

WESTLAKE MANAGEMENT SERVICES INC

Form S-3

April 11, 2008

Table of Contents

As filed with the Securities and Exchange Commission on April 11, 2008

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT

Under

THE SECURITIES ACT OF 1933

WESTLAKE CHEMICAL CORPORATION

(Exact name of registrant as specified in its charter)

2801 Post Oak Boulevard, Suite 600

Houston, Texas 77056

Delaware

(713) 960-9111

76-0346924

Edgar Filing: WESTLAKE MANAGEMENT SERVICES INC - Form S-3

(State or other jurisdiction of incorporation or organization) (Address, including zip code, and telephone number, including area code, of registrant's principal executive offices) (I.R.S. Employer Identification No.)

Stephen Wallace, Esq.

Vice President, General Counsel and

Corporate Secretary

Westlake Chemical Corporation

2801 Post Oak Boulevard, Suite 600

Houston, Texas 77056

(713) 960-9111

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

Copy to:

Timothy S. Taylor, Esq.

Jason A. Rocha, Esq.

Baker Botts L.L.P.

910 Louisiana Street

One Shell Plaza

Houston, Texas 77002-4995

(713) 229-1234

Exact Name of Additional Registrants	Jurisdiction of Incorporation/Organization	I.R.S. Employer Identification Number
Geismar Holdings, Inc.	Delaware	33-1036002
GVGP, Inc.	Delaware	71-0921650
North American Bristol Corporation	Delaware	76-0669252
North American Pipe Corporation	Delaware	76-0370735
Van Buren Pipe Corporation	Delaware	76-0441452
Westech Building Products, Inc.	Delaware	76-0498816
Westech Profiles Limited	Delaware	76-0636880
Westlake Chemical Investments, Inc.	Delaware	76-0664309
Westlake Development Corporation	Delaware	76-0666307
Westlake Ethylene Pipeline Corporation	Delaware	61-1513966
Westlake Longview Corporation	Delaware	61-1496835
Westlake Management Services, Inc.	Delaware	76-0321065
Westlake NG I Corporation	Delaware	30-0343980
Westlake NG III Corporation	Delaware	35-2330798
Westlake NG IV Corporation	Delaware	35-2330799
Westlake NG V Corporation	Delaware	35-2330801
Westlake Olefins Corporation	Delaware	52-1629821
Westlake Petrochemicals LLC	Delaware	76-0553330
Westlake Polymers LLC	Delaware	76-0144230

Edgar Filing: WESTLAKE MANAGEMENT SERVICES INC - Form S-3

Westlake PVC Corporation	Delaware	76-0346192
Westlake Resources Corporation	Delaware	76-0321064
Westlake Styrene LLC	Delaware	76-0294926
Westlake Supply and Trading Company	Delaware	76-0377613
Westlake Vinyl Corporation	Delaware	76-0414632
Westlake Vinyls Company LP	Delaware	06-1641487
Westlake Vinyls, Inc.	Delaware	76-0542667
WPT LLC	Delaware	76-0469048

Table of Contents

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 to be 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, as amended (the Securities Act), 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. (Check one):

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Share(1)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Debt Securities				
Preferred Stock, par value \$0.01 per share				
Common Stock, par value \$0.01 per share				
Warrants				
Guarantees of Debt Securities(2)			\$750,000,000 (3)(4)(5)	
Common Stock, par value \$0.01 per share(6)	4,500,000	\$17.07	\$ 76,792,500	
Total			\$826,792,500	\$32,493(7)

(1)

Edgar Filing: WESTLAKE MANAGEMENT SERVICES INC - Form S-3

Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(c) under the Securities Act, based on the average high and low reported sales prices of the common stock on The New York Stock Exchange on April 8, 2008.

