

MCCORMICK & CO INC
Form 424B3
July 05, 2011
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Registration No. 333-175339

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated July 5, 2011

Prospectus Supplement

, 2011

(To Prospectus dated July 5, 2011)

\$250,000,000

McCormick & Company, Incorporated

% Notes due 20

We are offering \$250 million aggregate principal amount of % Notes due 20 . We will pay interest on the notes semiannually in arrears on and of each year, commencing on , 2012. The notes will mature on , 20 . We will have the option to redeem the notes, at any time in whole or from time to time in part, at the redemption prices set forth in this prospectus supplement under the section entitled Description of Notes Optional Redemption.

If a Change of Control Triggering Event occurs, we will be required to make an offer to purchase the notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest to the date of repurchase, as described under the heading Description of Notes Change of Control Redemption.

The notes will be unsecured senior obligations of ours and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding.

The notes are a new issue of securities with no established trading market. The notes will not be listed on any securities exchange or included in any automated dealer quotation system.

Investing in the notes involves risks. See Risk Factors beginning on page S-3 of this prospectus supplement.

	Per Note	Total
Public offering price(1)	%	\$
Underwriting discount	%	\$
Proceeds, before expenses, to McCormick	%	\$

(1) Plus accrued interest, if any, from July , 2011, if settlement occurs after that date.

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 supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company on or about July , 2011.

Joint Book-Running Managers

Wells Fargo Securities

BofA Merrill Lynch

SunTrust Robinson Humphrey

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the notes that we are currently offering. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to the notes that we are currently offering. Generally, the term prospectus refers to both parts combined.

You should read this prospectus supplement along with the accompanying prospectus. You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus and any free writing prospectus which we deliver to you. We have not, and the underwriters 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. You should not assume that the information provided by this prospectus supplement, the accompanying prospectus, any document incorporated by reference herein or therein or any free writing prospectus that we may authorize or provide is accurate only as of the date of that document. Our business, financial condition, results of operations and prospects may have changed since those dates. The notes are being offered and sold only in jurisdictions where offers and sales are permitted.

If the information varies between this prospectus supplement and the accompanying prospectus, the information in this prospectus supplement supersedes the information in the accompanying prospectus.

References to McCormick, we, us and our in this prospectus supplement and the accompanying prospectus are to McCormick & Company, Incorporated and its consolidated subsidiaries or, as the context may require, McCormick & Company, Incorporated only.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the information incorporated by reference herein or therein include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). We intend the forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in these sections.

All statements regarding our expected financial position and operating results, our business strategy, our financing plans, our future capital requirements, forecasted demographic and economic trends relating to our industry, our ability to complete acquisitions, to realize anticipated cost savings and other benefits from acquisitions and to recover acquisition-related costs, and similar matters are forward-looking statements.

These statements are subject to known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from the statements. The forward-looking information is based on various factors and was derived using numerous assumptions.

In some cases, you can identify these statements by our use of forward-looking words such as may, will, would, should, anticipate, estimate, expect, plan, believe, predict, project, potential or intend. You should be aware that these statements only reflect our predictions. Actual results may differ substantially.

Important factors that could cause our actual results to be materially different from our expectations include:

- damage to our reputation or brand name, loss of brand relevance, increase in private label use by customers or consumers, or product quality or safety concerns;

- consolidation of customers;

- issues regarding procurement of raw materials;

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competition in our markets;

laws and regulations governing our business;

disasters, business interruptions or similar unexpected events;

our ability to consummate acquisitions and divestitures and to integrate acquired businesses;

customer relationships and financial condition;

factors affecting our foreign operations;

fluctuations in foreign currency markets;

increases in interest rates;

deterioration of credit and capital markets and the effect on our sources of funding;

risks associated with pension assets and obligations;

credit risks from customers and counterparties; and

other factors discussed in this prospectus supplement under the caption Risk Factors.

We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary may not contain all the information that may be important to you. You should read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein, including the financial statements and related notes, before making an investment decision.

