

# BULLS EYE BRIEFS

Product and Company News from ZINSSER Co., Inc.

FALL/WINTER 2003

## BULLS EYE® WATER-BASE A Great Primer for Any Interior Surface

John Potter, painting contractor and owner of Potter the Painter, has been in business for over 20 years and during that time has become a regular ZINSSER user. So when a ZINSSER representative stopped by his shop with a gallon of our new BULLS EYE® WATER-BASE Interior Primer-Sealer, John and his staff of nine were more than happy to give it a try.

"ZINSSER really pushes the envelope when it comes to product development, so we're never reluctant to give a new product a try. We know anything ZINSSER manufactures will be high quality," John explained. "We were painting recessed panel birch doors when our rep arrived, so we primed them with BULLS EYE WATER-BASE. It worked great," he said.

### A Versatile Primer for Any Project

Potter the Painter specializes in upscale residential work in the Milwaukee, Wisconsin area. In addition to onsite jobs, the company has a 7,000 square foot pre-finishing facility. John and his staff paint millwork for area builders at the facility. They also provide painting services for remodeling and painting contractors who have a large volume of work and need additional help.

"We're well known by contractors in the area for our high-quality finishing," he said.

BULLS EYE WATER-BASE proved to be a great product for all of the company's work. At his facility, John and his staff spray BULLS EYE WATER-BASE to prime wood molding – both new and previously painted – hardwood doors, drywall

and cabinetry. In the field, his crew applies BULLS EYE WATER-BASE by brush. "It lays down nicely and has great enamel holdout," John said. "It thoroughly seals the surface giving any finish we use – gloss, semi-gloss and satin – a uniform sheen with no high or low spots."

When time and money permit, John believes in the adage: "Double prime all the time". The reason? He believes it significantly improves the quality of the finish.

"Double priming helps you achieve the optimum uniform finish, especially when top coating with a gloss or semi-gloss," he said.

And because John typically uses a 4-coat system, he likes using BULLS EYE WATER-BASE because it's more flexible than an oil-base primer and it dries faster too.

John recalled a recent job in an upscale home on Lake Michigan where the homeowner wanted his barrel living room ceiling painted with a gloss finish to maximize the reflection coming off the lake.

"BULLS EYE WATER-BASE was the natural choice because a uniform finish was critical to the job," said John.

### Fast Drying, Low Odor

BULLS EYE WATER-BASE dries to the touch in just 30 minutes and can be sanded or recoated in just one hour. It also has virtually no odor, which made it the ideal choice for another project in a local hospital. John used BULLS EYE



**"ZINSSER really pushes the envelope when it comes to product development, so we're never reluctant to give a new product a try."**

*Continued on next page...*

# ZINSSER Bond Coat Primers Help Avoid Exposure to Lead Paint Dust

Up until the 1970s lead-base pigment was used throughout the coatings industry as a paint pigment and filler. Unfortunately, because lead oxide is made from metallic lead, it is potentially hazardous if ingested or inhaled -- a fact that was not fully appreciated by consumers, contractors and regulatory agencies until 30 years ago, when legislation was passed that banned the use of any form of lead in any architectural coating.

Recently the State Attorneys General entered into an agreement with the National Paint & Coatings Association to place lead warnings on the labels and lids of architectural coatings. These warnings will be on virtually all paint containers after September 30, 2003 to advise consumers of the hazards associated with releasing lead dust through scraping, sanding or removing lead-base paint.

Since most paints and many primers develop adhesion by anchoring to pores and surface irregularities, sanding is usually required when painting over a glossy surface like old enamel paint. This can result in a considerable amount of dust -- and in the case of paint that is over 30 years old, the potential for releasing a significant amount of lead.

However, when you prime otherwise smooth surfaces with a "bond coat" primer like ZINSSER's B-I-N®, BULLS EYE 1-2-3® or Cover-Stain® before you paint, you can typically eliminate sanding from surface prep -- and the potential for lead dust contamination.