- (2) Geismar Holdings, Inc., GVGP, Inc., North American Bristol Corporation, North American Pipe Corporation, Van Buren Pipe Corporation, Westech Building Products, Inc., Westech Profiles Limited, Westlake Chemical Investments, Inc., Westlake Development Corporation, Westlake Ethylene Pipeline Corporation, Westlake Longview Corporation, Westlake Management Services, Inc., Westlake NG I Corporation, Westlake NG III Corporation, Westlake NG IV Corporation, Westlake NG V Corporation, Westlake Olefins Corporation, Westlake Petrochemicals LLC, Westlake Polymers LLC, Westlake PVC Corporation, Westlake Resources Corporation, Westlake Styrene LLC, Westlake Supply and Trading Company, Westlake Vinyl Corporation, Westlake Vinyls Company LP, Westlake Vinyls, Inc. and WPT LLC may fully and unconditionally guarantee any series of debt securities of Westlake Chemical Corporation. Pursuant to Rule 457(n) no separate fee is payable with respect to the guarantees of the debt securities being registered.
- (3) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457(o) under the Securities Act and exclusive of accrued interest, distributions and dividends, if any.
- (4) In no event will the aggregate initial offering price of all securities issued from time to time by the Registrant pursuant to this Registration Statement, as calculated pursuant to Rule 457, exceed \$750,000,000 or the equivalent thereof in foreign currencies, foreign currency units or composite currencies. If any debt securities are issued at an original issue discount, then the offering price shall be in such greater principal amount as shall result in an aggregate initial offering price of up to \$750,000,000 or the equivalent thereof in foreign currencies, foreign currency units or composite currencies, less the dollar amount of any securities previously issued hereunder. Any securities registered hereunder may be sold separately or as units with other securities registered hereunder or other securities.
- (5) Pursuant to Rule 416, there is also being registered such indeterminate amount of securities as may from time to time be issuable as a result of stock splits, stock dividends or applicable antidilution provisions.
- (6) Represents shares that may be sold from time to time by the securityholder named herein.
- (7) Up to \$74,734 of the registration fee previously paid with respect to \$1,049,900,000 aggregate initial offering price of securities that were previously registered pursuant to Registration Statement File No. 333-124581 (initially filed by the Registrant on May 3, 2005) and not sold thereunder, may be used to offset future registration fees due under this Registration Statement pursuant to Rule 457(p) of the Securities Act.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

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

Subject to Completion dated April 11, 2008

Prospectus

Westlake Chemical Corporation

Debt Securities

Preferred Stock

Common Stock

Warrants

We may issue and sell from time to time securities for a total offering price aggregating up to \$750,000,000, and TTWF LP, our principal stockholder in which three of our directors have indirect ownership interests, may sell from time to time up to 4,500,000 shares of our common stock. We will provide the specific terms of the securities in supplements to this prospectus. You should read this prospectus and any supplement carefully before you invest. Our common stock is listed on the New York Stock Exchange under the symbol WLK.

Investing in our securities involves risk. You should carefully consider the risk factors described under **Risk Factors** beginning on page 3 of this prospectus before you make any investment in our securities.

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

The date of this prospectus is _____, 2008.

Table of Contents

Table of Contents

<u>About This Prospectus</u>	1
<u>About Westlake Chemical Corporation</u>	1
<u>The Subsidiary Guarantors</u>	2
<u>Risk Factors</u>	3
<u>Cautionary Statements About Forward Looking Statements</u>	7
<u>Use Of Proceeds</u>	9
<u>Ratio Of Earnings To Fixed Charges</u>	9
<u>Description Of Debt Securities</u>	10
<u>Description Of Capital Stock</u>	20
<u>Description Of Warrants</u>	26
<u>Selling Stockholder</u>	27
<u>Plan Of Distribution</u>	28
<u>Legal Opinions</u>	30
<u>Experts</u>	30
<u>Where You Can Find More Information</u>	30

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission using a “shelf” registration process. Using this process, we and the selling stockholder may sell any combination of the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities that may be offered. Each time securities are sold pursuant to this prospectus, we will provide a prospectus supplement and, if applicable, a pricing supplement that will describe the specific terms of that offering. The prospectus supplement and any pricing supplement may also add to, update or change the information contained in this prospectus. Please carefully read this prospectus, the prospectus supplement and any pricing supplement together with the information contained in the documents we refer to under the heading “Where You Can Find More Information.”

You should rely only on the information we have provided or incorporated by reference in this prospectus, the prospectus supplement and any pricing supplement. Neither we nor the selling stockholder have authorized any person, including any salesman or broker, to provide you with additional or different information. We and the selling stockholder are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should assume that the information in this prospectus, the accompanying prospectus supplement and any pricing supplement is accurate only as of the date on its cover page and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference.

ABOUT WESTLAKE CHEMICAL CORPORATION

We are a vertically integrated manufacturer and marketer of basic chemicals, vinyls, polymers and fabricated products. Our products include some of the most widely used chemicals in the world, which are fundamental to many diverse consumer and industrial markets, including flexible and rigid packaging, automotive products, coatings, residential and commercial construction as well as other durable and non-durable goods. We operate in two principal business segments, Olefins and Vinyls, and we are one of the few North American integrated producers of vinyls with substantial downstream integration into polyvinyl chloride, or PVC, fabricated products.

