienced and committed senior management team with an average of over approximately 20 years of relevant industry experience. We have successfully increased our share of sales by volume within the residential exterior building products industry and have continuously improved our manufacturing operations to develop a low-cost manufacturing platform. As of June 28, 2008, members of our management held stock and stock awards representing approximately 15% of the shares of common stock of Ply Gem Prime Holdings, Inc., the sole stockholder of Ply Gem Investment Holdings, Inc., our sole stockholder.

Business Strategy

- **Continued Market Share Gains.** We intend to increase our market share both in our siding, fencing and railing products in the United States and in our window and door products by utilizing the breadth of our broad geographical footprint to serve customers across the United States. Additionally, our continued investments in product innovation and quality coupled with strong customer service further enhance our ability to capture market share in each of our markets. Furthermore, we believe there is substantial opportunity across our product families to cross-sell and bundle products to further leverage our channel partners and exclusive industry relationships. We believe our broad geographical footprint allows us to better serve our customers across the United States and provides a competitive advantage over some of our competitors.

We have integrated our siding businesses into one operating company and have placed all of our siding, fencing and railing businesses under common leadership to improve strategic focus, reduce cost and better serve our customers. We have organized our United States window businesses under one common leadership team to enhance our strategic focus. With our extensive manufacturing capabilities, product breadth and national distribution capabilities, we believe that we can provide our customers with a cost-effective, single source from which to purchase their residential exterior building product needs.

- **Expand Brand Coverage and Product Innovation.** We intend to leverage the reputation of our brands for innovation and quality to fill in our product offerings and price points. In addition, we plan to maximize the value of our new product innovations and technologies by deploying best practices and manufacturing techniques across our product categories. Our vertical integration in producing aluminum windows has positioned us to introduce a new aluminum and wood clad window. As of June 28, 2008, we employed 39 research and development professionals dedicated to new product development, reformulation, product redesign and other manufacturing and product improvements.
- **Further Improve Operating Efficiencies.** While we have significantly improved our vinyl siding manufacturing cost structure over the last several years, we believe that there are further opportunities for improvement. We have expanded our efforts to vertically integrate certain raw materials used in window lineal production, including PVC compound, as well as expanding our in-house window lineal production. In addition, we implemented manufacturing improvements and best practices across all of our product categories, including, for example, expansion of our virtual plant strategy in our vinyl siding facilities and further vertical integration in our window product lines which was demonstrated with the introduction of our new aluminum clad window line in early 2008. We also plan to optimize product development, sales and marketing, materials procurement, operations and administrative functions across all of our product categories. We believe that significant opportunities remain as we further leverage our buying power across raw materials as well as spending for non-raw material items by obtaining volume discounts and minimizing costs. In addition, the integration of our sales and marketing efforts across our product categories provides an ongoing opportunity to significantly improve sector penetration.

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Ownership Structure

The chart below summarizes our ownership and corporate structure.

Our Equity Sponsor

CI Capital Partners (formerly Caxton-Iseman Capital) is a leading private equity investment firm specializing in leveraged buyouts of middle-market companies located primarily in North America. The firm was founded in 1993 to invest private capital on behalf of Caxton Associates, a New York investment management firm.

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