

Edgar Filing: ECOLAB INC - Form SC 13D/A

ECOLAB INC  
Form SC 13D/A  
October 09, 2001

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
-----

SCHEDULE 13D

Under the Securities Exchange Act of 1934  
(Amendment No. 6)\*

Ecolab Inc.

-----  
(Name of Issuer)

Common Stock, par value \$1.00 per share

-----  
(Title of Class of Securities)

278865100

-----  
(CUSIP Number)

William A. Groll, Esq.  
Cleary, Gottlieb, Steen & Hamilton  
City Place House  
55 Basinghall Street  
London EC2V 5EH  
44-207 614 2200

-----  
(Name, Address and Telephone Number of Person Authorized to Receive Notices  
and Communications)

October 5, 2001

-----  
(Date of Event which Requires Filing  
of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of ss.ss. 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box [ ].

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-7(b) for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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SCHEDULE 13D

CUSIP No. 278865100

Page 2

- 1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON  
  
Henkel KGaA
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) [ ]  
(b) [ ]
- 3
- 4 SOURCE OF FUNDS\*  
  
WC
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEMS 2(d) or 2(e) [ ]
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION  
  
Germany
- |    |  |
|----|--|
| 7  | SOLE VOTING POWER<br>20,071,512        |
| 8  | SHARED VOTING POWER<br>14,666,664      |
| 9  | SOLE DISPOSITIVE POWER<br>20,071,512   |
| 10 | SHARED DISPOSITIVE POWER<br>14,666,664 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
34,738,176
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\* [ ]
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
  
27.2 %
- 14 TYPE OF REPORTING PERSON\*  
  
CO

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 278865100

Page 3

- 1 NAME OF REPORTING PERSON

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S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

HC Investments, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) [ ]  
(b) [ ]

3

4 SOURCE OF FUNDS\*

AF, WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

	7	SOLE VOTING POWER	0
NUMBER OF			
SHARES	8	SHARED VOTING POWER	14,666,664
BENEFICIALLY			
OWNED BY			
EACH REPORTING	9	SOLE DISPOSITIVE POWER	0
PERSON			
WITH			
	10	SHARED DISPOSITIVE POWER	14,666,664

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
14,666,664

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*  
[ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.5 %

14 TYPE OF REPORTING PERSON\*

CO

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

This Amendment No. 6 (this "Amendment") amends and supplements the Schedule 13D filed on December 20, 1989, as previously amended (the "Schedule 13D"), of Henkel KGaA ("KGaA") and HC Investments, Inc. ("HCI"), with respect to the Common Stock, par value \$1.00 per share ("Common Stock"), of Ecolab Inc. ("Ecolab" or the "Company"). All capitalized terms used in this Amendment and not otherwise defined herein have the meanings ascribed to such terms in the Schedule 13D.

Item 2. Identity and Background.

Annex I to the Schedule 13D is amended and restated as attached to this

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Amendment to reflect the names, addresses, occupations and citizenship of the current executive officers, directors and controlling persons of HCI and KGaA. None of KGaA, HCI or, to the best knowledge of KGaA and HCI, any of the persons listed on Annex I hereto has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

### Item 3. Source and Amount of Funds or Other Consideration.

KGaA acquired 2,500,000 shares of Common Stock in open market purchases beginning on October 2, 2001, for an aggregate amount equal to approximately \$89.4 million. The funds used for such purchases came from KGaA's general corporate resources.

### Item 4. Purpose of Transaction.

As previously described in the Schedule 13D, Henkel and Ecolab have entered into a series of agreements and consummated a series of transactions through which they established and have conducted a long-term cooperative business relationship. Henkel's primary purpose for these agreements and transactions was for it to become and remain a long-term significant minority investor in Ecolab.

As previously described in the Schedule 13D, on December 7, 2000, Henkel and Ecolab entered into the Master Agreement relating to the proposed sale by Henkel of its interests in the Joint Venture to Ecolab (the "Proposed Sale"). On September 28, 2001, Henkel and Ecolab announced that it is now anticipated that the Proposed Sale will be consummated on November 30, 2001. When the Proposed Sale is consummated, the business relationship between Henkel and Ecolab will be changed, and Henkel's primary relationship with Ecolab will be that of a significant minority stockholder. Consistent with that expectation, KGaA acquired the shares of Common Stock to which this Amendment relates in order to expand and strengthen its minority investment in, and to strengthen Henkel's long-term relationship with, Ecolab.

