

Dr Pepper Snapple Group, Inc.
Form 8-K
December 23, 2009

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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): December 21, 2009**

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33829
(Commission File Number)

98-0517725
(IRS Employer
Identification No.)

**5301 Legacy Drive
Plano, Texas 75024**
(Address of principal executive offices, including zip code)
(972) 673-7300
(Registrant's telephone number including area code)

Not Applicable
(Former name or former address if changed since last report)

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:

- 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-14(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On December 21, 2009, Dr Pepper Snapple Group, Inc. (*DPS*) issued an aggregate of \$850 million of senior unsecured notes consisting of \$400 million aggregate principal amount of our 1.70% Senior Notes due 2011 (the *2011 Notes*) and \$450 million aggregate principal amount of our 2.35% Senior Notes due 2012 (the *2012 Notes* and, together with the 2011 Notes, the *Notes*) under an Indenture, dated as of December 15, 2009, between *DPS* and Wells Fargo Bank, N.A., as trustee (the *Base Indenture*), as amended and supplemented by the First Supplemental Indenture thereto, dated as of December 21, 2009, among *DPS*, the guarantors party thereto and Wells Fargo Bank, N.A. (the *Supplemental Indenture* and, together with the *Base Indenture*, the *Indenture*). Interest on the *Notes* is payable on June 21 and December 21 of each year, beginning June 21, 2010. The 2011 *Notes* mature on December 21, 2011 and the 2012 *Notes* mature on December 21, 2012. The *Notes* will not be entitled to any sinking fund. The *Notes* were issued in an underwritten offering registered under the Securities Act of 1933, as amended. Net offering proceeds, after deducting estimated underwriting discounts and commissions and offering expenses, were approximately \$846.3 million. *DPS* used net offering proceeds (before deducting estimated offering expenses) to repay debt under our senior unsecured term loan A facility. Affiliates of certain underwriters are lenders under our senior unsecured term loan A credit facility and, accordingly, received a portion of the net proceeds.

The *Notes* are unsecured and unsubordinated obligations of *DPS*, rank equally with *DPS* existing and future unsecured and unsubordinated indebtedness, including any borrowings under our senior credit facility, and senior to all of our future subordinated debt. The *Notes* are jointly and severally guaranteed on an unsecured and unsubordinated basis by all of our domestic subsidiaries (except two immaterial subsidiaries associated with our charitable foundations).

We may redeem the *Notes* of either series, in whole or in part from time to time, at our option, at a redemption price equal to the greater of:

100% of the principal amount of the *Notes* being redeemed; and

the sum of the present value of the remaining scheduled payments of principal and interest in respect of the *Notes* being redeemed (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 360-day year of twelve 30-day months), at the Treasury rate plus 15 basis points in the case of the 2011 *Notes* and 20 basis points in the case of the 2012 *Notes*, plus, in each case, accrued and unpaid interest to the date of redemption.

If a change of control triggering event (as defined in the *Indenture*) occurs, subject to certain exceptions, *DPS* must give holders of the *Notes* the opportunity to sell to *DPS* their *Notes*, in whole or in part, at a purchase price equal to 101% of the principal amount, plus any accrued and unpaid interest to the date of purchase.

The *Indenture* contains customary events of default, including:

default in any payment of interest on any *Note* when due, continued for 30 days;

default in the payment of principal or of premium, if any, on any *Note* when due;

failure by *DPS* to comply with its obligations under the *Indenture*, in certain cases subject to notice and grace periods; and

specified events involving bankruptcy, insolvency or reorganization of DPS or certain of its subsidiaries.

If an event of default under the Indenture occurs and is continuing, the trustee may, and at the direction of the holders of at least 25% in principal amount of the outstanding Notes shall, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on the Notes to be due and payable, or, in the case of certain events of default relating to bankruptcy, insolvency or reorganization, those amounts will automatically become immediately due and payable.

DPS and our majority-owned subsidiaries are subject to certain negative covenants under the Indenture governing the Notes. The Indenture limits the ability of DPS and each of our majority-owned subsidiaries to, among other things:

- incur indebtedness secured by principal properties;
- enter into certain sale and leaseback transactions with respect to principal properties; and
- enter into certain mergers, consolidations and transfers of substantially all of our assets.

Other material terms of the Notes, the Base Indenture and the Supplemental Indenture are described in the prospectus supplement, dated December 14, 2009, as filed with the Securities and Exchange Commission on December 15, 2009. The terms and provisions of the Notes and Indenture set forth in his Current Report on Form 8-K are qualified in their entirety by reference to the Base Indenture, Supplemental Indenture, 2011 Note (in global form) and 2012 Note (in global form), which are attached hereto as Exhibit 4.1, Exhibit 4.2, Exhibit 4.3 and Exhibit 4.4, respectively, and each of which is incorporated herein by this reference.

As previously reported, on December 14, 2009, DPS entered into an underwriting agreement with Morgan Stanley & Co. Incorporated and UBS Securities LLC, as managers of the several underwriters named therein, in connection with an underwritten public offering of the Notes.

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

The disclosure under Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) **Exhibits**

No.	Description
4.1	Indenture, dated as of December 15, 2009, between Dr Pepper Snapple Group, Inc. and Wells Fargo Bank, N.A., as trustee.
4.2	First Supplemental Indenture, dated as of December 21, 2009, among Dr Pepper Snapple Group, Inc., the guarantors party thereto and Wells Fargo Bank, N.A., as trustee.
4.3	1.70% Senior Note due 2011 (in global form), dated December 21, 2009, in the principal amount of \$400 million.
4.4	2.35% Senior Note due 2012 (in global form), dated December 21, 2009, in the principal amount of \$450 million.

SIGNATURES

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.

DR PEPPER SNAPPLE GROUP, INC.

Date: December 22, 2009

By: /s/ James L. Baldwin, Jr.

Name: James L. Baldwin, Jr.

Title: Executive Vice President & General
Counsel

EXHIBIT INDEX

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