The Offering

Issuer	McCormick & Company, Incorporated
Securities Offered	\$250 million aggregate principal amount of % Notes due 20 .
Maturity Date	The notes will mature on , 20 .
Interest Rate	The notes will bear interest at a rate of % per year, payable semiannually in arrears on and of each year, commencing on , 2012.
Ranking	<p>The notes will be unsecured senior obligations of ours and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The notes will be effectively subordinated to:</p> <p>any secured indebtedness to the extent of the value of the assets securing that debt; and</p> <p>all indebtedness for money borrowed and other liabilities of our subsidiaries.</p>
Covenants	<p>The indenture governing the notes (the Indenture) contains covenants that will limit our ability to:</p> <p>create specified liens securing debt;</p> <p>engage in specified sale-leaseback transactions; and</p> <p>merge, consolidate or transfer our property and assets substantially as an entirety.</p> <p>These covenants apply to McCormick and, in the case of the limitations on liens and sale-leaseback transactions, to certain of our corporate subsidiaries that own Principal Properties, as defined in the Indenture.</p>
Optional Redemption	Prior to , 20 , the notes will be redeemable at our option, at any time in whole or from time to time in part, at a redemption price equal to the greater of:

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(1) 100% of the principal amount of the notes to be redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus basis points, plus in either case accrued and unpaid interest thereon to the date of redemption.

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On or after _____, 20____ (three months prior to their maturity date), we may redeem the notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest to the redemption date. See Description of Notes Optional Redemption in this prospectus supplement.

Change of Control If a Change of Control Triggering Event occurs, we will be required to make an offer to purchase the notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest to the date of repurchase, as described under the heading Description of Notes Change of Control Redemption in this prospectus supplement

Sinking Fund None.

Use of Proceeds We estimate that the net proceeds to us from the offering to be approximately \$ million after deducting the underwriting discount and our estimated offering expenses. We intend to use the net proceeds from the offering to pay a portion of the purchase price and related transaction costs of our previously announced acquisition of 100% of the shares of Kamis, S.A. See Use of Proceeds in this prospectus supplement.

Risk Factors See Risk Factors beginning on page S-3 of this prospectus supplement for a discussion of the factors you should carefully consider before deciding to invest in the notes.

RATIO OF EARNINGS TO FIXED CHARGES

For the purpose of calculating the ratio of earnings to fixed charges, earnings consist of income from consolidated operations before income taxes, plus fixed charges (net of capitalized interest), amortization of capitalized interest and dividends from unconsolidated subsidiaries. Fixed charges consist of interest, whether expensed or capitalized (including amortization of debt discount), and that portion of rental expense that is representative of interest.

	Six Months Ended May 31, 2011	2010	2009	Year Ended November 30,		
			2008	2007	2006	
Ratio of Earnings to Fixed Charges	8.15	9.25	7.92	6.26	5.64	4.90

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RISK FACTORS

Investing in our notes involves various risks. You should carefully consider the risks and uncertainties described below and the other information in this prospectus supplement, the accompanying prospectus and in the documents incorporated by reference including those risks identified under Risk Factors in our Annual Report on Form 10-K for the fiscal year ended November 30, 2010 before deciding whether to purchase our notes.

Fluctuations in the Foreign Currency Markets May Negatively Impact Us.

We are exposed to fluctuations in foreign currency in the following main areas: cash flows related to raw material purchases; the translation of foreign currency earnings to U.S. dollars; the value of foreign currency investments in subsidiaries and unconsolidated affiliates and cash flows related to repatriation of these investments. Primary exposures include the British pound sterling versus the Euro, and the U.S. dollar versus the Euro, British pound sterling, Canadian dollar, Australian dollar, Mexican peso, Chinese renminbi, Swiss franc and Thai baht. We routinely enter into foreign currency exchange contracts to facilitate managing certain of these foreign currency risks. However, these contracts may not effectively limit or eliminate our exposure to a decline in operating results due to foreign currency exchange changes. Therefore, we cannot provide assurance that future exchange rate fluctuations will not have a negative impact on our business, financial position, or operating results.

Increases in Interest Rates May Negatively Impact Us.

We had total outstanding short-term borrowings of approximately \$108.2 million at an average interest rate of approximately 0.24% on May 31, 2011. Our policy is to manage our interest rate risk by entering into both fixed and variable rate debt arrangements. We also use interest rate swaps to minimize worldwide financing cost and to achieve a desired mix of fixed and variable rate debt. We utilize derivative financial instruments to enhance our ability to manage risk, including interest rate exposures that exist as part of our ongoing business operations. We do not enter into contracts for trading purposes, nor are we a party to any leveraged derivative instruments. Our use of derivative financial instruments is monitored through regular communication with senior management and the utilization of written guidelines. However, our use of these instruments may not effectively limit or eliminate our exposure to changes in interest rates. Therefore, we cannot provide assurance that future interest rate increases will not have a material negative impact on our business, financial position, or operating results.