We began operations in 1986 after our first polyethylene plant, an Olefins segment business, near Lake Charles, Louisiana was acquired from Occidental Petroleum Corporation. We began our vinyls operations in

Table of Contents

1990 with the acquisition of a vinyl chloride monomer, or VCM, plant in Calvert City, Kentucky from the Goodrich Corporation. In 1992, we commenced our Vinyls segment fabricated products operations after acquiring three PVC pipe plants. Since 1986, we have grown rapidly into an integrated producer of petrochemicals, polymers and fabricated products. We achieved this by acquiring 23 plants, constructing six new plants (including our joint venture in China) and completing numerous capacity or production line expansions.

We benefit from highly integrated production facilities that allow us to process raw materials into higher value-added chemicals and fabricated products. We have 11.1 billion pounds per year of active aggregate production capacity at 15 manufacturing sites in North America. We also have a 59% interest in a joint venture in China that operates a vinyls facility.

We are a Delaware corporation with our principal executive offices located at 2801 Post Oak Boulevard, Suite 600, Houston, Texas 77056. Our telephone number at such address is (713) 960-9111.

THE SUBSIDIARY GUARANTORS

One or more of our subsidiaries Geismar Holdings, Inc., GVGP, Inc., North American Bristol Corporation, North American Pipe Corporation, Van Buren Pipe Corporation, Westech Building Products, Inc., Westech Profiles Limited, Westlake Chemical Investments, Inc., Westlake Development Corporation, Westlake Ethylene Pipeline Corporation, Westlake Longview Corporation, Westlake Management Services, Inc., Westlake NG I Corporation, Westlake NG III Corporation, Westlake NG IV Corporation, Westlake NG V Corporation, Westlake Olefins Corporation, Westlake Petrochemicals LLC, Westlake Polymers LLC, Westlake PVC Corporation, Westlake Resources Corporation, Westlake Styrene LLC, Westlake Supply and Trading Company, Westlake Vinyl Corporation, Westlake Vinyls Company LP, Westlake Vinyls, Inc. and WPT LLC may fully and unconditionally guarantee any series of debt securities offered by this prospectus, as set forth in a related prospectus supplement. These subsidiaries are sometimes referred to in this prospectus as possible Subsidiary Guarantors. The term Subsidiary Guarantors with respect to a series of debt securities refers to those subsidiaries listed above that guarantee that series of debt securities. The applicable prospectus supplement will name the Subsidiary Guarantors, if any, for that series of debt securities and will describe the terms of the guarantee by the Subsidiary Guarantors.

Table of Contents

RISK FACTORS

You should carefully consider each of the following risks and all of the information provided elsewhere in this prospectus, the accompanying prospectus supplement and the documents we incorporate by reference before investing in our securities.

Risks Related to our Principal Stockholder

We will be controlled by our principal stockholder, TTWF LP, and its affiliates as long as they own a majority of our common stock, and our other stockholders will be unable to affect the outcome of stockholder voting during that time. Our interests may conflict with those of the principal stockholder affiliates, and we may not be able to resolve these conflicts on terms possible in arms-length transactions.

As long as TTWF LP, which as of the date of this prospectus owns approximately 70.1% of our common stock (the principal stockholder or the selling stockholder) and its affiliates (the principal stockholder affiliates) own a majority of our outstanding common stock, they will be able to exert significant control over us, and our other stockholders, by themselves, will not be able to affect the outcome of any stockholder vote. As a result, the principal stockholder, subject to any fiduciary duty owed to our minority stockholders under Delaware law, will be able to control all matters affecting us (some of which may present conflicts of interest), including:

the composition of our board of directors and, through the board, any determination with respect to our business direction and policies, including the appointment and removal of officers and the determination of compensation;

any determinations with respect to mergers or other business combinations or the acquisition or disposition of assets;

our financing decisions, capital raising activities and the payment of dividends; and

amendments to our amended and restated certificate of incorporation or amended and restated bylaws.

