

# BULLS EYE BRIEFS

Product and Company News from ZINSSER Co., Inc.

FALL/WINTER 2005

## B-I-N® Helps Restore the Historic Aztec Theatre

When the Aztec Theatre opened in 1926, it was heralded as the architectural and technological masterpiece of downtown San Antonio. It's no wonder! Its owners had spent \$1.75-million to create an Indiana Jones-type fantasy world complete with elaborate columns, reliefs and statuary reminiscent of ancient Aztec culture combined with "modern" special effects of the era.

Eventually, urban decay led to the closing of the theater. Slated for destruction, it was saved through the efforts of the San Antonio Conservation Society and placed on the National Register of Historic Places in 1992. The décor and relics of the Aztec are currently being restored in preparation for its reopening in 2006.

L.E. Travis & Sons, Inc. was contracted to do the base coat and glazing work as part of the theater's restoration. According to owner Ed Travis, conditions at the theater presented some challenges.

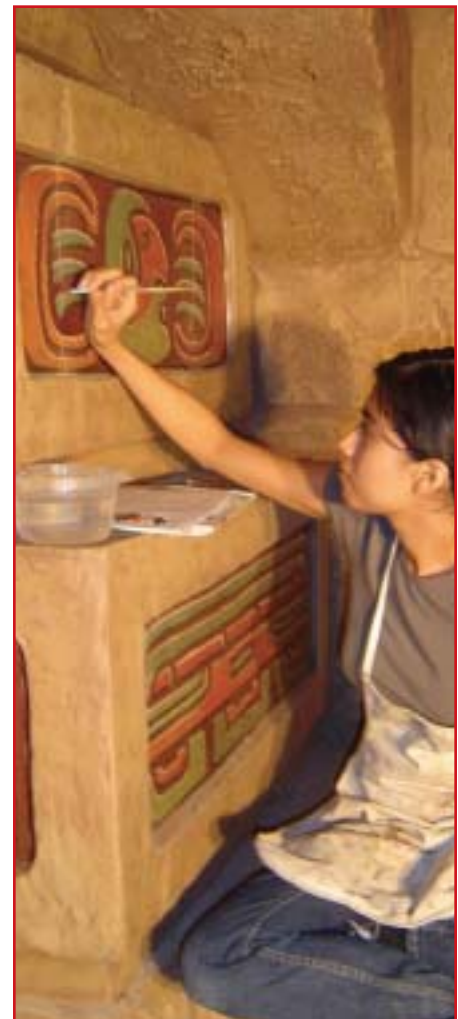
### The Challenge of Historic Restoration

"There was a lot of airborne dust, so we needed a primer that dried very quickly so the dust wouldn't stick to the walls before they dried," said Ed. "There were other challenges too."

The original 1926 plaster walls were extremely porous and would have to be thoroughly sealed to provide a good base for the topcoats, color washing effects and other decorative finishes planned for the restoration. And since there was no telling how

many coats of paint were on the walls, reliefs and statuary – or what type of paints were used – they needed a primer that provided good adhesion to all surfaces and completely blocked off all old coatings. After meeting with the ZINSSER representative in the San Antonio area, Ed selected B-I-N® to prime the entire interior of the theater.

"ZINSSER has a reputation for quality, so we had no doubt B-I-N would perform well," Ed said. "It provided a great surface for the decorative finishes and had great adhesion to the plaster and old coatings. It was a perfect choice for this project."



# Product Profile Bulls Eye® High Hide ODORLESS

Contractors who specialize in residential remodeling, commercial maintenance or repainting schools, hospitals and other public places frequently require the performance of an oil-base primer to block stains from water, graffiti and other water-soluble stains.



However, in occupied areas the odor associated with an oil-base primer is often a concern. Since timelines are usually tight, a primer that dries fast and sprays easily is also important so they can get to the painting faster.

Now ZINSSER has a truly sprayable primer that offers oil-base performance without the oil-base odor – and is compliant with VOC regulations in all states – Bulls Eye® High Hide ODORLESS.

## A Truly Sprayable Odorless Primer

A high-solids solvent-base primer developed specifically for “people sensitive” areas, Bulls Eye High Hide ODORLESS has even less odor than most water-base primers and features ZINSSER’s unique stain-blocking technology to block the toughest stains – stains from water, smoke, nicotine, graffiti and more — in just

one coat. Its state-of-the-art resin system won’t clog airless sprayers like many odorless primers. And it dries fast and dead flat for easy sanding.