As previously described in the Schedule 13D, under the Existing Stockholder's Agreement, Henkel may acquire shares of Common Stock so long as the acquisition does not cause Henkel to beneficially own more than 30% of the outstanding Common Stock, which percentage will be increased under the Proposed Amended Stockholder's Agreement to 35% upon consummation of the Proposed Sale.

As previously described in the Schedule 13D, upon consummation of the Proposed Sale, Henkel will receive the purchase price in either cash in Euro or additional shares of Common Stock, at the election of Henkel, in an amount to be determined based on the earnings of the Joint Venture in fiscal years 2000 and 2001 pursuant to a formula in the Master Agreement. On September 28, 2001, Henkel and Ecolab announced that it is now anticipated that the purchase price will range between approximately EUR 480 million to EUR 510 million. As previously described in the Schedule 13D, if Henkel elects to take Common Stock, the number of shares to be issued will be calculated using a per share value of \$41.0625, subject to a maximum of 13,203,672 and a minimum of 9,270,664 shares being issued. Henkel has not yet determined whether it will elect to take cash or stock in connection with the Proposed Sale. The number of shares of Common Stock purchased in the open market transactions described above is such that Henkel would not own more than the 35% permitted under the Proposed Amended Stockholder's Agreement if Henkel elects to receive the purchase price in the form of Common Stock.

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In accordance with the Existing Stockholder's Agreement, Ulrich Lehner, Stefan Hamelmann and Hugo Uyterhoeven were nominated for election to Ecolab's Board of Directors (the "Ecolab Board") at Ecolab's most recent annual meeting of stockholders and currently serve as members of the Ecolab Board.

Henkel intends to continue to review its investment in Common Stock from time to time and, depending upon certain factors, including without limitation the financial performance of Ecolab, the availability and price of shares of Common Stock on the open market, Henkel's overall relationship with Ecolab and the status of the Joint Venture and the Proposed Sale, and other general market and investment conditions, Henkel may determine to acquire through open market purchases or otherwise additional shares of Common Stock, or, based upon such factors, to sell shares of Common Stock, from time to time, in each case to the extent permitted under the Existing Stockholder's Agreement (or the Proposed Amended Stockholder's Agreement, as applicable) and applicable law.

Except as set forth herein, Henkel has no current plans or proposals that relate to or would result in any of the actions or events enumerated in clauses (a) through (j) of Item 4 of Schedule 13D, as promulgated by the Securities and Exchange Commission.

### Item 5. Interest in Securities of the Issuer.

(a)-(b) At the date hereof, in the aggregate, the 34,738,176 shares of Common Stock owned by HCI and KGaA represent approximately 27.2% of the 127,915,535 shares of Common Stock reported by Ecolab in its Quarterly Report on Form 10-Q to be outstanding as of July 31, 2001.

Of that total, HCI beneficially owns 14,666,664 shares of Common Stock (approximately 11.5% of such total). HCI and, by virtue of its indirect control of HCI, KGaA share the power to vote and the power to dispose of these shares of Common Stock (subject to the provisions of the Existing Stockholder's Agreements).

KGaA directly and beneficially owns the remaining 20,071,512 shares of Common Stock (approximately 15.7% of such total). KGaA has the sole power to vote and the sole power to dispose of those shares of Common Stock (subject to the provisions of the Existing Stockholder's Agreements).