The principal stockholder will be permitted to transfer a controlling interest in us without allowing our other stockholders to participate or realize a premium for their shares of common stock. A sale of a controlling interest to a third party may adversely affect the market price of our common stock and our business and results of operations because the change in control may result in a change of management decisions and business policy. Because we have elected not to be subject to Section 203 of the General Corporation Law of the State of Delaware, the principal stockholder may find it easier to sell its controlling interest to a third party than if we had not so elected. See Description of Capital Stock Delaware Business Combination Statute for a description of Section 203 and the potential positive and negative consequences, depending on the circumstances, of electing not to be subject to it.

In addition to any conflicts of interest that arise in the foregoing areas, our interests may conflict with those of the principal stockholder affiliates in a number of other areas, including:

business opportunities that may be presented to the principal stockholder affiliates and to our officers and directors associated with the principal stockholder affiliates, and competition between the principal stockholder affiliates and us within the same lines of business;

the solicitation and hiring of employees from each other; and

agreements with the principal stockholder affiliates relating to corporate services that may be material to our business.

We may not be able to resolve any potential conflicts with the principal stockholder affiliates, and even if we do, the resolution may be less favorable than if we were dealing with an unaffiliated party, particularly if the

Table of Contents

conflicts are resolved while we are controlled by the principal stockholder affiliates. Our amended and restated certificate of incorporation provides that the principal stockholder affiliates have no duty to refrain from engaging in activities or lines of business similar to ours and that the principal stockholder affiliates will not be liable to us or our stockholders for failing to present specified corporate opportunities to us. See Description of Capital Stock Transactions and Corporate Opportunities.

Risks Related to the Common Stock

Substantial sales of our common stock by the principal stockholder or us could cause our stock price to decline and issuances by us may dilute our stockholders' ownership interest in our company.

We are unable to predict whether significant amounts of our common stock will be sold by the principal stockholder. Any sales of substantial amounts of our common stock in the public market by the principal stockholder or us, or the perception that these sales might occur, could lower the market price of our common stock. Further, if we issue additional equity securities to raise additional capital, our stockholders' ownership interest in our company may be diluted and the value of their investment may be reduced.

The price of our common stock may be volatile.

The market price of our common stock could be subject to significant fluctuations. Among the factors that could affect our stock price are:

our operating and financial performance and prospects;

quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;

changes in revenue or earnings estimates or publication of research reports by analysts;

speculation in the press or investment community;

strategic actions by us or our competitors, such as acquisitions or restructurings;

sales of our common stock by stockholders;

actions by institutional investors or by the principal stockholder;

fluctuations in oil and gas prices;

general market conditions, including fluctuations in commodity prices; and

U.S. and international economic, legal and regulatory factors unrelated to our performance.

The stock markets in general have experienced extreme volatility that has at times been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock and, as a result, an investment in our common stock.

If we are unable to pay regular dividends on our common stock, our stockholders may not receive funds without selling their common stock.

Since our initial public offering, we have paid a regular quarterly dividend of at least \$0.02125 per share to holders of our common stock. Any payment of future dividends will be at the discretion of our board of directors and will depend on, among other things, our earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends, and other considerations that our board of directors deems relevant. The agreements governing our 6^{5/8}% senior notes due 2016, 6^{3/4}% senior notes due 2032 and revolving credit facility also include limitations on our payment of dividends. Accordingly, our stockholders may have to sell some or all of their common stock in order to generate cash flow from their investment. Our stockholders may not receive a gain on their investment when they sell their common stock and they may lose the entire amount of the investment.

Table of Contents

Provisions in our charter documents or Delaware law may inhibit a takeover, which could adversely affect the value of our common stock.

Our amended and restated certificate of incorporation and amended and restated bylaws, as well as Delaware corporate law, contain provisions that could delay or prevent a change of control or changes in our management that a stockholder might consider favorable. These provisions apply even if the offer may be considered beneficial by some of our stockholders. If a change of control or change in management is delayed or prevented, the market price of our common stock could decline. Please read [Description of Capital Stock](#) for a description of these provisions.

Risks Related to the Debt Securities

Our holding company structure may affect our ability to make payments on the debt securities. Holders of debt securities may be structurally subordinated to the creditors of our subsidiaries.

We currently conduct our operations through subsidiaries, and our operating income and cash flow are generated by our subsidiaries. As a result, cash we obtain from our subsidiaries is the principal source of funds necessary to meet our debt service obligations. Contractual provisions or laws, as well as our subsidiaries' financial condition and operating requirements, may limit our ability to obtain cash from our subsidiaries that we require to pay our debt service obligations, including payments on the debt securities. In addition, holders of the debt securities will have a junior position to the claims of creditors, including trade creditors and tort claimants, of our subsidiaries to the extent that such subsidiaries do not guarantee such debt securities. In the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, holders of that subsidiary's indebtedness and its trade creditors will generally be entitled to payment of their claims from the assets of the subsidiary before any assets are made available for distribution to us.

