

GREIF INC  
Form 424B4  
November 19, 2009

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**Filed Pursuant to Rule 424(b)(4)  
Registration No. 333-162011**

**PROSPECTUS**

**OFFER TO EXCHANGE ALL**

**73/4% SENIOR NOTES  
DUE 2019  
OF  
GREIF, INC.**

**THE EXCHANGE OFFER WILL EXPIRE AT 5:00 PM  
NEW YORK CITY TIME, ON DECEMBER 18, 2009, UNLESS EXTENDED**

**TERMS OF THE EXCHANGE OFFER:**

We are offering to exchange \$250,000,000 aggregate principal amount of registered 73/4% Senior Notes due 2019 for all of the original unregistered 73/4% Senior Notes due 2019 that were originally issued on July 28, 2009.

The terms of the exchange notes will be identical to the original notes, except for transfer restrictions, the obligation to pay additional interest if we fail to register the exchange notes and complete this exchange offer as required, and registration rights relating to the original notes.

You may withdraw tendered outstanding original notes at any time prior to the expiration of the exchange offer.

The exchange of outstanding original notes will not be a taxable exchange for U.S. federal income tax purposes.

We will not receive any proceeds from the exchange offer.

There is no existing market for the exchange notes to be issued, and we do not intend to apply for their listing on any securities exchange or arrange for them to be quoted on any quotation system.

See the section entitled "Description of Notes" that begins on page 60 for more information about the notes to be issued in this exchange offer.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding original notes where such outstanding original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date of the exchange offer and ending on the close of business one year after the expiration date of the exchange offer, we will

make this prospectus available to any broker-dealer for use in connection with any such resales. See Plan of Distribution.

**This investment involves risks. See the section entitled Risk Factors that begins on page 11 for a discussion of the risks that you should consider prior to tendering your outstanding original notes in the exchange.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

This prospectus is dated November 19, 2009.

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**IMPORTANT TERMS USED IN THIS PROSPECTUS**

Unless the context indicates or otherwise requires, the terms Greif, our company, we, us, and our as used in this prospectus refer to Greif, Inc. and its consolidated subsidiaries.

**INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

We incorporate by reference the documents listed below and any additional documents filed by us with the Securities and Exchange Commission (the SEC) under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act, as amended (the Exchange Act), to the extent such documents are deemed filed for purposes of the Exchange Act, until we complete our offering of the exchange notes:

our annual report on Form 10-K for our fiscal year ended October 31, 2008;

our quarterly reports on Form 10-Q for our fiscal quarters ended January 31, 2009, April 30, 2009 and July 31, 2009;

our current report on Form 8-K filed with the SEC on September 3, 2009; and

our definitive proxy statement as filed with the SEC on January 9, 2009.

Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus. You can obtain any of the documents incorporated by reference through us, the SEC or the SEC's website. Documents we have incorporated by reference are available from us without charge, excluding exhibits to those documents unless we have specifically incorporated by reference such exhibits in this prospectus. Any person, including any beneficial owner, to whom this prospectus is delivered, may obtain the documents we have incorporated by reference in, but not delivered with, this prospectus by requesting them by telephone or in writing at the following address:

Greif, Inc.  
425 Winter Road  
Delaware, Ohio 43015  
Attention: Corporate Secretary  
(740) 549-6000

When we refer to this prospectus, we mean not only this prospectus but also any documents which are incorporated or deemed to be incorporated in this prospectus by reference. You should rely only on the information incorporated by reference or provided in this prospectus or any supplement to this prospectus. We have not authorized anyone else to provide you with different information. This prospectus is used to offer and sell the exchange notes referred to in this prospectus, and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of the date of this prospectus.

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**DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS**

All statements other than statements of historical facts included or incorporated by reference in this prospectus, including, without limitation, statements regarding our future financial position, business strategy, budgets, projected costs, goals and plans and objectives of management for future operations, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act ). Forward-looking statements generally can be identified by the use of forward-looking terminology such as may, will, expect, intend, estimate, anticipate, project, believe, continue or target or the negative thereof or variations thereon or similar terminology. Forward-looking statements speak only as the date the statements were made. Although we believe that the expectations reflected in forward-looking statements have a reasonable basis, we can give no assurance that these expectations will prove to be correct. Forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed in or implied by the statements. Important factors that could cause actual results to differ materially from our expectations are disclosed under Risk Factors and elsewhere in this prospectus including, without limitation, the factors set forth below and in conjunction with the forward-looking statements included in this prospectus.

Factors that could cause actual results to differ materially from our expectations include the following:

general economic and business conditions, including the continuation of the current global economic slowdown;

foreign currency fluctuations and devaluations;

political instability in those foreign countries where we manufacture and sell our products;

intense industry competition;

changing trends and demands in the industries in which we compete, including industry over-capacity;

availability and costs of raw materials for the manufacture of our products, particularly steel and resin;

price fluctuations and shortages with respect to our energy needs to produce our products;

our ability to implement our business and growth strategies and to maintain and enhance our competitive strengths; and

other risks detailed from time to time in our reports filed with the SEC.

All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements included in this prospectus. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this prospectus may not occur.