Bulls Eye High Hide ODORLESS is great for interior walls, ceilings, doors, cabinets – any paintable surface. Like all ZINSSER primers, it offers great adhesion to all surfaces – even glossy surfaces – without sanding, making it a great primer for use over old alkyd paints where dust from lead can be a concern. It seals porous surfaces like builder’s flat paint, new drywall and unfinished wood for better topcoat coverage and with high pH resistance, it’s great for masonry, plaster and fast-set joint compounds.

Bulls Eye High Hide ODORLESS has a brilliant white finish that doesn’t yellow with age. It dries in just 30 minutes, can be recoated in just two hours and sands easily to maximize the sheen and color of enamel topcoats. And, it can be applied under or over any conventional oil or latex topcoat – or left uncoated for a bright white, dead flat finish that is perfect for ceilings.

See the coupon on the back page of this issue of Bulls Eye Briefs and try it for yourself. Or, visit [www.zinsser.com](http://www.zinsser.com) for more information and technical data. 🎯



(Aztec Theatre Continued)



## A Primer to Meet Every Surface Challenge

Since 1946, contractors have turned to shellac-base B-I-N to meet the unique challenges of restoration projects. It’s still the ultimate performance primer. B-I-N dries lightning fast and can be recoated in just 45 minutes, so it’s ideal for projects where a quick-dry primer is required. It seals porous surfaces for more even topcoat color and sheen, has legendary adhesion without sanding and blocks the worst stains. It even seals in the musty odors associated with many historic properties.

Pamela Rosser, a principal with Restoration Associates, a San Antonio based company that specializes in

decorative finishes for historic restorations, agreed. Restoration Associates had used B-I-N at the Empire Theatre down the street

from the Aztec and thought it would be a great base coat for the faux stone and other decorative finishes they planned for the Aztec restoration.



B-I-N seals porous surfaces for more even topcoat coverage.



# WHAT THE PROS ARE SAYING ABOUT BULLS EYE 1-2-3®

Bulls Eye 1-2-3® has long been the professionals' choice for priming a variety of surfaces – inside and outside. In fact, according to a recent survey conducted by PWC magazine, it's the water-base primer preferred 2 to 1 over other brands.

Why do contractors choose Bulls Eye 1-2-3? We'll let them tell you! Here's a preview of the ads that will be running in upcoming issues of Painting & Wallcovering Contractor and American Painting Contractor. 🎯

**What the pros are saying about Bulls Eye 1-2-3:**

**"I've used other primers. This is the best."**  
— Sam Nixotic, S&S Painting & Remodeling, Chicago, Illinois

**"Great coverage. Easy application. Economical."**

Every once in a while, a product performs even better than it claims. For Sam Nixotic, that product is Bulls Eye 1-2-3. Sam calls Bulls Eye 1-2-3 a "miracle product". It's the only water-borne primer he uses!

**ZINSSER**  
Bulls Eye 1-2-3  
PRIMER SEALER  
Stain Killer

**What the pros are saying about Bulls Eye 1-2-3:**

**"We've never had a complaint. So I know it works."**  
— Vince Warrenburg, Superintendant, Avoca Builders Co., painting, Indianapolis, Indiana

**"Great hide. Great adhesion. Low odor."**

For Vince Warrenburg, the test of a good product is customer satisfaction — and he never gets callbacks with Bulls Eye 1-2-3. It's his "go to" primer for priming new drywall, old wallcovering, wood, metal — even tile and porcelain!

**ZINSSER**  
Bulls Eye 1-2-3  
PRIMER SEALER  
Stain Killer

**What the pros are saying about Bulls Eye 1-2-3:**

**"I only keep one water-base primer in my van. Bulls Eye 1-2-3® is universal."**  
— Michael Weiss, MDW Painting Co., Pasadena, California

**"Seals the surface for a uniform finish. Great enamel holdout."**

To achieve a beautiful finish with a uniform color and sheen, Michael turns to Bulls Eye 1-2-3 — inside and outside. It's a great base for any topcoat and nothing makes low sheen paint on exterior stucco or wood look better!

