

FORTUNE BRANDS INC
Form 8-K
October 04, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): October 4, 2007

Fortune Brands, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction

of Incorporation)

1-9076
(Commission File Number)

520 Lake Cook Road

Deerfield, IL 60015

(Address of Principal Executive Offices) (Zip Code)

847-484-4400

(Registrant's telephone number, including area code)

13-3295276
(IRS Employer

Identification No.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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INFORMATION TO BE INCLUDED IN THE REPORT

Item 1.01. Entry into a Material Definitive Agreement.

On October 4, 2007, Fortune Brands, Inc. (Fortune Brands) entered into a \$500 million 364-day unsecured revolving credit agreement among Fortune Brands, Fortune Brands Finance UK p.l.c. (Fortune Brands UK), the lenders party thereto, Barclays Bank PLC (Barclays) and Citibank, N.A. (Citibank), as Syndication Agents, and JPMorgan Chase Bank, N.A. (JPMCB), as Administrative Agent (the Credit Agreement).

The proceeds of borrowings under the Credit Agreement may be used for general corporate purposes, including support of commercial paper, and to refinance amounts that may be outstanding under the \$500 million 364-day credit agreement dated as of October 5, 2006 among Fortune Brands, Fortune Brands UK, the lenders party thereto, JPMCB, as Administrative Agent, and Barclays and Citibank, as Syndication Agents (the 2006 Credit Agreement).

Amounts may be borrowed in U.S. Dollars, Euros or British Pounds Sterling. Interest on Eurocurrency loans will accrue at LIBOR (with interest periods of 1, 2, 3 or 6 months) plus spreads based on credit ratings assigned to certain debt of Fortune Brands. Interest on alternate base rate loans will accrue at the higher of (i) JPMCB s prime rate or (ii) the federal funds effective rate plus 1/2 of 1% per annum. Fortune Brands may also request competitive bids or negotiated rates for interest on loans under the Credit Agreement. Fortune Brands may elect, if certain conditions are met, that any borrowings outstanding under the Credit Agreement on the termination date will become term loans that mature on the first anniversary of the termination date.

The Credit Agreement contains, among other things, conditions precedent, covenants, representations and warranties and events of default customary for facilities of this type. Such covenants include certain limitations on secured debt, sale-leaseback transactions, subsidiary debt and guarantees, fundamental changes and transactions with affiliates. The Credit Agreement also includes a covenant under which Fortune Brands is required to maintain a minimum ratio of consolidated EBITDA to consolidated interest expense of 3.5 to 1.0.

Under certain conditions the lending commitments under the Credit Agreement may be terminated by the lenders and amounts outstanding under the Credit Agreement may be accelerated. Such events of default include failure to pay any principal, interest or other amounts when due, failure to comply with covenants, breach of representations or warranties in any material respect, non-payment or acceleration of other material debt of Fortune Brands and its subsidiaries, bankruptcy, material judgments rendered against Fortune Brands or certain of its subsidiaries, certain ERISA events or a change of control of Fortune Brands, subject to various exceptions and notice, cure and grace periods.

The Bank of New York, one of the Lenders under the Credit Agreement, is trustee (as successor by acquisition to JPMCB) under (i) the Indenture dated as of April 15, 1999 between Fortune Brands and JPMCB, as trustee, and (ii) the Indenture dated as of July 15, 1988, as amended and supplemented, between Fortune Brands and Chemical Bank (as successor by merger to Manufacturers Hanover Trust Company), as trustee, pursuant to which Fortune Brands has issued certain long-term indebtedness.

Item 1.02. Termination of a Material Definitive Agreement.

The information set forth under Item 1.01. Entry into a Material Definitive Agreement is incorporated herein by reference. The Credit Agreement replaces the 2006 Credit Agreement, which was terminated concurrently with Fortune Brands entering into the Credit Agreement. The conditions precedent, covenants, representations and warranties and events of default set forth in the 2006 Credit Agreement and the Credit Agreement are substantially the same.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under Item 1.01. Entry into a Material Definitive Agreement is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

- 99.1 364-Day Revolving Credit Agreement dated as of October 4, 2007 among Fortune Brands, Inc., Fortune Brands Finance UK p.l.c., the lenders party thereto, Barclays Bank PLC and Citibank, N.A., as Syndication Agents, and JPMorgan Chase Bank, N.A., as Administrative Agent.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FORTUNE BRANDS, INC.
(Registrant)

By /s/ Mark Hausberg
Name: Mark Hausberg
Title: Senior Vice President Finance and Treasurer

Date: October 4, 2007

Exhibit Index

| Exhibit Number | Description |
|-----------------------|--|
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