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**PROSPECTUS SUMMARY**

*The following summary highlights some of the information from this prospectus and does not contain all the information that is important to you. Before deciding to participate in the exchange offer, you should read the entire prospectus, including the section entitled Risk Factors and our consolidated financial statements and the related notes and other information incorporated by reference herein. Some statements in this Prospectus Summary are forward-looking statements. See Disclosure Regarding Forward-Looking Statements.*

**The Company**

**General**

We are a leading global producer of industrial packaging products with manufacturing facilities located in over 45 countries. We operate in three segments: Industrial Packaging (81.3% of net sales for the nine-month period ended July 31, 2009); Paper Packaging (18.1% of net sales for the nine-month period ending July 31, 2009); and Timber (0.6% of net sales for the nine-month period ended July 31, 2009). We offer a comprehensive line of industrial packaging products, such as steel, fibre and plastic drums, intermediate bulk containers, closure systems for industrial packaging products, transit protection products and polycarbonate water bottles. We also offer services such as blending, filling and other packaging services, logistics and warehousing. We produce containerboard, corrugated sheets, corrugated containers and multiwall bag products for niche markets in North America. We sell timber to third parties from our timber properties in the southeastern United States that we manage to maximize long-term value. We also sell, from time to time, timberland and special use land, which consists of surplus land, higher and better use ( HBU ) land and development land. We also own timber properties in Canada that we do not actively manage. Our customers range from Fortune 500 companies to medium and small-sized companies in a cross section of industries.

In 2003, we began a transformation to become a leaner, more market-focused, performance-driven company what we call the Greif Business System. We believe the Greif Business System has and will continue to generate productivity improvements and achieve permanent cost reductions. The Greif Business System continues to focus on opportunities such as improved labor productivity, material yield and other manufacturing efficiencies, along with further plant consolidations. In addition, as part of the Greif Business System, we have launched a strategic sourcing initiative to more effectively leverage our global spending and lay the foundation for a world-class sourcing and supply chain capability. In response to the current economic slowdown, we have continued to implement incremental and accelerated Greif Business System initiatives and specific contingency actions. These initiatives include continuation of active portfolio management, further administrative excellence activities, a hiring and salary freeze and curtailed discretionary spending.

***Industrial Packaging***

We are a global provider of a full range of industrial packaging products and services. Based on our internal estimates, we believe that we have the following global market positions for our industrial packaging products:

<b>Product</b>	<b>Global Market Position</b>
Steel drums	#1
Fibre drums	#1

Closure systems	#1
Plastic drums	#2
Intermediate bulk containers	#4

We seek to provide complete packaging solutions to our customers by offering a comprehensive range of products and value-added services on a global basis. We believe our full range of packaging products and numerous manufacturing facilities uniquely position us to offer our customers a single source for their

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packaging needs, respond to global market changes, and capitalize on growth opportunities in emerging markets. We also offer blending, filling and other packaging services, logistics and warehousing. We sell our products globally to customers in the chemical, paint and pigment, food and beverage, petroleum, industrial coating, agricultural, pharmaceutical and mineral industries, among others.

In this segment, for the fiscal year ended October 31, 2008 and nine-month period ended July 31, 2009, net sales were \$3.1 billion and \$1.7 billion, respectively, and operating profit was \$281.2 million and \$67.4 million, respectively.

### ***Paper Packaging***

We provide value-added, higher-margin corrugated products to niche markets complemented by a comprehensive range of packaging services, in comparison to many large paper companies which focus on high-volume, commodity production. We are also a regional producer of containerboard and corrugated sheets. Our corrugated sheet and fibre drum operations are fully integrated with our two containerboard-producing mills, which help stabilize the results of this business.

We sell our containerboard, corrugated sheets, corrugated containers and multiwall bags to customers in North America in packaging, automotive, food and building products industries, among others. Our corrugated container products are used to ship such diverse products as home appliances, small machinery, grocery products, building products, automotive components, books and furniture. Our industrial and consumer multiwall bags are used to ship a wide range of industrial and consumer products primarily for the agricultural, chemical, building products and food industries.

In this segment, for the fiscal year ended October 31, 2008 and nine-month period ended July 31, 2009, net sales were \$696.9 million and \$368.6 million, respectively, and operating profit was \$68.3 million and \$40.6 million, respectively.

### ***Timber***

As of July 31, 2009, we owned approximately 267,150 acres of timber properties in the southeastern United States and approximately 27,400 acres in Canada. In the Timber segment, we focus on the active harvesting and regeneration of our United States timber properties to achieve sustainable long-term yields. While timber sales are subject to fluctuations, we seek to maintain a consistent cutting schedule, within the limits of market and weather conditions. We also sell, from time to time, timberland and special use land, which consists of surplus, HBU and development land. As of July 31, 2009, we estimated that there were approximately 68,800 acres of special use property in Canada and the United States which will be available for sale in the next five to seven years.

In this segment, for the fiscal year ended October 31, 2008 and nine-month period ended July 31, 2009, net sales were \$18.8 million and \$12.3 million, respectively, and operating profit was \$20.8 million and \$9.8 million, respectively.