A holder's right to receive payments on the debt securities is effectively subordinated to the rights of our existing and future secured creditors. Further, the guarantees of the senior debt securities by the Subsidiary Guarantors are effectively subordinated to the guarantors' existing and future secured indebtedness.

Holders of our secured indebtedness and the secured indebtedness of the Subsidiary Guarantors will have claims that are prior to the claims of holders of the senior debt securities to the extent of the value of the assets securing that other indebtedness. Notably, we and certain of our subsidiaries, including the Subsidiary Guarantors, are parties to a credit facility, which is secured by liens on, among other things, our accounts receivable, inventory and some fixed assets. The senior debt securities will be effectively subordinated to that secured indebtedness. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding, holders of secured indebtedness will have prior claim to our assets that constitute their collateral. Holders of the senior debt securities will participate ratably with all holders of our senior unsecured indebtedness, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets. We may apply proceeds of certain asset sales to reduce our secured indebtedness or other secured obligations, but such application will not permanently reduce our ability to incur secured indebtedness and other secured obligations under the indenture in the future. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the senior debt securities. As a result, holders of the senior debt securities may receive less, ratably, than holders of secured indebtedness.

A holder's right to receive payments on the debt securities could be adversely affected if any of our non-guarantor subsidiaries declares bankruptcy, liquidates or reorganizes.

Some but not all of our subsidiaries may guarantee the debt securities. In the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, holders of that subsidiary's indebtedness and its trade creditors will generally be entitled to payment of their claims from the assets of the subsidiary before any assets are made available for distribution to us.

Table of Contents

Federal and state statutes allow courts, under specific circumstances, to void guarantees and require holders of the debt securities to return payments received from guarantors.

Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee could be voided or claims in respect of a guarantee could be subordinated to all other debts of the applicable guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee, received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee and either:

was insolvent or rendered insolvent by reason of such incurrence; or

was engaged or about to engage in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or

intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, any payment by that guarantor pursuant to its guarantee could be voided and required to be returned to the guarantor or to a fund for the benefit of the creditors of the guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, a guarantor would be considered insolvent if, at the relevant time, the sum of its debts and other liabilities, including contingent liabilities, was greater than the sum of its assets at a fair valuation, and a guarantor that was generally not then paying its debts as they became due would be presumed to be insolvent.

We may incur additional debt ranking equal to the debt securities.

If we incur any additional debt that ranks equally with the debt securities, the holders of that debt will be entitled to share ratably with the holders of the debt securities in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of our company. This may have the effect of reducing the amount of proceeds paid to a holder of debt securities.

Table of Contents

CAUTIONARY STATEMENTS ABOUT FORWARD- LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 provides safe harbor provisions for forward-looking information. Certain of the statements contained in this prospectus are forward-looking statements. All statements, other than statements of historical facts, included in this prospectus that address activities, events or developments that we expect, project, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements can be identified by the use of words such as believes, intends, may, should, could, anticipates, or comparable terminology, or by discussions of strategies or trends. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we cannot give any assurances that these expectations will prove to be correct. Forward-looking statements relate to matters such as:

future operating rates, margins, cash flow and demand for our products;

industry market outlook;

production capacities;

our ability to borrow additional funds under our credit facility;

our ability to meet our liquidity needs;

our intended quarterly dividends;

future capacity additions and expansions in the industry;

timing, size, scope, cost and other matters related to the project in the Republic of Trinidad and Tobago;

timing and results of the planned expansions of our chlor-alkali and PVC resin units, building of a large diameter PVC plant at our Calvert City manufacturing complex and start-up of our PVC pipe facility in the western United States;

compliance with present and future environmental regulations and costs associated with environmentally related penalties, capital expenditures, remedial actions and proceedings;

effects of pending legal proceedings; and

timing of and amount of capital expenditures.

We have based these statements on assumptions and analyses in light of our experience and perception of historical trends, current conditions, expected future developments and other factors we believe were appropriate in the circumstances when the statements were made.