Unlike paint and most primers, all ZINSSER primers are "bond coat" primers specifically formulated to stick to even slick or glossy surfaces without sanding or deglossing. Formulated for optimal chemical "bonding" adhesion as well as physical adhesion, they stick to a wide range of paintable surfaces -- high-gloss paint, clear finishes, metals, vinyl and aluminum siding, Formica®, ceramic tile -- even glass. Simply clean the surface thoroughly and make sure it's dry before priming.

This fantastic property of ZINSSER primers is not new. It's long been an important reason for their popularity. But given the increased attention to the lead paint issue that will arise when users see the new warnings, we have highlighted this feature at the bottom of all our primer labels so dealers and concerned end users will be better informed. ☺



## *(BULLS EYE WATER-BASE Continued)*

WATER-BASE to prime the new birch wood trim in the doctors' offices -- a project where low odor was essential.

There's one other reason John appreciates BULLS EYE WATER-BASE -- less solvent waste in his shop.

"I used to pay to have a 55-gallon drum of solvent waste disposed of about once a month," he said. "Using BULLS EYE WATER-BASE helped reduce our solvent waste disposal, which means better profitability, less exposure for my crew -- and it's better for the environment too. It's a real win-win." ☺



# New ZINSSER Products

The summer months are an exciting time at ZINSSER as we gear up to launch our newest products at the National Hardware Show. This year was no exception! Here are the products that made their debut at this year's show.



## COVERS UP® Stain Sealing Ceiling Paint

We knew it was a great new product! The editors at Popular Mechanics magazine thought so too – and awarded ZINSSER's COVERS UP Stain Sealing Ceiling Paint Popular Mechanics' prestigious Editors Choice Award in recognition of outstanding achievement in new product design and innovation at the 2003 National Hardware Show in Chicago.

COVERS UP Stain Sealing Ceiling Paint is a low odor aerosol that's a stain killing primer and ceiling touch-up paint – in one can! ZINSSER's proven stain blocking technology is incorporated into this new generation product that offers a flat white finish that matches most acoustical ceiling tiles and white ceiling paint, so it's the perfect "touch up" paint when you want to cover a spot or two and not paint the entire ceiling. The low odor, non-yellowing formula permanently blocks common ceiling stains – stains from water, nicotine, smoke, graffiti – and more. The vertically oriented aerosol spray is great for other overhead professional and home improvement projects too – painting crown moldings, light fixtures, HVAC ductwork, vents or overhead pipes.



## Eggshell Sheen Perma-White®

For more than a decade, PERMA-WHITE® has proven effective at preventing the growth of mold and mildew on painted surfaces. Originally introduced in a scrubbable satin sheen, semi-gloss was soon added by popular demand. While end users asked for PERMA-WHITE in a flatter sheen, making a flatter sheen that was washable and still offered ZINSSER's 5-Year Mold & Mildew-Proof\* Guarantee was a technical challenge that took our lab 10 years of development and testing to achieve. That's why we're so proud to announce that PERMA-WHITE is now available in an eggshell sheen.

Ideal for commercial and residential walls and ceilings where a lower sheen paint is desired, PERMA-WHITE is great for hotel guest rooms, classrooms, bedrooms, offices, closets, kitchens – any high humidity area where mold and mildew could be a problem. PERMA-WHITE is a premium quality paint that sticks to all surfaces – even glossy surfaces like oil-base paint – without tedious sanding. Its self-priming, fast drying formula can be recoated in just two hours. Plus the white formula is tintable to off-white, pastel and medium colors, as well as a variety of decorator colors to enhance any décor.

\* PERMA-WHITE contains a mildewcide to prevent the growth of mold & mildew on the paint film only.



## New WalWorks™ Wallpaper Tools

ZINSSER is ready to revolutionize wallpaper hanging with the introduction of several new tools in our WalWorks™ line. A variety of unique new products – special adhesive rollers, smoothing rollers, ComfortGrip™ knives, and other ergonomically designed tools that make wallpaper hanging quick and easy – will soon join WalWorks WalWiz® 3-in-1 Wallpapering Tool and ComfortGrip Shears.