## **Competitive Strengths**

*Leading Market Positions.* We are a leading global producer of a comprehensive line of industrial packaging products. We believe that we are the largest global producer of steel drums, fibre drums and closure systems, and we hold leading global market positions in the production of plastic drums and intermediate bulk containers.

*Global Presence.* We have facilities in over 45 countries and generated approximately 44.3% of our net sales from markets outside North America for the nine-month period ended July 31, 2009. Our global presence provides us with access to growth opportunities in emerging markets, insulates us from economic downturns in any one country or

region, enables us to respond to our customers' changing needs, offers us the flexibility to shift resources in response to changes in global or regional conditions and allows us to effectively service

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multinational customers. Our size and global reach enable us to realize economies of scale and cost savings by consolidating our purchasing, sales and marketing efforts.

*Comprehensive Portfolio of Product Lines.* We offer a comprehensive portfolio of product lines in our Industrial Packaging and our Paper Packaging segments, which enables us to offer our customers a single source for their packaging needs and to be responsive to global market changes. We have also developed numerous specialty products and applications for our corrugated products customers in our Paper Packaging segment. Our ability to tailor our products and services to our customers' needs enables us to develop strong, long-term customer relationships and enhances profitability.

*Diverse and Multinational Customer Base.* We have developed longstanding relationships with prominent Fortune 200 customers. These large multinational corporations represent a range of industries, which we believe creates a strong, stable revenue source for our products and services. Moreover, we do not depend upon any one particular customer, as our ten largest customers accounted for approximately 15% of our net sales in 2008.

*Significant Operating Leverage.* We believe our existing facilities have sufficient capacity to meet future growth in market demand for our products without significant capital expenditures. We believe we are positioned to profitably capitalize on an increase in demand which would result from an economic recovery. Using the Greif Business System, our management team has demonstrated its ability to effectively control costs with its high percentage of variable costs. For raw material costs, we have demonstrated an ability to successfully pass through raw material cost increases.

*Proven Track Record.* We have demonstrated our ability to grow our business and reduce our debt. From 2002 to 2008, we increased net sales at a compounded annual growth rate of 15.0% from \$1.6 billion to \$3.8 billion. From 2002 to 2008, we increased operating profit at a compounded annual growth rate of 24.1% from \$101.2 million to \$370.3 million. At the same time, we increased our total debt from \$653.0 million as of October 31, 2002 to \$717.5 million as of October 31, 2008. We have reduced our percentage of total debt to total capitalization from 53.4% as of October 31, 2002 to 40.5% as of October 31, 2008.

*Experienced Management Team.* We have an experienced and strong management team that has successfully managed our operations during various industry cycles. The current management team has facilitated our growth in recent years through the acquisition of Van Leer Industrial Packaging and other recent acquisitions and joint ventures and their successful integration into our existing operations. This team has successfully implemented the Greif Business System, which we believe has transformed us into a leaner, more market-focused, performance-driven company. Our management team is currently implementing a strategic sourcing initiative to more effectively leverage our global spending and lay the foundation for a world-class sourcing and supply chain capability.

## **Business Strategy**

We continue to be focused on achieving a superior return on our assets through the implementation of the Greif Business System to ensure a market focused and performance driven culture. In 2009, the primary drivers of the Greif Business System include pursuing operational efficiencies and global sourcing initiatives. We are also dedicated to generation of strong cash flows through operating results and optimization of our balance sheet.

We anticipate that our disciplined acquisition strategy will remain consistent with our past practices and focus primarily on industry consolidation, growth and investment in emerging markets, and near industry adjacencies.

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We have identified the following as key business strategies within each of our business segments:

**Industrial Packaging**

Be the lowest cost producer in the industry

Expand presence in emerging markets

Further extend product and service offerings

**Paper Packaging**

Continue to provide distinctive, value-added corrugated packaging and services

Leverage fully integrated operations to drive manufacturing efficiencies

Maintain position as the corrugated sheet supplier of choice to independent corrugated converters

Maintain cost-effectiveness and reliability of containerboard mills and corrugated operations

**Timber**

Maintain long-term focus on pine timberland

Grow future value through intensive management and regeneration

Market and sell special use properties

**Additional Information About Our Company**

Greif, Inc. is a Delaware corporation. Our principal executive offices are located at 425 Winter Road, Delaware, Ohio 43015. The telephone number of our executive offices is (740) 549-6000.

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**The Exchange Offer**

The summary below describes the principal terms of the exchange notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Notes section of this prospectus contains a more detailed description of the terms and conditions of the exchange notes.

**The Initial Offering of Notes**

On July 28, 2009, we issued in a private placement \$250.0 million aggregate principal amount of 73/4% Senior Notes due 2019 (the original notes ) to the initial purchasers. The initial purchasers subsequently resold the original notes to qualified institutional buyers pursuant to Rule 144A under the Securities Act and to persons outside the United States under Regulation S.

**Registration Rights Agreement**

Contemporaneously with the initial sale of the original notes, we entered into a registration rights agreement with the initial purchasers in which we agreed, among other things, to file a registration statement with the SEC and to complete an exchange offer as promptly as possible. This exchange offer is intended to satisfy those rights set forth in the registration rights agreement. After the exchange offer is complete, you will not have any further rights under the registration rights agreement, including the right to require us to register any original notes that you do not exchange or to pay you liquidated damages.