**ZINSSER**  
Bulls Eye 1-2-3  
PRIMER SEALER  
Stain Killer

"We've used B-I-N on many restoration projects and recommend it often. It works well over plaster and it's great when you have to paint over multiple layers of paint, which is often the case in historic restorations," said Pam. "But what I like most about B-I-N is you can tint it to match the color of the paint or decorative finish – so you save a step."

B-I-N is a great base coat for decorative finishes.



When the new Aztec on the River™ reopens in early 2006, it promises to be one of San Antonio RiverWalk's premier destinations with restaurants, shops, offices – and a fully restored theater with a state-of-the-art iWERKS Extreme Screen™ large format film and sound system – and its original 1926 décor and relics thanks to L.E. Travis & Sons, Restoration Associates and B-I-N. 🎯



# WHAT'S NEW?

## DIF® Fast-Acting Liquid – The Next Generation of Wallpaper Strippers

In 1975, ZINSSER revolutionized wallpaper removal with the introduction of DIF® the industry's first commercial wallpaper stripper. Today, we're proud to introduce the next generation of wallpaper strippers – new DIF® Fast-Acting Liquid.

Powerful enough for the most demanding commercial applications – yet safe, non-toxic and easy to use – DIF Fast-Acting Liquid Wallpaper Stripper works in minutes, with less mess than other liquid wallpaper strippers. The unique formula has special wetting agents that penetrate and break down the most difficult wallpaper adhesive in minutes, making removal quicker and easier than ever before. The exclusive non-drip liquid clings to walls and stays wet longer than other liquid removers – eliminating the need for rewetting.

DIF Fast-Acting Liquid has a clear non-toxic formula that removes residual paste without staining and is easy to apply by spray or roller. It is available in a convenient 32 oz. spray bottle and gallon bottle with sprayer attachment.



## ZINSSER V.P.™ Mold & Mildew-Proof™ Commercial Wallcovering System



Specifically developed for use with non-woven, permeable and micro-vented wallcoverings, ZINSSER V.P.™ (Vapor Permeable™) is a revolutionary breathable, mold & mildew-proof primer-adhesive system that allows vapor to pass easily through the primer film and adhesive to reduce the buildup of condensation and the potential for mold growth.

Featuring ZINSSER's exclusive vapor permeable technology, the one-coat system contains an EPA-registered mildewcide to prevent the growth of mold and mildew on the primer and adhesive film, eliminating the most common problems associated with mold & mildew growth under wallcovering: loss of adhesion, curling seams and edges and unsightly mold & mildew stains. It also inhibits the growth of odor causing microbes under the wallcovering.

Comprised of two products – SHIELDZ® Vapor Permeable Mold & Mildew-Proof™ Commercial Wallcovering Primer and SureGrip® Vapor Permeable Mold & Mildew-Proof™ Commercial Wallcovering Adhesive – ZINSSER V.P. exceeds the ASTM E-96 permeable specification and allows wallcovering to strip easily without damaging the drywall at redecorating time.

## OKON Sets the Standard for Water-Base Sealer Technology

Earlier this year, ZINSSER completed the acquisition of OKON, Inc., a pioneer in the development of water-base, water-repellent technology for concrete, masonry and wood. Soon we will be launching a complete line of high-performance, low-VOC products to protect and beautify concrete and masonry under the ZINSSER brand. Look for information on this exciting new line in the next issue of Bulls Eye Briefs.

*\*These products contain a mildewcide to prevent the growth of mold and mildew on the primer film/adhesive only.*

# NEW FROM THE ZINSSER COMPANIES!

## Wolman® EHT™ Exotic Hardwood Treatment

Developed in response to the increasing popularity of exotic hardwoods for decks, porches, outdoor furniture and other outdoor wood structures, Wolman® Wood Care Products' new Wolman® EHT™ combines a unique water-base formula with modified penetrating oils for a premium coating and treatment that lasts significantly longer than competitive products.

Wolman EHT penetrates and adheres to dense, difficult-to-coat exotic hardwoods like Mahogany, Ipé, Ironwood, Pau Lope, and Teak to provide durable, long-lasting protection – and its translucent, matte, brown-pigmented finish enhances the natural beauty of exotic wood grains and textures and restores weathered hardwoods to their “like new” condition.

Offering unsurpassed UV protection and a powerful water-repellent system, Wolman EHT prevents premature graying and protects against cracking, checking and mildew growth on the coating film. And it offers fast-drying, one-coat coverage, so decks, porches or outdoor furniture can be cleaned, beautified and protected in just one day!