There May Not Be Any Trading Market For the Notes; Many Factors Affect the Trading and Market Value of the Notes.

Upon issuance, the notes will not have an established trading market. We cannot assure that a trading market for the notes will ever develop or be maintained if developed. In addition to our creditworthiness, many factors affect the trading market for, and trading value of, the notes. These factors include:

the time remaining to the maturity of the notes,

the outstanding amount of notes,

the redemption features of the notes, and

the level, direction and volatility of market interest rates generally.

There may be a limited number of buyers when you decide to sell the notes. This may affect the price you receive for the notes or your ability to sell the notes at all. You should not purchase notes unless you understand and know you can bear all of the investment risks involving the notes.

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Our Credit Ratings May Not Reflect All Risks of an Investment in the Notes.

Our credit ratings may not reflect the potential impact of all risks related to the market value of the notes. However, real or anticipated changes in our credit ratings will generally affect the market value of the notes.

We May Incur Additional Unsecured Indebtedness.

The Indenture governing the notes does not restrict the amount of unsecured debt that we or our subsidiaries may incur. If we or our subsidiaries incur additional debt, it may be more difficult for us to satisfy our obligations with respect to the notes. Furthermore, the incurrence of additional debt may cause a decline in the trading price of the notes and the credit rating of the notes may be lowered or withdrawn.

We May Not Be Able to Repurchase the Notes Upon a Change of Control.

Upon the occurrence of specific kinds of change of control events, each holder of notes will have the right to require us to repurchase all or any part of such holder's notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of purchase. If we experience a change of control triggering event, there can be no assurance that we would have sufficient financial resources available to satisfy our obligations to repurchase the notes. Our failure to repurchase the notes as required under the Indenture governing the notes would result in a default under the Indenture, which could have material adverse consequences for us and the holders of the notes. See Description of the Notes Change of Control Redemption.

An Increase in Market Interest Rates Could Result in a Decrease in the Value of the Notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase fixed rate notes and market interest rates increase, the market value of your notes may decline. We cannot predict the future level of market interest rates.

The Notes Are Our Obligations and Not Obligations of Our Subsidiaries and Will Be Structurally Subordinated to the Claims of Our Subsidiaries' Creditors.

The notes are exclusively our obligations and not those of our subsidiaries. Our subsidiaries are separate and distinct legal entities. Our subsidiaries have no obligation to pay any amounts due on the notes or to provide us with funds to pay our obligations, whether by dividends, distributions, loans or other payments. In addition, any dividend payments, distributions, loans or advances to us by our subsidiaries in the future will require the generation of future earnings by our subsidiaries and may require regulatory approval. The notes are not guaranteed by any of our subsidiaries. As a result, the notes will be structurally subordinated to all existing and future liabilities and obligations of our subsidiaries, which means that our subsidiaries' creditors will be paid from our subsidiaries' assets before holders of the notes would have any claims to those assets. Our subsidiaries may incur additional debt and liabilities in the future, all of which would rank structurally senior to the notes.

The Notes Offered Hereby Will Be Unsecured and Effectively Subordinated to Any Secured Indebtedness.

The notes are not secured by any of our assets. Any claims of future secured lenders with respect to assets securing their loans will be prior to any claim of the holders of the notes with respect to those assets. In the event that we are declared bankrupt, become insolvent or are liquidated or reorganized, any indebtedness that is effectively senior to the notes will be entitled to be paid in full from the assets securing such indebtedness before any payment may be made with respect to the notes. Holders of the notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets.

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The Terms of the Indenture and the Notes Provide Limited Protection Against Significant Corporate Events That Could Adversely Impact Your Investment in the Notes.

While the Indenture and the notes contain terms intended to provide protection to the holders of the notes upon the occurrence of certain events involving significant corporate transactions, such terms are limited and may not be sufficient to protect your investment in the notes. The definition of the term Change of Control Triggering Event (as defined in Description of Notes Change of Control Redemption) does not cover all possible transactions (such as acquisitions by us or recapitalizations) that could affect the value of your notes. If we were to enter into a significant corporate transaction that would negatively affect the value of the notes but would not constitute a Change of Control Triggering Event, we would not be required to offer to repurchase your notes prior to their maturity.