WalWorks Rollers are specially designed to hold up to 3 times more adhesive or gel stripper than ordinary rollers, delivering just the right amount of adhesive or stripper to the wallpaper with less effort than with traditional tools. ComfortGrip Snap-Off Knives and the ComfortGrip Razor Knife feature sharp stainless steel blades for precise clean cuts and large cushioned grip handles for extra comfort and control. ComfortGrip Fractional Tape Measure features easy-to-read numbers in 1/8th inch increments for easier measuring, and WalWorks Wallcovering Sponge is designed for super absorbency and easy grip, making it ideal for big jobs. A variety of wallpaper and border project kits for the do-it-yourselfer will also make their debut this fall. ☺

# Down Memory Lane

## 1925

It's 1925 and ZINSSER celebrates 76 years making outstanding products. As great products continue to roll off the ZINSSER production line, other events are occurring elsewhere in the nation and the world.

Al "Scarface" Capone assumes command of the underworld operations ring in Chicago. Capone emerges as the most legendary mob figure in US history.

The Italian fascist leader Benito Mussolini announces that he will make himself dictator.

Hitler reorganizes Nazi Party (27,000) members and publishes vol. 1 of "Mein Kampf".

The Texas State Textbook Board bans the theory of evolution from the public school curriculum; John Scopes goes on trial in Dayton, TN, for teaching evolution – he's later convicted and fined \$100.

The Scottish electrical engineer John Logie Baird transmits the first television images of recognizable human faces.

The first motel in the US opens in California.

A reorganization of the Maxwell Motor Company results in the founding of the Chrysler Corporation; it releases its first car at a price of \$1500.

# WATERTITE® More Effective Than Latex Waterproofers!

ZINSSER's introduction of WATERTITE® Mold & Mildew-Proof\* Waterproofing Paint in October 2002 revolutionized the waterproofing market. Finally, there was a quality waterproofing paint specifically formulated to keep water out – and keep mold and mildew away!

We launched WATERTITE with confidence. With the test results of an independent laboratory, we knew that WATERTITE stopped more than 10 pounds of water pressure – twice as much as other brands. But, there's an old saying: Seeing is believing. So recently, we set up a dramatic hydrostatic pressure test in our labs.

We set up the test using ordinary cinder block – the kind commonly used in basement construction. Two sides of the block were painted with latex waterproofer and the other two sides were painted with WATERTITE. The block was filled with water that was dyed blue, so any leaks during the test could easily be seen.



Ordinary latex  
waterproofer

WATERTITE

The block was then put into a hydrostatic pressure tester and air was pumped into a valve at the top of the block at intervals of 5 psi (pounds per square inch).

The results were astounding! The sides of the cinder block painted with the ordinary latex waterproofer showed leaks at only 5 psi. The sides of the block painted with extraordinary WATERTITE with-

stood 10 psi – 15 psi – even 20 pounds of water pressure with no sign of water seepage.

In addition to its superior waterproofing capability, WATERTITE Mold & Mildew-Proof\* Waterproofing Paint has lots of other great features and benefits that separate it from the competition. Like all ZINSSER products developed for the long-term prevention of mold and mildew, WATERTITE is guaranteed to prevent the growth of mold and mildew on painted surfaces for five years.

Unlike latex waterproofers, WATERTITE can be applied to dry, damp or wet surfaces, so water problems can be taken care of immediately. It dries to a smooth, bright white finish that can be tinted to off-white and pastel colors to transform a damp, leaky basement into a beautiful living space. Other waterproofers contain sand, yellow over time and dry to a gritty finish.

Traditional waterproofers smell bad, even latex waterproofers, but WATERTITE features an ultra low odor formula that has even less odor than latex paint. It sticks to any interior or exterior masonry surface, above and below grade and is specially formulated to prevent efflorescence on concrete and cinder block. No wonder WATERTITE is proving to be one of our most successful products ever! ©



\* WATERTITE contains a mildewcide to prevent the growth of mold and mildew on the paint film only.