**The Exchange Offer**

We are offering to exchange \$250.0 million aggregate principal amount of 73/4% Senior Notes due 2019 (the exchange notes ), which have been registered under the Securities Act, for the same aggregate principal amount of the original notes.

The terms of the exchange notes will be identical to the terms of the original notes for which they are being exchanged, except for transfer restrictions, the obligation to pay additional interest if we fail to register the exchange notes and complete this exchange offer as required, and registration rights relating to the original notes.

The original notes may be tendered only in \$1,000 increments. We will exchange the applicable exchange notes for all original notes that are validly tendered and not withdrawn prior to the expiration of the exchange offer. We will cause the exchange to be effected promptly after the expiration of the exchange offer.

The new registered exchange notes will evidence the same debt as the old original notes and will be issued under and entitled to the benefits of the same indenture that governs the old original notes. Holders of the original notes do not have any appraisal or dissenter rights in connection with the exchange offer. Because we have registered the exchange notes, the exchange notes will not be subject to transfer restrictions and holders of original notes will have no registration rights.

If You Fail to Exchange Your Outstanding Original Notes If you do not exchange your original notes for exchange notes in the exchange offer, you will continue to be subject to the restrictions on transfer provided in the original notes and indenture governing those notes. In general, you may not offer or sell your original notes unless they are registered under the federal securities

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laws or are sold in a transaction exempt from or not subject to the registration requirements of the federal securities laws and applicable state securities laws.

Procedures for Tendering Notes

If you wish to tender your original notes for exchange notes, you must:

complete and sign the enclosed letter of transmittal by following the related instructions, and

send the letter of transmittal, as directed in the instructions, together with any other required documents, to the exchange agent either (1) with the original notes to be tendered, or (2) in compliance with the specified procedures for guaranteed delivery of the original notes.

Brokers, dealers, commercial banks, trust companies and other nominees may also effect tenders by book-entry transfer. Please do not send your letter of transmittal or certificates representing your original notes to us. Those documents should be sent only to the exchange agent. Questions regarding how to tender and requests for information should be directed to the exchange agent. See *The Exchange Offer* Exchange Agent.

Resale of the Exchange Notes

Except as provided below, we believe that the exchange notes may be offered for resale, resold and otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act provided that:

the exchange notes are being acquired in the ordinary course of business,

you are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate in the distribution of the exchange notes issued to you in the exchange offer,

you are not an affiliate of ours,

you are not a broker-dealer tendering original notes acquired directly from us for your account, and

you are not prohibited by law or any policy of the SEC from participating in the exchange offer.

Our belief is based on interpretations by the staff of the SEC, as set forth in no-action letters issued to third parties unrelated to us. The staff of the SEC has not considered this exchange offer in the context of a no-action letter, and we cannot assure you that the Staff would make similar determinations with respect to this exchange offer. If any of these conditions are not satisfied (or if our belief is not accurate) and you transfer any exchange notes issued to you in the exchange offer without delivering a resale prospectus meeting the requirements of the Securities Act or without an exemption from registration of your exchange notes

from those requirements, you may incur liability under the Securities Act.  
We will not assume, nor will we indemnify you against, any such liability.

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Each broker-dealer that receives exchange notes for its own account in exchange for original notes, where the original notes were acquired by such broker-dealer as a result of market-making or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See Plan of Distribution.

Record Date	We mailed this prospectus and the related offer documents to the registered holders of the original notes on November 19, 2009.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on December 18, 2009, unless we decide to extend the expiration date.
Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, including that the exchange offer not violate applicable law or any applicable interpretation of the staff of the SEC. The exchange offer is not conditioned upon any minimum principal amount of the outstanding original notes being tendered.
Exchange Agent	U.S. Bank National Association is serving as exchange agent for the exchange offer.
Special Procedures for Beneficial Owners	If your original notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, we urge you to contact that person promptly if you wish to tender your original notes pursuant to this exchange offer. See The Exchange Offer Procedures for Tendering.
Withdrawal Rights	You may withdraw the tender of your original notes at any time before the expiration date of the exchange offer by delivering a written notice of your withdrawal to the exchange agent. You must follow the withdrawal procedures as described under the heading The Exchange Offer Withdrawal of Tenders.
Federal Income Tax Considerations	The exchange of original notes for the exchange notes in the exchange offer should not be a taxable event for U.S. federal income tax purposes.
Use of Proceeds	We will not receive any proceeds from the issuance of the exchange notes pursuant to the exchange offer. We will pay all of our expenses incident to the exchange offer.

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The form and terms of the exchange notes are the same as the form and terms of the original notes for which they are being exchanged, except that the exchange notes will be registered under the Securities Act. As a result, the exchange notes will not bear legends restricting their transfer and will not have provisions providing for the benefit of the registration rights or the obligation to pay additional interest because of our failure to register the exchange notes and complete this exchange offer as required. The exchange notes represent the same debt as the original notes for which they are being exchanged. Both the original notes and the exchange notes are governed by the same indenture. We use the term "notes" in this prospectus to collectively refer to the original notes and the exchange notes.