Furthermore, the Indenture for the notes does not, among other things:

require us to maintain any specified financial ratios or specified levels of net worth, revenues, income, cash flow or liquidity;

limit our ability to incur indebtedness that is equal in right of payment to the notes;

limit the ability of our subsidiaries to service our other indebtedness;

restrict our ability to repurchase or prepay any other of our securities or other indebtedness; or

restrict our ability to make investments or to repurchase or pay dividends or make other payments in respect of our common stock or other securities ranking junior to the notes.

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We estimate the net proceeds to us from the offering to be approximately \$ million after deducting the underwriting discount and our estimated offering expenses. We intend to use the net proceeds from the offering to pay a portion of the purchase price and related transaction costs of our previously announced acquisition of 100% of the shares of Kamis S.A. Kamis S.A., a privately held company, is a brand leader in spices, seasonings and mustards in Poland. The purchase price for the acquisition is approximately \$291 million, which we intend to fund using the net proceeds of this offering plus commercial paper borrowings or cash on hand. The closing of the acquisition will occur after, and is not a condition to, completion of this offering. The closing of the acquisition is subject to customary conditions to closing, including regulatory approval. In the event we do not complete the acquisition, we intend to use the net proceeds from the offering for general corporate purposes.

CAPITALIZATION

The following table sets forth our capitalization at May 31, 2011 and as adjusted to give effect to the application of the net proceeds from the sale of the notes as described under Use of Proceeds in this prospectus supplement and the completion of our acquisition of Kamis, S.A. This table should be read in connection with our consolidated financial statements and related notes thereto which are incorporated by reference in this prospectus supplement and the accompanying prospectus. See Where You Can Find More Information and Incorporation by Reference in this prospectus supplement.

	As of May 31, 2011	
	Actual	As Adjusted
	(in millions)	
Cash and cash equivalents	\$ 47.9	\$
Short-term debt:		
Short-term borrowings	108.2	
Current portion of long-term debt	100.3	
Total short-term debt	208.5	
Long-term debt:		
Notes offered hereby		
Other long-term debt	781.2	
Total long-term debt	781.2	
Total debt	989.7	
Total stockholders' equity	1,642.1	
Total Capitalization	\$ 2,631.8	\$

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DESCRIPTION OF NOTES

The following description of the particular terms of the notes we are offering supplements and, to the extent inconsistent, supersedes the description of the general terms of the debt securities set forth under the section entitled "Description of Debt Securities" in the accompanying prospectus. You should read the accompanying prospectus in conjunction with this prospectus supplement and any free writing prospectuses we provide to you. Because this is a summary, it does not contain all the information that may be important to you. You should also read the entire Indenture, including the definitions of terms, before you make any investment decision.

General

The notes will be issued as a separate series of debt securities under the Indenture to be dated as of _____, 2011, between us and U.S. Bank National Association, as Trustee. The Indenture is an exhibit to the registration statement of which the accompanying prospectus is a part. The Indenture does not limit the amount of debt securities that we may issue under the Indenture, and we may, without the consent of the holders of the notes, reopen this series of notes and issue additional notes on the same terms and conditions and with the same CUSIP number as the notes being offered hereby.

The notes will be unsecured senior obligations of ours and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The notes are not guaranteed by any of our subsidiaries. The notes will be effectively subordinated to all of our secured indebtedness to the extent of the value of the assets securing that debt and to all indebtedness for money borrowed and other liabilities of our subsidiaries. Except as described below under "Certain Covenants," the Indenture does not restrict the amount of secured or unsecured debt that we or our subsidiaries may incur.

The notes will be issued only in fully registered form without coupons, in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. Notices or demands to or upon us with respect to the notes and the Indenture may be served and, in the event that notes are issued in definitive certificated form, notes may be surrendered for payment, registration of transfer or exchange, at the office or agency maintained by us for this purpose in the Borough of Manhattan, The City of New York, currently the office of the Trustee, located at 1021 East Carey Street, Suite 1850, Richmond, Virginia 23219, Attention: Anna Graham.