# QuikSand® and PowerSand® Abrasive Blocks

## A Revolution In Tough Surface Prep...

ZINSSER has long been recognized as a leader in surface preparation. So when Earthstone International approached ZINSSER to distribute their revolutionary, patented QuikSand® and PowerSand® abrasive blocks, the choice was easy.

In February 2003, ZINSSER entered into an agreement with Earthstone to distribute QuikSand and PowerSand abrasive blocks to hardware stores, paint stores, home centers, building supply houses and paint & decorating distributors throughout the United States.

"QuikSand and PowerSand are a perfect complement to ZINSSER's line of primer-sealers and other surface preparation products," said ZINSSER's President, Bob Senior. "Our agreement with Earthstone to distribute the abrasive blocks is a logical extension of our focus on quality surface preparation."

QuikSand and PowerSand abrasive blocks revolutionize surface prep -- scraping, stripping and sanding all in one easy step.

They are tough enough to tackle the most demanding surface challenges -- stripping stubborn paint or varnish, scraping loose paint or removing rust -- outperforming sandpaper, sanding sponges, scrapers, heat guns, chemical strippers and other conventional surface prep products.

QuikSand feathers edges and sands spackling and other rough spots smoother and faster. Unlike sandpaper or sanding sponges, QuikSand abrasive blocks are self-sharpening and will conform to

any surface -- making it faster and easier to prep surfaces like exterior window trim, door frames and wrought iron railings.



It fits into "tight spots" easily and covers more surface area in less time. Plus, there's never additional cleaning needed prior to priming or painting with QuikSand.

Specifically designed for electric Sanders, PowerSand takes surface prep to a new level. PowerSand Super Stripping Blocks aggressively strip multiple layers of paint, varnish and other coatings from

wood, metal, drywall and other surfaces. They're so tough they can even smooth the rough edges of unfinished wood like T-111 wood siding. Plus, one PowerSand block lasts as long as 25 sheets of traditional sandpaper.

Business Manager, Frank Glowacki, recently demonstrated the strength and variety of uses for QuikSand and PowerSand at the National Hardware Show in Chicago.

"QuikSand and PowerSand are great for tackling the toughest surface challenges. They won't clog on latex coatings, or tear on sharp surface objects like nails, screws, corners or splinters," said Frank. "They can even hold up on wet surfaces and can be used in combination with solvents or paint removers, where sandpaper will simply fall apart. They're the perfect complement to ZINSSER's line of quality surface prep products." 🎯



## New Primer Ads Debuting This Fall!



Contractors recognize the importance of priming before painting. That's one of the reasons why their paint jobs look better and last longer. New homeowners need information about the value of priming -- so they too can get professional results the next time they paint. That's why ZINSSER's new ad "Don't Expect Paint To Do A Primer's Job!" and our new pocket tips "primer" "How to make your paint job look better and last longer" will be appearing in magazines like *The Family Handyman* and *The Family Handyman's New Homeowners Guide* beginning this fall!

Also look for our new "Get Out of the Sand Trap" ad in painting contractor magazines like *PWC* and *American Painting Contractor* beginning this September -- and learn how you can save yourself from sanding by using ZINSSER first! 🎯

# ZINSSER Products Prevent Mildew!

The PLUS System is comprised of SHIELDZ® PLUS Mold & Mildew-Proof\* Commercial Wallcovering Primer and SURE-GRIP® PLUS Mold & Mildew-Proof\* Commercial Wallcovering Adhesive. When used according to label directions, the PLUS System is guaranteed to prevent the most common problems associated with mold and mildew growth under vinyl wallcovering: adhesion loss, curling seams and edges and unsightly mildew stains.

Located in Harwich, Massachusetts, Paint and Wallcovering by McDonnell has been in business for 35 years and specializes in the construction and renovation of hotels and assisted living facilities. With a staff of 12 full time painters and four full time wallcovering installers, father and son owners, Peter and Xavier McDonnell, pride themselves on their product knowledge and have come to rely on ZINSSER products to tackle even the most challenging restoration projects.