Issuer	Greif, Inc.
Securities Offered	\$250,000,000 principal amount of 73/4% senior notes due 2019.
Maturity	August 1, 2019.
Interest Rate	73/4% per year.
Interest Payment Dates	February 1 and August 1, beginning on February 1, 2010. Interest will accrue from July 28, 2009.
Ranking	The exchange notes will be senior unsecured obligations and will rank <i>pari passu</i> to our existing and future senior indebtedness, senior to all existing and future subordinated indebtedness, and junior to our existing and future secured indebtedness up to the value of collateral securing such debt. As of July 31, 2009, (i) we had \$832.2 million of indebtedness outstanding, excluding \$567.9 million that was available for borrowing under our senior secured credit facilities, net of outstanding letters of credit, and our trade accounts receivable credit facility and (ii) we had \$275.7 million of secured indebtedness outstanding, including \$37.8 million of indebtedness in the form of short-term borrowings and other debt.
Guarantees	On the issue date, the exchange notes will not have the benefit of any guarantees from our subsidiaries. If, after the issue date, any of our debt (excluding our senior secured credit facilities but including our senior notes due 2017) have the benefit of guarantees from any of our subsidiaries, then we will cause such subsidiaries to unconditionally guarantee the exchange notes on a senior basis. As of July 31, 2009, our subsidiaries had \$52.7 million of indebtedness outstanding for borrowed money and significant other liabilities (excluding any guarantees by such subsidiaries of our senior secured credit facilities).
Optional Redemption	We may redeem some or all of the exchange notes at any time at a price equal to 100% of the principal amount of the exchange notes redeemed plus accrued and unpaid interest to the redemption date plus the applicable premium described in the offering memorandum.



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Change of Control Offer

If we experience a change in control, we must give holders of the exchange notes the opportunity to sell us their exchange notes at 101% of their face amount, plus accrued interest.

We might not be able to pay you the required price for exchange notes you present to us at the time of a change of control, because:

we might not have enough funds at that time; or

the terms of our indebtedness may prevent us from paying you.

Certain Indenture Provisions

The indenture governing the exchange notes contains covenants limiting our (and most or all of our subsidiaries ) ability to:

create liens on our assets to secure debt;

enter into sale and leaseback transactions; and

merge or consolidate with another company.

These covenants are subject to a number of important limitations and exceptions.

Original Issue Discount

The exchange notes will be issued with original issue discount for United States federal income tax purposes. U.S. Holders (as defined in Certain United States Federal Income Tax Considerations ) will be required to include original issue discount in gross income (as ordinary income) on a constant yield basis for United States federal income tax purposes in advance of the receipt of cash payments to which such income is attributable and regardless of such U.S. Holders method of tax accounting. For more information, see Certain United States Federal Income Tax Considerations.

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The following table sets forth summary consolidated financial data and should be read in conjunction with our consolidated financial statements and related notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations which are incorporated by reference into, or included elsewhere in, this prospectus.

	As of and for the Years Ended October 31,			As of and for the Nine Months Ended July 31,	
	2006	2007 (Audited)	2008	2008 (Unaudited)	2009
	(U.S. dollars in thousands)				
<b>Statement of Operations Data:</b>					
Net sales	\$ 2,628,475	\$ 3,322,294	\$ 3,776,756	\$ 2,798,392	\$ 2,031,724
Cost of products sold	2,149,271	2,716,892	3,083,985	2,298,040	1,674,539
Gross profit	479,204	605,402	692,771	500,352	357,185
Selling, general and administrative expenses	259,122	313,377	339,157	252,021	191,503
Restructuring charges	33,238	21,229	43,202	24,370	57,748
Timberland disposals, net	41,302	(648)	340	346	
Gain on disposal of properties, plants and equipment, net	18,017	19,434	59,534	52,651	9,810
Operating profit	246,163	289,582	370,286	276,958	117,744
Interest expense, net	35,993	45,512	49,628	38,194	37,727
Debt extinguishment charges		23,479			782
Other income (expense), net	(2,299)	(8,956)	(8,751)	(9,213)	(4,075)
Income before income tax expense and equity in earnings (losses) of affiliates and minority interests	207,871	211,635	311,907	229,551	75,160
Income tax expense	63,816	53,544	73,610	53,486	19,617
Equity in earnings (losses) of affiliates and minority interests	(1,936)	(1,723)	(3,943)	(2,134)	(2,404)
Net income	\$ 142,119	\$ 156,368	\$ 234,354	\$ 173,931	\$ 53,139
<b>Selected Financial Data:</b>					
Capital expenditures	\$ 75,600	\$ 112,600	\$ 143,100	\$ 107,200	\$ 81,400
Ratio of earnings to fixed charges	6.7x	5.4x	6.8x	6.9x	2.9x
<b>Balance Sheet Data (at end of period):</b>					