Maturity and Interest

The notes will mature on _____, 20____. The notes will not be subject to any sinking fund provision.

The notes will bear interest at the rate of _____% per year from _____, 2011, or from the most recent date to which interest has been paid or provided for, payable semiannually in arrears on _____ and _____ of each year, commencing on _____, 2012, to the persons in whose names the notes are registered at the close of business on the _____ or _____, as the case may be, immediately prior to such interest payment dates, regardless of whether any such regular record date is a business day. Interest on the notes will be computed on the basis of a 360-day year consisting of twelve 30-day months.

If any interest payment date, any redemption date, the maturity date or any other date on which the principal of or premium, if any, or interest on a note becomes due and payable falls on a day that is not a business day, the required payment shall be made on the next business day as if it were made on the date the payment was due, and no interest shall accrue on the amount so payable for the period from and after the interest payment date, redemption date, maturity date or other date, as the case may be.

Optional Redemption

Prior to _____, 20____, we may redeem the notes at our option, at any time in whole or from time to time in part, at a redemption price equal to the greater of:

- (1) 100% of the principal amount of the notes to be redeemed, and

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(2) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus _____ basis points,

plus, in either case, accrued and unpaid interest thereon to the date of redemption.

On or after _____, 20____ (three months prior to their maturity date), we may redeem the notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest to the redemption date.

Treasury Rate _____ means, with respect to any redemption date,

the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release published by the Board of Governors of the Federal Reserve System designated as Statistical Release H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, _____ for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the maturity date, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month), or

if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate shall be calculated on the third business day preceding the redemption date.

Comparable Treasury Issue _____ means the United States Treasury security selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such notes.

Independent Investment Banker _____ means any of Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith, Incorporated or SunTrust Robinson Humphrey, Inc., or any of their respective successors, or if any such firms are unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by the Trustee after consultation with us.

Comparable Treasury Price _____ means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (2) if the Trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

Reference Treasury Dealer _____ means (1) Merrill Lynch, Pierce, Fenner & Smith Incorporated, a Primary Treasury Dealer (as defined herein) selected by Wells Fargo Securities, LLC and a Primary Treasury Dealer selected by SunTrust Robinson Humphrey, Inc., and their respective successors, and (2) one other primary U.S. Government securities dealer in The City of New York (a Primary Treasury Dealer _____); provided, however, that if any of the foregoing or their affiliates shall cease to be a Primary Treasury Dealer, we shall substitute therefor another Primary Treasury Dealer.

Reference Treasury Dealer Quotations _____ means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable

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Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 5:00 p.m., New York time, on the third business day preceding such redemption date.

Notice of any redemption will be mailed by first class mail, postage prepaid, at least 30 days but not more than 60 days before the redemption date to each holder of notes to be redeemed at its registered address.

In the case of a partial redemption, selection of the notes for redemption will be made pro rata, by lot or by such other method as the Trustee in its sole discretion deems appropriate and fair. No notes of a principal amount of \$1,000 or less will be redeemed in part. If any note is to be redeemed in part only, the notice of redemption that relates to the note will state the portion of the principal amount of the note to be redeemed. A new note in a principal amount equal to the unredeemed portion of the note will be issued in the name of the holder of the note upon surrender for cancellation of the original note.

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes or portions thereof called for redemption.

We will pay interest to a person other than the holder of record on the record date if we elect to redeem the notes on a date that is after a record date but on or prior to the corresponding interest payment date. In this instance, we will pay accrued interest on the notes being redeemed to, but not including, the redemption date to the same person to whom we will pay the principal of those notes.

Definitions

Attributable Debt with respect to any sale leaseback transaction that is subject to the restrictions described under Certain Covenants Limitation On Sale and Leaseback means the lesser of:

the total net amount of rent required to be paid during the remaining base term of the related lease or until the earliest date on which the lessee may terminate such lease upon payment of a penalty or a lump-sum termination payment (in which case the total net rent shall include such penalty or termination payment), discounted at the weighted average interest rate borne by the notes (as defined in the Indenture) under the Indenture, compounded semi-annually, or

the sale price of the property so leased multiplied by a fraction, the numerator of which is the remaining base term of the related lease and the denominator of which is the base term of such lease.