ZINSSER products the McDonnells frequently specify for hotels and assisted living facilities include PERMA-WHITE® Mold & Mildew-Proof\* Interior Paint and the ZINSSER PLUS Mold & Mildew-Proof\* Commercial Wallcovering System.

## Mildew: A big problem in hotels

"Mildew can be a big problem in hotels, especially those located in coastal areas. It's not unusual for guests to complain about musty mildew odor and ask for reduced rates or free rooms when mildew is present," said Peter. "We've had great success with PERMA-WHITE."

The McDonnells began using PERMA-WHITE on bathroom ceilings – a mildew problem area for many hotels. It proved so effective in preventing mold and mildew on ceiling surfaces, they now use PERMA-WHITE in bathrooms and other mold and mildew-prone areas in many of their renovation projects. So when they heard about ZINSSER PLUS, our revolutionary wallcovering system, they were eager to learn more.

"Since some of our customers were experiencing problems associated with mold and mildew growth under vinyl wallcovering and we've had such positive experiences using PERMA-WHITE, we were interested in learning more about ZINSSER PLUS," Peter explained. "We also were very interested in learning about ZINSSER's 5-Year Satisfaction Guarantee."

McDonnells put ZINSSER PLUS to the test


## McDonnells put ZINSSER PLUS to the test

Impressed with what they learned, the McDonnells decided to put the PLUS System to the test. They chose a 90-room hotel renovation project. The hotel had recurring mildew problems, not uncommon in the New England region. But time was also an issue, since the project called for 10 rooms to be taken out of circulation on Monday and renovated in time for Friday occupancy.

"We presented the PLUS System and ZINSSER's 5-Year Satisfaction Guarantee to the owner. Since the additional cost per room was approximately one night's guest revenue, the owner decided the investment was well worth the cost," said Peter.

In addition to making their customers aware of new products that will help them prevent future mold and mildew problems, the McDonnells believe it's equally important to educate property owners and managers about the root causes of mold and mildew.

"Preventing mildew with products like PERMA-WHITE and ZINSSER PLUS is just part of the solution," said Peter. "Property owners and managers need to be educated that plumbing leaks, poor exterior caulking, leaky sliders and roof problems can create an environment that promotes mold and mildew problems."

The McDonnells and the hotel owner were very pleased with the performance of the PLUS System. Since that time, the company has booked a number of jobs as a result of good education and great products like PERMA-WHITE and ZINSSER PLUS. 



\*PERMA-WHITE, SHIELDZ PLUS and SURE-GRIP PLUS contain mildewcides to prevent the growth of mold & mildew on the paint, primer film and adhesive only.

## SealCoat™ Helps Restore

Built of solid brick with wood supporting beams hewn from solid fir, the Argonaut Hotel on Fishermen's Wharf in San Francisco is an example of the durability of 19th century construction. For over a century the 60,000 square foot building served as a cannery and storage facility for the booming West Coast fishing industry, withstanding the devastating earthquake of 1906 and dozens of other minor quakes and tremors.

The National Park Service acquired the land on which the building stands in the 1980's and the Haslett Warehouse began its transformation into a historic landmark hotel, complete with a small museum dedicated to preserving a portion of its past life. The building was retrofitted with structural modifications that would enable it to withstand an earthquake even stronger than the one that destroyed the city nearly a century ago. Unfortunately, just before the painting and decorating were about to begin, the fourth floor of the building caught fire.

Although the inferno was doused in a relatively short period of time, the damage was devastating: the atrium, fourth floor and roof were completely gutted. Fortunately, the earthquake retrofit helped maintain the structural integrity of the building. The first, second and third floors were intact, although badly damaged by smoke and the thousands of gallons of water needed to extinguish the flames. The project was set back nearly two years as efforts commenced to repair the damage.

George E. Masker Painting – one of the Bay Area's oldest and largest painting contracting firms – was selected to complete the final phase of the restoration and it was no small task!