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Cash and cash equivalents	\$ 187,101	\$ 123,699	\$ 77,627	\$ 99,310	\$ 85,670
Working capital	\$ 301,738	\$ 192,875	\$ 250,849	\$ 283,983	\$ 302,938
Total assets	\$ 2,188,001	\$ 2,652,711	\$ 2,745,898	\$ 2,976,932	\$ 2,670,213
Long-term debt, including current portion of long-term debt	\$ 481,408	\$ 622,685	\$ 673,171	\$ 708,214	\$ 784,142
Total shareholders equity	\$ 844,011	\$ 999,912	\$ 1,055,811	\$ 1,072,087	\$ 1,022,703

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**RISK FACTORS**

*Prospective participants in the exchange offer should carefully consider all of the information contained in this prospectus, including the risks and uncertainties described below. The risk factors set forth below (with the exception of the first risk factor) are generally applicable to the original notes as well as the exchange notes.*

**Risk Factors Associated with the Exchange Offer**

***If you fail to follow the exchange offer procedures, your original notes will not be accepted for exchange.***

We will not accept your original notes for exchange if you do not follow the exchange offer procedures. We will issue exchange notes as part of this exchange offer only after timely receipt of your original notes, properly completed and duly executed letter of transmittal and all other required documents. Therefore, if you want to tender your original notes, please allow sufficient time to ensure timely delivery. If we do not receive your original notes, letter of transmittal, and all other required documents by the expiration date of the exchange offer, or you do not otherwise comply with the guaranteed delivery procedures for tendering your original notes, we will not accept your original notes for exchange. We are under no duty to give notification of defects or irregularities with respect to the tenders of original notes for exchange. If there are defects or irregularities with respect to your tender of original notes, we will not accept your original notes for exchange unless we decide in our sole discretion to waive such defects or irregularities.

***If you fail to exchange your original notes for exchange notes, they will continue to be subject to the existing transfer restrictions and you may not be able to sell them.***

We did not register the original notes, nor do we intend to do so following the exchange offer. Original notes that are not tendered will therefore continue to be subject to the existing transfer restrictions and may be transferred only in limited circumstances under the securities laws. As a result, if you hold original notes after the exchange offer, you may not be able to sell them. To the extent any original notes are tendered and accepted in the exchange offer, the trading market, if any, for the original notes that remain outstanding after the exchange offer may be adversely affected due to a reduction in market liquidity.

***Because there is no public market for the exchange notes, you may not be able to resell them.***

The exchange notes will be registered under the Securities Act but will constitute a new issue of securities with no established trading market, and there can be no assurance as to the liquidity of any trading market that may develop; the ability of holders to sell their exchange notes; or the price at which the holders will be able to sell their exchange notes.

We understand that certain of the initial purchasers presently intend to make a market in the exchange notes. However, they are not obligated to do so, and any market-making activity with respect to the exchange notes may be discontinued at any time without notice. In addition, any market-making activity will be subject to the limits imposed by the Securities Act and the Securities Exchange Act of 1934 and may be limited during the exchange offer or the pendency of an applicable shelf registration statement. There can be no assurance that an active market will exist for the exchange notes or that any trading market that does develop will be liquid.

**Risk Factors Related to Our Business**

***The current and future challenging global economy may adversely affect our business.***

The current economic slowdown and any further economic decline in future reporting periods could negatively affect our business and results of operations. The volatility of the current economic climate makes it difficult for us to predict the complete impact of this slowdown on our business and results of operations. Due to these current economic conditions, our customers may face financial difficulties, the unavailability of or reduction in commercial credit, or both, that may result in decreased sales and revenues of our company. Certain of our customers may cease operations or seek bankruptcy protection, which would reduce our cash

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flows and adversely impact our results of operations. Our customers that are financially viable and not experiencing economic distress may elect to reduce the volume of orders for our products in an effort to remain financially stable or as a result of the unavailability of commercial credit which would negatively affect our results of operations. We may also have difficulty accessing the global credit markets due to the tightening of commercial credit availability and the financial difficulties of our customers, which would result in decreased ability to fund capital-intensive strategic projects and our ongoing acquisition strategy. Further, we may experience challenges in forecasting revenues and operating results due to these global economic conditions. The difficulty in forecasting revenues and operating results may result in volatility in the market price of our common stock.

In addition, the lenders under our senior secured credit facilities and other borrowing facilities and the counterparties with whom we maintain interest rate swap agreements, cross-currency interest rate swaps, currency forward contracts and derivatives and other hedge agreements may be unable to perform their lending or payment obligations in whole or in part, or may cease operations or seek bankruptcy protection, which would negatively affect our cash flows and our results of operations.

***Historically, our business has been sensitive to changes in general economic or business conditions.***

Our customers generally consist of other manufacturers and suppliers who purchase industrial packaging products and containerboard and related corrugated products for their own containment and shipping purposes. Because we supply a cross section of industries, such as chemicals, food products, petroleum products, pharmaceuticals, metal products, agricultural and agrichemical products, and have operations in many countries, demand for our industrial packaging products and containerboard and related corrugated products has historically corresponded to changes in general economic and business conditions of the industries and countries in which we operate. Accordingly, our financial performance is substantially dependent upon the general economic conditions existing in these industries and countries, and any prolonged or substantial economic downturn in the markets we operate, including the current economic downturn, could have a material adverse affect on our business, results of operations or financial condition.