At the date hereof, to the best knowledge of HCI and KGaA, Ulrich Lehner (the President and Chief Executive Officer of KGaA and a member of the Ecolab Board) is the beneficial owner (with sole voting and dispositive power) of 4,171 shares of Common Stock (including 3,800 shares that could be purchased under stock options granted by Ecolab and 371 shares represented by stock units granted by Ecolab under its Non-Employee Director Deferred Compensation Plan). At the date hereof, to the best knowledge of HCI and KGaA, Stefan Hamelmann (a member of the Shareholders' Committee of KGaA and a member of the Ecolab Board) is the beneficial owner (with sole voting and dispositive power) of 4,171 shares of Common Stock (including 3,800 shares that could be purchased under stock options granted by Ecolab and 371 shares represented by stock units granted by Ecolab under its Non-Employee Director Deferred Compensation Plan). At the date hereof, to the best knowledge of HCI and KGaA, Albrecht Woeste (the Chairman of the Supervisory Board of KGaA and a former member of the Ecolab Board) is the beneficial owner (with sole voting and dispositive power) of 43,512 shares of Common Stock (including 24,000 shares that could be purchased under stock options granted by Ecolab). At the date hereof, to the best knowledge of HCI and KGaA, Roland Schulz (a member of the Board of Management of KGaA and a former member of the Ecolab Board) is the beneficial owner (with sole voting and dispositive power) of 38,102 shares of Common Stock (including 22,400 shares that could be purchased under stock options granted by Ecolab). HCI and KGaA disclaim beneficial ownership of any of the shares beneficially owned by Ulrich

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Lehner, Stefan Hamelmann, Albrecht Woeste and Roland Schulz.

At the date hereof, except as stated herein, neither HCI nor KGaA nor, to the best of their knowledge, Henkel of America, Inc., Henkel Corporation or any of the persons listed on Annex I hereto beneficially owns any shares of Common Stock (other than shares of Common Stock beneficially owned by HCI or KGaA of which one or more of such other persons may be deemed to have beneficial ownership pursuant to Rule 13d-3 of the Exchange Act).

(c) Certain information with respect to each transaction in the Common Stock since December 14, 2000 (the date of Amendment No. 5 to the Schedule 13D) is set forth in Exhibit 20 hereto. Except as set forth herein, no transactions in shares of Common Stock were effected during the past 60 days by HCI or KGaA, or, to the best of their knowledge, by Henkel of America, Inc., Henkel Corporation or any of the other persons listed on Annex I hereto.

Item 7. Material to be Filed as Exhibits.

Exhibit 20 Purchases of Common Stock from December 14, 2000 through October 5, 2001.

### Signature

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information set forth in this statement is true, complete and correct.

Dated: October 9, 2001

Henkel KGaA

By: /s/ Carl Braun

-----  
Dr. Carl Braun  
Vice President

By: /s/ Thomas-Gerd Kuhn

-----  
Thomas-Gerd Kuhn  
Senior Corporate Counsel

HC Investments, Inc.

By: /s/ James E. Ripka

-----  
James E. Ripka  
President

### Exhibit Index

Exhibit 1 Stock Purchase Agreement by and among HC Investments, Inc., Henkel KGaA and Ecolab Inc. dated as of December

\*

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11, 1989

Exhibit 2	Amendment No. 1 to Stock Purchase Agreement by and among HC Investments, Inc., Henkel KGaA and Ecolab Inc. dated as of December 11, 1989	*
Exhibit 3	Confidentiality Agreement between Henkel KGaA and Ecolab Inc. dated November 13, 1989	*
Exhibit 4	Press Release issued by Ecolab Inc. and Henkel KGaA on December 11, 1989	*
Exhibit 5	Amendment No. 2 to Stock Purchase Agreement by and among HC Investments, Inc., Henkel KGaA and Ecolab Inc. dated as of September 11, 1990	**
Exhibit 6	Umbrella Agreement by and between Henkel KGaA and Ecolab Inc. dated as of September 11, 1990	**
Exhibit 7	Joint Venture Agreement by and between Henkel KGaA and Ecolab Inc. dated as of September 11, 1990	**
Exhibit 8	Stockholder's Agreement between Henkel KGaA and Ecolab Inc. dated as of September 11, 1990	**
Exhibit 9	Amendment No. 3 to Stock Purchase Agreement by and among HC Investments, Inc., Henkel KGaA and Ecolab Inc. dated as of March 8, 1991	***
Exhibit 10	First Amendment to the Umbrella Agreement by and between Henkel KGaA and Ecolab Inc. dated as of March 8, 1991	***
Exhibit 11	First Amendment to the Joint Venture Agreement by and between Henkel KGaA and Ecolab Inc. dated as of March 8, 1991	***
Exhibit 12	First Amendment to the Stockholder's Agreement between Henkel KGaA and Ecolab Inc. dated as of March 8, 1991	***
Exhibit 13	Amended and Restated Umbrella Agreement by and between Henkel KGaA and Ecolab Inc. dated as of June 26, 1991	****
Exhibit 14	Amended and Restated Joint Venture Agreement by and between Henkel KGaA and Ecolab Inc. dated as of June 26, 1991	****
Exhibit 15	Amended and Restated Stockholder's Agreement between Henkel KGaA and Ecolab Inc. dated as of June 26, 1991	****
Exhibit 16	Press Release issued by Ecolab Inc. and Henkel KGaA on July 11, 1991	****
Exhibit 17	Amendment No. 1 to Amended and Restated Stockholder's Agreement between Henkel KGaA and Ecolab Inc. dated as of June 30, 2000	*****
Exhibit 18	Master Agreement, dated as of December 7, 2000, between Ecolab Inc. and Henkel KGaA	*****
Exhibit 19	Form of Second Amended and Restated Stockholder's Agreement	*****