"We had to sandblast the interior surfaces of the brick walls and the exposed wood beams. That part of the project alone cost about two million dollars," said Jeff Fuchs, Operations Manager for George E. Masker Painting. "The sandblasting was necessary to remove the extensive soot and smoke damage caused by the fire."

While the brickwork did not significantly absorb the



# THE PAPER ROUTE

It's been said that what goes up, must come down. This is especially true of wallcovering – particularly in commercial properties, where owners often make interior design decisions that require replacing all existing wallcovering.

It's unfortunate that "cutting corners" is sometimes viewed as better than doing the job right – and wallcovering installation is no exception. One of the "corners" that sometimes gets "cut" is the application of a good pre-wallcovering primer prior to installation. Unfortunately, it's a "cut" that's penny-wise and pound-foolish. Unprimed walls are often problematic during installation and easily damaged during wallcovering removal, wasting the time and expense associated with sanding, sealing and skimcoating.

But if SHIELDZ® UNIVERSAL Pre-Wallcovering Primer had been applied before installing the wallcovering, the added labor, time and material costs would be unnecessary – saving both the contractor and the property owner time and money. We think SHIELDZ is the most efficient and cost-effective first step in commercial wallcovering installation. Here's why:

**1. Sound, Sealed Surfaces** – Not all surfaces are sound, sealed and have a uniform color. Bare drywall is notorious for sucking all the moisture out of wallcovering adhesive in a very short period of time. Flat paint – especially builder's flat – does not offer a sound surface for wallcovering and most remodeling projects leave a variety of surfaces to be sealed – porous, gloss and multicolored. One coat of SHIELDZ Universal seals builder's flat paint and bare drywall to create a sound surface for hanging all types of wallcovering.

**2. Faster, easier installation** – Anyone who has primed with SHIELDZ will agree that wallcovering installation is much faster and easier because of the increased slip and repositioning time. With the increased working time and a uniform surface, seams are easier to match up and mistakes are easier to correct.

## The Advantages of Priming with SHIELDZ® Before Installing Wallcovering

**3. Better appearance and long-term performance** – SHIELDZ can be tinted to match the background color of the wallcovering, making it ideal for light-colors over dark surfaces or dark colors over light-colored surfaces. It prevents wallcovering seams from pulling away and curling up. And the uniform, breathable sealer film allows moisture to evaporate, preventing bubbles and blisters from forming in the wallcovering before it completely dries.

**4. Easier, faster removal with no damage to walls** – When the time comes to remove the wallcovering, it can be stripped from the walls without damaging the surface or tearing the drywall facing paper. The remaining adhesive can be easily removed using DIF® Wallpaper Stripper and the new wallcovering can be installed without delay.

Paperhangers who understand the value of priming first should have no problem convincing a property owner that the primer investment made at the beginning of the decorating cycle will yield savings during installation and at redecorating time. ☉



## San Francisco Landmark

acid odor caused by the fire, the wood beams certainly did. The project designers wanted to preserve the natural beauty of the wood but were concerned that the fire odor would eventually seep out and permeate the hotel.

Jeff Fuchs was unwilling to take any chances and after consulting with his local paint supplier and ZINSSER sales agent, Larry Magas, decided to use shellac-base BULLS EYE® SealCoat™ Universal Sanding Sealer.

Shellac is a natural odor barrier and two full coats will completely and permanently block any odor – no matter how strong.

"We liked the fact that SealCoat dries quickly and since it's compatible with all finishes, we could use the same product to seal all the affected surfaces," said Jeff. "We spray applied two coats over the exposed beams, the plywood subfloors and even the drywall ceilings. I figure we must have used about 3,000 gallons of SealCoat to complete the job."