For more information on Wolman EHT, visit [www.wolman.com](http://www.wolman.com). And look for information on two other new products from Wolman – Wolman® DuraStain® Solid Color Stain and Wolman® DecoWhite™ Decorative Deck & Porch Paint – in the Spring issue of Bulls Eye Briefs.



## Modern Masters® ShimmerStone™



Modern Masters® Inc. recently introduced ShimmerStone™, a versatile water-base coating that creates decorative finishes like layered stone, dimensional lace, strié, raw silk and raised ornament with beautiful shimmering effects and luminous undertones.

ShimmerStone features a single tintable base that can be used as is or tinted with ShimmerStone Color Concentrates. Available in 15 designer colors, the unique 2-ounce Color Concentrates create more than 90 shimmering, luminous hues of color ranging from ultra-deep to pastel-light. A ShimmerStone Natural Sea Sponge Roller, 8" & 9" steel trowels and a Color Deck are also available.

Ideal for living rooms, dining rooms, bedrooms – anywhere a shimmering finish is desired – ShimmerStone is durable, yet, easy to repair. It is water resistant, resists the growth of mold & mildew and dries in just 1 to 2 hours so shimmering multi-layered finishes can be achieved in a day.



## Modern Masters® Plans Decorative Painting Workshops

Beginning in January 2006, Modern Masters will partner with world-renowned decorative painters to sponsor Modern Masters Decorative Painting Workshops at their new offices in Sun Valley, California. The workshops will include instruction in decorative painting techniques like Venetian Plaster, ShimmerStone, marbling and wood graining, wall glazing, as well as concrete, stone & metallic finishes. For more information, visit [www.modernmastersinc.com](http://www.modernmastersinc.com). ©

# WHEN ONLY THE BEST WILL DO

When Chance Worthington and the development team at Worthington Builders decided to develop Merrick Farms, they wanted the nine residences planned for the 91-acre enclave to reflect the quality craftsmanship of a bygone era. That decision prompted them to select products and materials of the highest quality for the custom-built homes in Upper Makefield, PA. The paint they selected for the bathrooms, kitchen and laundry room of the Anna Grace Beiler residence – the first home built in the community – was PERMA-WHITE® Mold & Mildew-Proof™ Interior Paint.



“We wanted the homes at Merrick Farm to reflect the quality craftsmanship of homes built in the mid-1800s. That meant deviating from building the cookie-cutter type homes so often found in new developments today,” said Chance.

That’s why all the residences were designed with custom detailing and features not ordinarily found in new homes today, including antique beams and flooring, reproduction antiques and state-of-the-art amenities.

For example, the 6,250-square-foot Anna Grace Beiler residence features four bedroom suites, each with its own custom bath. Great attention was paid to the master bath, which features custom cherry cabinetry with beaded inserts, a “carwash” shower with four shower heads and claw foot vessel tub with whirlpool.

## Setting the Standard for Beauty & Protection

“PERMA-WHITE was a natural choice for the bathrooms,” said Chance. “It’s a premium quality paint that also resists the growth of mold. That’s important to homeowners today. And it looks beautiful.”

PERMA-WHITE was also used in the kitchen and laundry room – two other areas of the home where the growth of mold & mildew can be a concern. It was tinted a Navaho white to blend with the kitchen’s knotty cherry cabinetry, recycled antique white pine flooring and soapstone countertops. Tinted PERMA-WHITE was also used to beautify and protect the laundry-mud room area.

Backed by ZINSSER’s 5-Year Mold & Mildew-Proof™ Paint Film Guarantee, PERMA-WHITE has set the standard for beauty and protection for more than a decade. Its durable, stain and moisture-resistant finish makes it a perfect choice for bathrooms, basements, laundry rooms, kitchens and other high-humidity areas. Available in eggshell, satin and semi-gloss sheens, its white formula can be tinted to a wide range of off-white, pastel and medium tone colors to enhance any décor.