Forward-looking statements by their nature involve substantial risks and uncertainties that could significantly impact expected results, and actual future results could differ materially from those described in such statements. While it is not possible to identify all factors, we continue to face many risks and uncertainties. Among the factors that could cause actual future results to differ materially are the risks and uncertainties

Edgar Filing: WESTLAKE MANAGEMENT SERVICES INC - Form S-3

discussed under Risk Factors in this prospectus and in our most recent Annual Report on Form 10-K and those described from time to time in our other filings with the SEC including, but not limited to, the following:

general economic and business conditions;

the cyclical nature of the chemical industry;

the availability, cost and volatility of raw materials and energy;

uncertainties associated with the United States and worldwide economies, including those due to political tensions in the Middle East and elsewhere;

current and potential governmental regulatory actions in the United States and regulatory actions and political unrest in other countries;

Table of Contents

industry production capacity and operating rates;

the supply/demand balance for our products;

competitive products and pricing pressures;

access to capital markets;

terrorist acts;

operating interruptions (including leaks, explosions, fires, weather-related incidents, mechanical failure, unscheduled downtime, labor difficulties, transportation interruptions, spills and releases and other environmental risks);

changes in laws or regulations;

technological developments;

our ability to implement our business strategies; and

creditworthiness of our customers.

Many of such factors are beyond our ability to control or predict. Any of the factors, or a combination of these factors, could materially affect our future results of operations and the ultimate accuracy of the forward-looking statements. These forward-looking statements are not guarantees of our future performance, and our actual results and future developments may differ materially from those projected in the forward-looking statements. Management cautions against putting undue reliance on forward-looking statements or projecting any future results based on such statements or present or prior earnings levels. Every forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statement.

Table of Contents

USE OF PROCEEDS

Unless we inform you otherwise in the prospectus supplement, we expect to use the net proceeds from the sale of securities for general corporate purposes. These purposes may include:

repayment or refinancing of debt;

acquisitions;

working capital;

capital expenditures; and

repurchases and redemptions of securities.

Pending any specific application, we may initially invest funds in short-term marketable securities or apply them to the reduction of short-term indebtedness.

We will not receive any proceeds from the sale of any shares of our common stock that may be sold by the selling stockholder.

RATIO OF EARNINGS TO FIXED CHARGES

We have presented in the table below our historical consolidated ratio of earnings to fixed charges for the periods shown.

	Years Ended December 31,				
	2007	2006	2005	2004	2003
Ratio of earnings to fixed charges	5.6x	10.1x	11.1x	5.1x	1.5x

We have computed the ratios of earnings to fixed charges by dividing earnings by fixed charges. For this purpose, earnings consist of earnings before income taxes plus fixed charges and equity distributions less net capitalized interest and equity investment income. Fixed charges consist of interest expense, capitalized interest and that portion of operating lease rental expense (one-third) we have deemed to represent the interest factor of such expense.

No shares of our preferred stock are currently issued or outstanding, therefore no dividends accrued on any shares of our preferred stock for any period presented. Accordingly, the ratio of earnings to combined fixed charges and preferred stock dividends is the same as the ratio of earnings to fixed charges.

Table of Contents

DESCRIPTION OF DEBT SECURITIES

The debt securities covered by this prospectus will be our general unsecured obligations. We will issue senior debt securities under an indenture dated as of January 1, 2006, as amended or supplemented from time to time, between us, the subsidiary guarantors party thereto and The Bank of New York Trust Company, N.A. (as successor to JPMorgan Chase Bank, National Association), as trustee. We refer to this indenture as the senior indenture. We will issue subordinated debt securities under an indenture to be entered into among us, the possible Subsidiary Guarantors, and a trustee we will name in the prospectus supplement relating to subordinated debt securities. We refer to this indenture as the subordinated indenture. We refer to the senior indenture and the subordinated indenture collectively as the indentures. The indentures are substantially identical, except for provisions relating to subordination.

We have summarized material provisions of the indentures, the debt securities and the guarantees below. This summary is not complete. We have filed the form of the senior indenture and the form of the subordinated indenture with the SEC as exhibits to the registration statement, and you should read the indentures for provisions that may be important to you. Please read [Where You Can Find More Information](#).

In this summary description of the debt securities, unless we state otherwise or the context clearly indicates otherwise, all references to we, us, or our refer to Westlake Chemical Corporation only and not to any of its subsidiaries.