***Our operations are subject to currency exchange and political risks that could adversely affect our results of operations.***

We have operations in over 45 countries. As a result of our international operations, we are subject to certain risks that could disrupt our operations or force us to incur unanticipated costs.

Our operating performance is affected by fluctuations in currency exchange rates by:

translations into United States dollars for financial reporting purposes of the assets and liabilities of our international operations conducted in local currencies; and

gains or losses from transactions conducted in currencies other than the operation's functional currency.

We are subject to various other risks associated with operating in international countries, such as the following:

political, social and economic instability;

war, civil disturbance or acts of terrorism;

taking of property by nationalization or expropriation without fair compensation;

changes in government policies and regulations;

imposition of limitations on conversions of currencies into United States dollars or remittance of dividends and other payments by international subsidiaries;

imposition or increase of withholding and other taxes on remittances and other payments by international subsidiaries;

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hyperinflation in certain countries and the current threat of global deflation; and

impositions or increase of investment and other restrictions or requirements by non-United States governments.

***We operate in highly competitive industries.***

Each of our business segments operates in highly competitive industries. The most important competitive factors we face are price, quality and service. To the extent that one or more of our competitors become more successful with respect to any of these key competitive factors, we could lose customers and our sales could decline. In addition, due to the tendency of certain customers to diversify their suppliers, we could be unable to increase or maintain sales volumes with particular customers. Certain of our competitors are substantially larger and have significantly greater financial resources.

***Our business is sensitive to changes in industry demands.***

Industry demand for containerboard in the United States and certain of our industrial packaging products in our United States and international markets has varied in recent years causing competitive pricing pressures for those products. We compete in industries that are capital intensive, which generally leads to continued production as long as prices are sufficient to cover marginal costs. As a result, changes in industry demands like the current economic slowdown, including any resulting industry over-capacity, may cause substantial price competition and, in turn, negatively impact our financial performance.

***The continuing consolidation of our customer base for industrial packaging, containerboard and corrugated products may intensify pricing pressures and may negatively impact our financial performance.***

Over the last few years, many of our large industrial packaging, containerboard and corrugated products customers have acquired, or been acquired by, companies with similar or complementary product lines. This consolidation has increased the concentration of our largest customers, and resulted in increased pricing pressures from our customers. Any future consolidation of our customer base could negatively impact our financial performance.

***Raw material and energy price fluctuations and shortages could adversely affect our ability to obtain the materials needed to manufacture our products and could adversely affect our manufacturing costs.***

The principal raw materials used in the manufacture of our products are steel, resin, pulpwood, old corrugated containers for recycling, and containerboard, which we purchase in highly competitive, price sensitive markets. These raw materials have historically exhibited price and demand cyclicality. Some of these materials have been, and in the future may be, in short supply. However, we have not recently experienced any significant difficulty in obtaining our principal raw materials. We have long-term supply contracts in place for obtaining a portion of our principal raw materials. The cost of producing our products is also sensitive to the price of energy (including its impact on transport costs). We have, from time to time, entered into short-term contracts to hedge certain of our energy costs. Energy prices, in particular oil and natural gas, have fluctuated in recent years, with a corresponding effect on our production costs. There can be no assurance that we will be able to recoup any past or future increases in the cost of energy and raw materials.

***Environmental and health and safety matters and product liability claims could negatively impact our operations and financial performance.***

We must comply with extensive rules and regulations regarding federal, state, local and international environmental matters, such as air, soil and water quality and waste disposal. We must also comply with extensive rules and regulations regarding safety and health matters. The failure to materially comply with such rules and regulations could adversely affect our operations and financial performance. Furthermore, litigation or claims against us with respect to such matters could adversely affect our financial performance. We may also become subject to product liability claims, which could adversely affect our operations and financial performance.

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***Our business may be adversely impacted by work stoppages and other labor relations matters.***

We are subject to risk of work stoppages and other labor relations matters because a significant number of our employees are represented by unions. We have experienced work stoppages and strikes in the past, and there may be work stoppages and strikes in the future. Any prolonged work stoppage or strike at any one of our principal manufacturing facilities could have a negative impact on our business, results of operations or financial condition.

***We may encounter difficulties arising from acquisitions.***

We have in recent years invested a substantial amount of capital in acquisitions or strategic investments and we expect that we will continue to do so in the foreseeable future. We are continually evaluating acquisitions or strategic investments that are significant to our business both in the United States and internationally. Acquisitions involve numerous risks, including the failure to retain key customers, employees and contracts, the inability to integrate businesses without material disruption, unanticipated costs incurred in connection with integrating businesses, the incurrence of liabilities greater than anticipated or operating results that are less than anticipated, the inability to realize the projected value, and the synergies projected to be realized. In addition, acquisitions and integration activities require time and attention of management and other key personnel, and other companies in our industries have similar acquisition strategies. There can be no assurance that any acquisitions will be successfully integrated into our operations, that competition for acquisitions will not intensify or that we will be able to complete such acquisitions on acceptable terms and conditions. The costs of unsuccessful acquisition efforts may adversely affect our results of operations, financial condition or prospects.