Consolidated Net Tangible Assets means the total assets of McCormick and its consolidated subsidiaries, including the investment in (at equity) and the net amount of advances to and accounts receivable from corporations which are not consolidated subsidiaries less the following:

current liabilities of McCormick and its consolidated subsidiaries, including an amount equal to indebtedness required to be redeemed by reason of any sinking fund payment due in 12 months or less from the date as of which current liabilities are to be determined;

all other liabilities of McCormick and its consolidated subsidiaries other than Funded Debt, deferred income taxes and liabilities for employee post-retirement health plans other than pensions recognized in accordance with Accounting Standards Codification No. 715-60;

all depreciation and valuation reserves and all other reserves (except for reserves for contingencies which have not been allocated to any particular purpose) of McCormick and its consolidated subsidiaries;

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the book amount of all segregated intangible assets of McCormick and its consolidated subsidiaries, including, but without limitation, such items as goodwill, trademarks, trade names, patents and unamortized debt discount and expense less unamortized debt premium; and

appropriate adjustments on account of minority interests of other persons holding stock in subsidiaries.

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Consolidated Net Tangible Assets shall be determined on a consolidated basis in accordance with generally accepted accounting principles.

Funded Debt means any indebtedness of McCormick or a Restricted Subsidiary (other than inter-company debt that is eliminated in consolidation) for borrowed money having a maturity of more than 12 months from the date such indebtedness was incurred or having a maturity of less than 12 months but by its terms being renewable or extendable beyond 12 months from the date such indebtedness was incurred at the option of the obligor.

Person means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

Principal Property means any manufacturing or processing plant or warehouse, together with the land upon which it is erected and any fixtures and equipment comprising a part thereof, owned by us or any Restricted Subsidiary and located in the United States, the book value (net of depreciation) of which on the date as of which the determination is being made is an amount which exceeds 1% of Consolidated Net Tangible Assets, other than any such manufacturing or processing plant or warehouse or any portion thereof or any such fixture or equipment (together with the land upon which it is erected and any fixtures and equipment comprising a part thereof) (i) which is financed by Industrial Development Bonds or (ii) which, in the opinion of our board of directors, is not of material importance to the total business conducted by McCormick and its Subsidiaries, taken as a whole.

Restricted Subsidiary means any Subsidiary that owns, operates or leases one or more Principal Properties.

Subsidiary means each corporation of which McCormick, or McCormick and one or more Subsidiaries, or any one or more Subsidiaries, directly or indirectly own securities entitling the holders thereof to elect a majority of the directors, either at all times or so long as there is no default or contingency that permits the holders of any other class or classes of securities to vote for the election of one or more directors.

Change of Control Redemption

If a Change of Control Triggering Event occurs, unless we have exercised our right to redeem the notes as described above, holders of notes will have the right to require us to repurchase all or any part (equal to \$2,000 or integral multiple of \$1,000 in excess thereof) of their notes pursuant to the offer described below (the **Change of Control Offer**) on the terms set forth in the notes. In the Change of Control Offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased plus accrued and unpaid interest, if any, on the notes repurchased, to the date of purchase (the **Change of Control Payment**). Within 30 days following any Change of Control Triggering Event, we will send notice of such Change of Control Offer (the **Change of Control Offer Notice**) by first-class mail, with a copy to the Trustee, to each holder of notes to the address of such holder appearing in the security register or otherwise in accordance with the procedures of The Depository Trust Company (the **Depository**) with a copy to the Trustee, with the following information:

that the Change of Control Offer is being made pursuant to the provisions of the Indenture and that all notes properly tendered pursuant to such Change of Control Offer will be accepted for payment by us;

the date of the Change of Control Triggering Event;

the date, which will be no earlier than 30 days and no later than 60 days after the date the Change of Control Offer Notice is mailed, by which we must purchase the notes (the **Change of Control Payment Date**);

the price that we must pay for the notes we are obligated to purchase;

the name and address of the Trustee;

that any note not properly tendered will remain outstanding and continue to accrue interest;

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that unless we default in the payment of the Change of Control Payment, all notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on the Change of Control Payment Date;

the procedures for surrendering notes for payment; and

the procedures by which a holder may withdraw such a tender after it is given.

We must comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the purchase of the notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the notes, we will be required to comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control provisions of the notes by virtue of such conflicts.

On the Change of Control Payment Date, we will be required, to the extent lawful, to:

accept for payment a