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Ms. Lloyd Overton Martin  
 Wilmington Trust Company  
 1105 North Market Street  
 Suite 1300  
 Wilmington, DE 19899

Assistant Vice President, Corporate,  
 Financial Services Department, Wilmington  
 Trust Company; Director and Assistant  
 Treasurer of HCI

Mr. Gregory Gaglione  
 Henkel Corporation  
 The Triad, Suite 200  
 2200 Renaissance Boulevard  
 Gulph Mills, PA 19406

Associate General Counsel and Assistant  
 Secretary of Henkel Corporation;  
 Assistant Secretary of HCI

Officers and Directors of Henkel KGaA  
 -----

The following table sets forth the name, business address (except as noted), position with KGaA and present principal occupation of each director, executive officer and controlling person of KGaA. Each individual listed below is a citizen of Germany, except Mr. de Keersmaecker, who is a citizen of Belgium, and Dr. Morwind, who is a citizen of the Republic of Austria.

Name and Address -----	Present Principal Occupation or Employment -----
---------------------------	---

Supervisory Board:  
 -----

<p>Mr. Albrecht Woeste                      Henkelstrabe 67                      40191 Dusseldorf                      Germany</p>	<p>Owner, President and Managing Director of                      R. Woeste GmbH &amp; Co. KG and Chairman of                      the Supervisory Board and Chairman of the                      Shareholders' Committee of KGaA</p>
<p>Dr. Simone Bagel                      Beethovenstrabe 62                      53115 Bonn                      Germany</p>	<p>Biologist</p>
<p>Dr. Ulrich Cartellieri                      Deutsche Bank AG                      D-60262 Frankfurt                      Germany</p>	<p>Member of the Board of Management of                      Deutsche Bank AG</p>
<p>Mr. Hans Dietrichs                      Ziegeleistrabe 56                      39307 Genthin                      Germany</p>	<p>Member of the Works Council of KGaA</p>
<p>Mr. Benedikt-Joachim Freiherr von Herman                      Obere Dorfstrabe 1                      88489 Wain                      Germany</p>	<p>Forester</p>
<p>Ms. Heike Hauter                      Poststrabe 24                      40721 Hilden                      Germany</p>	<p>Member of the Works Council of KGaA</p>