PERMA-WHITE is self-priming, water-base and easy to use. It offers great adhesion to all surfaces – even glossy surfaces – without sanding. And it’s backed by a Lifetime Durability Guarantee. For more information about PERMA-WHITE Mold & Mildew-Proof™ Interior Paint, visit [www.zinsser.com](http://www.zinsser.com). ©

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

## PRIMERS & PAINTS: NOT THE SAME THING

Paints and primers are liquid coatings that dry to a solid film to perform a variety of functions. However, contrary to what some people believe, paint can never take the place of primers and primers are not just “thinned-down” paint.

Generally speaking, paints and primers both have four primary ingredients: pigment, binder, solvent/diluent and additives. Differences in the quantity and type of ingredients used to manufacture the coating will determine how it performs and, ultimately, where and under what circumstances it is used. To better understand this, let’s take a look at each of these components.


**Pigment** – Pigments are finely ground particles that give opacity, color and body to the coating. The best-known and most expensive pigment is titanium dioxide (TiO<sub>2</sub>), a brilliant white powder that is responsible for the hiding power of a coating. To create a colored coating, manufacturers use both organic and inorganic color pigments. Extender pigments such as clay, silica, calcium carbonate and talc are much less expensive than TiO<sub>2</sub> and are used to give a coating its body and bulk.

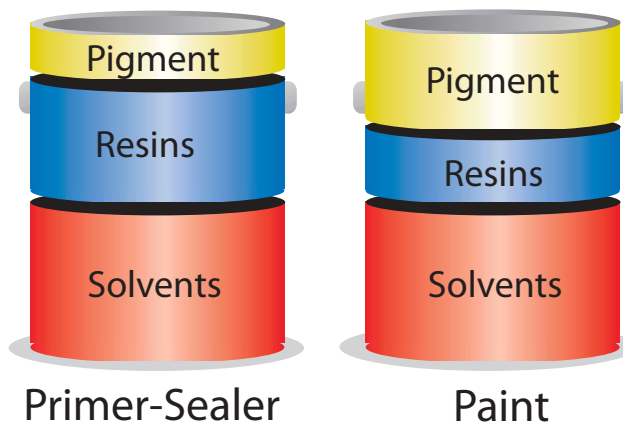
**Binder** – This ingredient is usually either a natural resin (such as shellac) or a synthetic resin (such as alkyd or latex). It is probably the most important ingredient in a coating because it “binds” the pigments and other solid ingredients together and gives them the ability to adhere to the surface of the substrate. Each resin or resin system has unique performance characteristics that make it suitable for certain applications.

**Solvent/Diluent** – The solvent or diluent is the liquid part of the coating. For many natural and synthetic resins, including shellac and alkyds, the carrier is a solvent such as alcohol or mineral spirits. The carrier for latex resins is water and is called a diluent rather than a solvent because the latex resins are suspended in the water rather than dissolved in it.

**Additives** – The final component of paints and primers are additives that enhance the performance of the coating. These include thickeners, surfactants, defoamers and biocides.

So how do these four components determine the quality and performance of a coating? In general, quality paints and primers are made from higher quality ingredients and contain more solids (pigments and binders) than coatings of a lesser quality. Paints have a higher pigment-to-resin ratio, in general, since they are formulated to decorate and protect the surface. The higher pigment content gives them better hiding power, durability, color and color retention.

Since primers are formulated to provide the ideal surface for paint, quality primers have a higher resin-to-pigment ratio since the binder or resin gives the coating its sealing power, the ability to block stains and develop adhesion to hard-to-paint surfaces. Because resin is the most important ingredient in primers, ZINSSER formulates its own proprietary resin system. The high quality propriety resin system gives Bulls Eye 1-2-3<sup>®</sup>, COVER-STAIN<sup>®</sup>, Bulls Eye<sup>®</sup> ODORLESS and other ZINSSER primers exceptional sealing, stain killing power and legendary adhesion to all surfaces – even glossy surfaces – without sanding. 



# Down Memory Lane

## 1946

*It is 1946 and ZINSSER celebrates the year with the introduction of “Bulls-I-Namel”. The fast-drying shellac-based primer gains instant success and quickly becomes popular in the coatings industry. Elsewhere in the nation and world, these events are taking place:*

- Winston Churchill gives his “Iron Curtain” speech in Fulton, MO.
- Kuwait becomes the largest oil producing country in the Middle East.
- Mobster Bugsy Siegel and his gang open the Flamingo in Las Vegas and building is widespread at the “entertainment capital of America”.
- The US carries out atomic bomb tests at Bikini Atoll in the Marshall Islands in the Pacific.
- French designer Louis Réard launches the bikini, naming it after the nuclear test site Bikini Atoll.
- Proctor and Gable introduces Tide, the first commercially available domestic detergent to wash clothes, and the automatic clothes dryer is introduced.
- US Naval officer Richard Byrd mounts an expedition to the South Pole.
- President Truman creates the Atomic Energy Commission.
- The USSR’s first nuclear reactor begins operation.
- The US Fender Guitar Company manufacturers the first electric guitar.
- The ranch house, a one-story design, becomes the most popular style in the US’s growing suburbs.