According to Jeff, the project managers wanted the beams to have a matte appearance, "so we topcoated them with two coats of flat-finish lacquer. They looked absolutely beautiful when we were finished." George E. Masker Painting has since completed the restoration of the historic building and has moved on to other painting and decorating projects. The restored Argonaut is now a beautiful hotel and tourist

attraction. Thanks to the fine work of the contractors at George E. Masker Painting and SealCoat, the delicate scent of freshly cut flowers in the atrium is the only fragrance that greets guests when they arrive. ☉

RPM Inc., a world leader in specialty coatings, is the holding company that owns ZINSSER Co., Inc. and 35 other independent corporations. Its

industrial products include roofing systems, sealants, corrosion control coatings, floor coatings and specialty chemicals. RPM's consumer do-it-yourself products are used for home maintenance and automotive and boat repair. RPM shares are traded on the New York Stock Exchange under the symbol RPM.

RPM International Inc. recently reported continued growth in sales and operating results from both operating segments for the fourth quarter and full fiscal year, ended May 31, 2003. Fiscal year net sales grew 5 percent to a record \$2.083 billion and earnings, before a charge for asbestos related costs, grew to record levels as well. Net income increased 21 percent to \$122.8 million and diluted earnings per share improved by 9 percent to \$1.06, both before an \$88 million

after-tax charge for asbestos liability. Including the charge, RPM reported net income of \$35.3 million and diluted earnings per share of \$0.30.

For the 2003 fiscal year, RPM reported record net sales of \$2.083 billion, a 5 percent improvement, compared with sales of \$1.986 billion during fiscal 2002. The industrial and consumer segments reported sales growth of 6 percent and 4 percent, respectively, including several smaller acquisitions and generally favorable foreign exchange rates throughout the year.

Fiscal 2003 net income increased 21 percent to \$122.8 million and diluted earnings per share improved 9 percent to \$1.06, compared with net income of \$101.6 million and diluted earnings per share of \$0.97 in fiscal 2002. The charge to accrue for estimated asbestos related liabilities resulted in net income of \$35.3 million for the 2003 fiscal year and diluted earnings per share of \$0.30. The 11.5 million common shares issued in connection with the March 2002 follow-on equity offering had a dilutive effect of (\$0.01) on reported diluted earnings per share in fiscal 2003.

Net sales for the fourth quarter were a record \$589.5 million, an increase of 6 percent against sales of \$557.4 million in the fiscal 2002 fourth quarter. Industrial segment sales increased 8 percent, reaching \$304.1 million, while consumer segment sales were ahead 4 percent, to \$285.4 million. Organic sales growth of 2 percent and 1 percent, respectively, was complemented by the April 1, 2003 acquisition of Koch Waterproofing Solutions and several other smaller acquisitions, plus favorable foreign exchange rates.

Fourth quarter net income increased 19 percent to \$44.1 million and diluted earnings per share increased 15 percent to \$0.38, compared with net income of \$37.2 million and diluted earnings per share of \$0.33 in the fiscal 2002 fourth quarter. The charge to accrue for estimated asbestos related liabilities resulted in a net loss during the fiscal 2003 fourth quarter of (\$43.4) million and diluted earnings (loss) per share of (\$0.38). The 11.5 million common shares issued in connection with the March 2002 follow-on equity offering had an accretive effect of \$0.01 on reported diluted earnings (loss) per share in the fourth quarter of fiscal 2003.

**CONTRACTOR  
COUPON**

**FREE  
GALLON**

**Bulls Eye®  
WATER-BASE  
PRIMER-SEALER & STAIN KILLER**



Fill out this coupon and present it to your dealer/distributor and receive a gallon with our compliments.

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Phone \_\_\_\_\_ E-mail \_\_\_\_\_

**For Dealer/Distributor:**

Please honor this coupon for a gallon of BULLS EYE® WATER-BASE Primer-Sealer & Stain Killer. Please fill out this form completely and send it to us for credit:

Dealer/Distributor name: \_\_\_\_\_ Store # \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Phone \_\_\_\_\_

**ZINSSER Co., Inc.**

**Attn: Sales Service Department**

**173 Belmont Drive, Somerset, NJ 08875**

**www.zinsser.com**

**EXPIRATION DATE: 5/31/04**

**LIMIT ONE PER CONTRACTOR**

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Somerset, NJ 08875

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ZINSSER Co., Inc.

BULLS EYE BRIEFS