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Name and Address -----	Present Principal Occupation or Employment -----
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Supervisory Board: (continued)  
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<p>Mr. Bernd Hinz Rheinstrabe 48 51371 Leverkusen Germany</p>	<p>Member of the Works Council of KGaA</p>
<p>Prof. Dr. Dr. h.c. Heribert Meffert Potstiege 56 48161 Munster Germany</p>	<p>Professor at the University of Munster and Director of the Institute for Marketing</p>
<p>Prof. Dr. Dr. Heinz Riesenhuber Bundesforschungsminister a.D. Deutscher Bundestag Platz der Republik 1 11011 Berlin Germany</p>	<p>Member of Parliament</p>
<p>Mr. Heinrich Thorbecke Wolfgangweg 17 CH-9014 St. Gallen Switzerland</p>	<p>Owner and Managing Director of Bank Thorbecke in Geneva, Switzerland</p>
<p>Mr. Michael Vassilidias Königsworther Platz 6 30167 Hannover Germany</p>	<p>Chemical Engineer at IG Bergbau</p>
<p>Mr. Bernhard Walter 60301 Frankfurt Germany</p>	<p>Chairman of the Board of Managing Directors of Dresdner Bank AG</p>
<p>Mr. Jurgen Walter c/o IG Bergbau - Chemie, Energie Königsworther Platz 6 30167 Hannover Germany</p>	<p>Officer of IG Bergbau - Chemie, Energie (Industrial union of employees in the chemical industry)</p>
<p>Mrs. Brigitte Weber Pestalozzistrabe 12 40764 Langenfeld Germany</p>	<p>Member of the Works Council of KGaA</p>

Name and Address -----	Present Principal Occupation or Employment -----
---------------------------	---

Supervisory Board: (continued)  
-----

<p>Dr. Anneliese Wilsch-Irrgang Flotowstrabe 2a 40593 Dusseldorf Germany</p>	<p>Chairman of the Management Personnel Representatives of KGaA</p>
--	---

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Mr. Winfried Zander  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Chairman of the Works Council of KGaA and  
Vice Chairman of the Supervisory Board

Board of Management:  
-----

Dr. Ulrich Lehner  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

President and Chief Executive Officer and  
Chairman of the Board of Management of  
KGaA

Mr. Guido de Keersmaecker  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Executive Vice President-Adhesives of KGaA

Dr. Jochen Krautter  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Executive Vice President Finance and  
Logistics of KGaA

Dr. Klaus Morwind  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Executive Vice President-Detergents/  
Cleaning Products of KGaA

Dr. Roland Schulz  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Executive Vice President-Human Resources,  
Hygiene and Surface Technologies of KGaA

Name and Address  
-----

Present Principal Occupation or Employment  
-----

Board of Management: (continued)  
-----

Dr. Uwe Specht  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Executive Vice President- Cosmetics/Toiletries  
of KGaA

Shareholders' Committee:

Mr. Albrecht Woeste  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Owner, President and Managing Director of  
R. Woeste GmbH & Co. KG and Chairman of  
the Supervisory Board and Chairman of the  
Shareholders' Committee of KGaA

Mr. Paul Achleitner  
Koenigsstrabe 28  
80802 Munchen  
Germany

Member of the Board of Allianz AG

Mr. Stefan Hamelmann  
Hebbelstrabe 13  
40237 Dusseldorf

Owner of Franz Hamelmann Baugesellschaft  
MbH

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Germany

Dr. h.c. Ulrich Hartmann  
Bennigsenplatz 1  
40474 Dusseldorf  
Germany

President and Chief Executive Officer of E.ON  
AG

Chrisoph Henkel  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Independent Entrepreneur and Business  
Executive

Dr. Jurgen Manchot  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Vice Chairman of the Shareholders'  
Committee of KGaA and Chemist

Mr. Thomas Manchot (guest member)  
Kaiser-Wilhelm-Ring 43a  
40545 Dusseldorf  
Germany

Entrepreneur

Name and Address  
-----

Present Principal Occupation or Employment  
-----

Shareholders' Committee: (continued)  
-----

Dr. Christa Plichta  
Chemin Colladon 22  
CH-1209 Geneve  
Switzerland

Physician

Dr. Wolfgang Roller  
c/o Dresdner Bank AG  
60301 Frankfurt Am Main  
Germany

Chairman of the Supervisory Board of  
Dresdner Bank AG

Mr. Burkhard Schmidt  
Stubbenhuk 7  
20459 Hamburg  
Germany

Managing Director of Jahr Holding GmbH &  
Co KG

Mr. Konstantin von Unger (guest member)  
45 Holland Park  
London W11 3RP  
England

Independent Entrepreneur

Dr. Hans-Dietrich Winkhaus  
Henkelstrabe 67  
40191 Dusseldorf  
Germany

Former President and Chief Executive  
Officer of KGaA; Chairman of the Supervisory  
Board of Deutsche Telekom AG