RPM International Inc., the holding company that owns ZINSSER Co., Inc., owns subsidiaries that are world leaders in specialty coatings serving both industrial and consumer markets.

Industrial products include roofing systems, sealants, corrosion control coatings, flooring coatings and specialty chemicals. Consumer products are used by professionals and do-it-yourselfers for home, automotive and boat maintenance and by hobbyists. RPM shares are traded on the New York Stock Exchange under the symbol RPM.

RPM International Inc., recently reported a record quarter for sales for its fiscal 2006 first quarter ended August 31, 2005. Net income and earnings per share declined compared with the fiscal 2005 first quarter due to continued asbestos liability costs. Excluding these costs, the company achieved record earnings and earnings per share.

RPM achieved record net sales of \$747.4 million for the fiscal 2006 first quarter, a 13.0% increase over last year's first quarter. Year-over-year sales growth came from organic growth, +10.8%, favorable foreign currency translation, +0.8%, and acquisitions, +1.4%.

Beginning with the second quarter of fiscal 2005, RPM has taken a charge each quarter to adjust its asbestos liability reserves for estimated legal defense and settlement values associated with known claims at quarter-end. Therefore, reported net income was \$50.0 million compared with net income of \$54.5 million in the fiscal 2005 first quarter, and reported diluted earnings per share were \$0.40 compared with \$0.44 per share earned in the fiscal 2005 first quarter. Excluding the asbestos charge taken during 2006, adjusted net income of \$59.3 million this first quarter increased 8.9% compared with last year, while adjusted diluted earnings per share of \$0.47 were 6.8% above fiscal 2005 first quarter diluted earnings of \$0.44 per share.

During the 2005 third fiscal quarter, the company retrospectively adopted the provisions of Emerging Issues Task Force Issue 04-8, "The Effects of Contingently Convertible Debt on Diluted Earnings Per Share" ("EITF 04-8"), which reduces diluted earnings per share, but not net income. The retrospective application of EITF 04-8 reduced first-quarter 2005 diluted earnings by \$0.03 per share.

Consolidated earnings before interest and taxes (EBIT) of \$86.3 million in the 2006 first quarter compare with last year's \$92.4 million. Excluding the asbestos charge, adjusted EBIT comparatively increased 9.5% year over year to \$101.3 million. This result is despite significantly

higher raw material costs, and reflects the strength of organic sales growth, as well as ongoing pricing initiatives and programs to improve productivity. RPM's industrial segment exhibited considerable sales strength, increasing 17.9% to \$430.8 million. This year-over-year sales growth was +14.4% organic, +1.1% foreign exchange translation and +2.4% from acquisitions. Industrial segment EBIT increased 16.0% to \$65.1 million.

Consumer segment sales grew 6.9% to \$316.5 million. This year-over-year sales growth was +6.2% organic, +0.5% foreign exchange translation and the balance from an acquisition. Consumer segment EBIT of \$46.3 million was unchanged from a year ago, reflecting the impact of continuing higher material costs.

Cash flow from operations of \$33.0 million compares with fiscal 2005 first-quarter cash flow from operations of \$41.4 million and reflects principally the timing of payments of accounts payable year-over-year. Capital expenditures of \$8.5 million during the 2006 quarter compare with depreciation of \$13.0 million. Total debt of \$870.3 million reflects the additional indebtedness related to recent acquisitions, including illbruck, less the retired \$150 million 7% bonds which matured June 15, 2005. RPM's net debt-to-capital ratio stands at 42% compared with 38% at May 31, the end of the 2005 fiscal year, and 40% one year ago.



ADDRESS SERVICE REQUESTED

Somerset, NJ 08875

173 Belmont Drive

ZINSSER Co., Inc.

BULLS EYE BRIEFS