General

Neither indenture limits the amount of debt securities that may be issued under that indenture, and neither limits the amount of other unsecured debt or securities that we may issue. We may issue debt securities under the indentures from time to time in one or more series. As of December 31, 2007, \$499.3 million of senior debt securities were outstanding under the senior indenture, which includes \$250.0 million principal amount of 6⁵/₈% senior notes due 2016 (less the unamortized discount of \$0.7 million) and \$250.0 million of 6³/₄% senior notes due 2032. No securities are outstanding under the subordinated indenture.

We are not obligated to issue all debt securities of one series at the same time and, unless otherwise provided in the prospectus supplement, we may reopen a series, without the consent of the holders of the debt securities of that series, for the issuance of additional debt securities of that series. Additional debt securities of a particular series will have the same terms and conditions as outstanding debt securities of such series, except for the date of original issuance and the offering price, and will be consolidated with, and form a single series with, such outstanding debt securities.

The senior debt securities will constitute our senior unsecured indebtedness and will rank equally in right of payment with all of our other unsecured and unsubordinated debt and senior in right of payment to all of our subordinated indebtedness. The senior debt securities will be effectively subordinated to, and thus have a junior position to, our secured indebtedness with respect to the assets securing that indebtedness. The subordinated debt securities will rank junior to all of our senior indebtedness and may rank equally with or senior to other subordinated indebtedness we may issue from time to time.

We currently conduct our operations through subsidiaries, and our operating income and cash flow are generated by our subsidiaries. As a result, cash we obtain from our subsidiaries is the principal source of funds necessary to meet our debt service obligations. Contractual provisions or laws, as well as our subsidiaries' financial condition and operating requirements, may limit our ability to obtain cash from our subsidiaries that we require to pay our debt service obligations, including payments on the debt securities. In addition, holders of the debt securities will have a junior position to the claims of creditors, including trade creditors and tort claimants, of our subsidiaries to the extent that such subsidiaries do not guarantee such debt securities.

Table of Contents

Neither indenture contains any covenants or other provisions designed to protect holders of the debt securities in the event we participate in a highly leveraged transaction or upon a change of control. The indentures also do not contain provisions that give holders of the debt securities the right to require us to repurchase their securities in the event of a decline in our credit rating for any reason, including as a result of a takeover, recapitalization or similar restructuring or otherwise.

Ranking

We and certain of our subsidiaries, including the Subsidiary Guarantors, are parties to a revolving credit facility, which is secured by liens on, among other things, our accounts receivable, inventory and some fixed assets. The senior debt securities will be effectively subordinated to that secured indebtedness. As of December 31, 2007, we had \$1.2 million of outstanding borrowings and outstanding letters of credit totaling \$14.2 million under the revolving credit facility. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding, holders of secured indebtedness will have prior claim to our assets that constitute their collateral. Holders of the senior debt securities will participate ratably with all holders of our senior unsecured indebtedness, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets. See Risk Factors Risks Related to the Debt Securities A holder's right to receive payments on the debt securities is effectively subordinated to the rights of our existing and future secured creditors. Further, the guarantees of the senior debt securities by the Subsidiary Guarantors are effectively subordinated to the guarantors' existing and future secured indebtedness.

The senior debt securities will rank equally with all of our other unsecured and unsubordinated indebtedness and the unsecured and unsubordinated indebtedness of the Subsidiary Guarantors. As of December 31, 2007, we had an aggregate of \$510.2 million of unsecured and unsubordinated indebtedness.

Under the subordinated indenture, payment of the principal of and any premium and interest on the subordinated debt securities will generally be subordinated and junior in right of payment to the prior payment in full of all Senior Debt. As of December 31, 2007, we had an aggregate of \$511.4 million of Senior Debt.

Terms

The prospectus supplement relating to any series of debt securities being offered will include specific terms relating to the offering. These terms will include some or all of the following:

whether the debt securities will be senior or subordinated debt securities;

the title of the debt securities;

the total principal amount of the debt securities;

whether we will issue the debt securities in individual certificates to each holder or in the form of temporary or permanent global securities held by a depositary on behalf of holders;

the date or dates on which the principal of and any premium on the debt securities will be payable;

any interest rate, the date from which interest will accrue, interest payment dates and record dates for interest payments;

whether and under what circumstances we will pay any additional amounts with respect to the debt securities;

Edgar Filing: WESTLAKE MANAGEMENT SERVICES INC - Form S-3

whether debt securities are entitled to any guarantee of any Subsidiary Guarantors and the identity of any such Subsidiary Guarantors for that series and the terms of such guarantee if different than t