***We may be subject to losses that might not be covered in whole or in part by existing insurance reserves or insurance coverage. These uninsured losses could adversely affect our financial performance.***

We are self-insured for certain of the claims made under our employee medical and dental insurance programs and for certain of our workers' compensation claims. We establish reserves for estimated costs related to pending claims, administrative fees and claims incurred but not reported. Because establishing reserves is an inherently uncertain process involving estimates, currently established reserves may not be adequate to cover the actual liability for claims made under our employee medical and dental insurance programs and for certain of our workers' compensation claims. If we conclude that our estimates are incorrect and our reserves are inadequate for these claims, we will need to increase our reserves, which could adversely affect our financial performance.

We carry comprehensive liability, fire and extended coverage insurance on most of our facilities, with policy specifications and insured limits customarily carried for similar properties. However, there are certain types of losses, such as losses resulting from wars, acts of terrorism, or hurricanes, tornados, or other natural disasters, that generally are not insured because they are either uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits occur, we could lose capital invested in that property, as well as the anticipated future revenues derived from the manufacturing activities conducted at that property, while remaining obligated for any mortgage indebtedness or other financial obligations related to the property. Any such loss would adversely impact our business, financial condition and results of operations.

We purchase insurance policies covering general liability and product liability with substantial policy limits. However, there can be no assurance that any liability claim would be adequately covered by our applicable insurance policies or it would not be excluded from coverage based on the terms and conditions of the policy. This could also apply to any applicable contractual indemnity.

***The frequency and volume of our timber and timberland sales will impact our financial performance.***

We have a significant inventory of standing timber and timberland and approximately 68,800 acres of special use properties in the United States and Canada (as of July 31, 2009). The frequency, demand for and volume of sales of timber, timberland and special use properties will have an effect on our financial

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performance. In addition, volatility in the real estate market for special use properties could negatively affect our results of operations.

*We may incur additional restructuring costs and there is no guarantee that our efforts to reduce costs will be successful.*

We have restructured portions of our operations from time to time in recent years, and in particular, following acquisitions of businesses, and it is possible that we may engage in additional restructuring opportunities. Because we are not able to predict with certainty acquisition opportunities that may become available to us, market conditions, the loss of large customers, or the selling prices for our products, we also may not be able to predict with certainty when it will be appropriate to undertake restructurings. It is also possible, in connection with these restructuring efforts, that our costs could be higher than we anticipate and that we may not realize the expected benefits.

We are also pursuing a transformation to become a leaner, more market-focused, performance-driven company what we call the Greif Business System. We believe that the Greif Business System has and will continue to generate productivity improvements and achieve permanent cost reductions. The Greif Business System continues to focus on opportunities such as improved labor productivity, material yield and other manufacturing efficiencies, along with further plant consolidations. In addition, as part of the Greif Business System, we have launched a strategic sourcing initiative to more effectively leverage our global spending and lay the foundation for a world-class sourcing and supply chain capability. In response to the current economic slowdown, we have continued to implement incremental and accelerated Greif Business System initiatives and specific contingency actions. These initiatives include continuation of active portfolio management, further administrative excellence activities, a hiring and salary freeze and curtailed discretionary spending. While we expect our cost saving initiatives to result in significant savings throughout our organization, our estimated savings are based on several assumptions that may prove to be inaccurate, and as a result, we cannot assure you that we will realize these cost savings. If we cannot successfully implement the strategic cost reductions or other cost savings plans, our financial conditions and results of operations would be negatively affected.

## **Risk Factors Related to Investment in the Notes**

*Our substantial debt could adversely affect our financial condition and prevent us from fulfilling our obligations under the notes. This debt could also adversely affect our operating flexibility and put us at a competitive disadvantage.*

We have a substantial amount of debt. As of July 31, 2009, we had \$832.2 million of indebtedness. Our substantial level of debt could have important consequences to you.

These consequences may include:

making it more difficult for us to satisfy our obligations with respect to the notes and our other debt;

making it more difficult for us to obtain additional financing for working capital, capital expenditures, strategic acquisitions or other general corporate purposes;

requiring a substantial portion of our cash flow to be dedicated to debt service payments instead of other purposes;

increasing our vulnerability to general adverse economic and industry conditions;

limiting our financial flexibility in planning for and reacting to changes in the industries in which we compete;  
placing us at a disadvantage compared to less leveraged competitors;  
exposing us to interest rate fluctuations because the interest on the debt under our revolving credit facility is at variable rates; and

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having a material adverse affect on us if we fail to comply with the covenants in the indenture governing the notes or in the instruments governing our other debt.

***We may not be able to generate a sufficient amount of cash flow to meet our debt service obligations, including the notes.***

Our ability to make scheduled payments or to refinance our obligations with respect to the notes and our other debt will depend on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and to certain financial, business and other factors beyond our control. If our cash flow and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and may be forced to reduce or delay scheduled expansions and capital expenditures, sell material assets or operations, obtain additional capital or restructure our debt. We cannot assure you that our operating performance, cash flow and capital resources will be sufficient for payment of our debt in the future. In the event that we are required to dispose of material assets or operations or restructure our debt to meet our debt service and other obligations, we cannot assure you as to the terms of any such transaction or how quickly any such transaction could be completed.

If we cannot make scheduled payments on our debt, we will be in default and, as a result:

our debt holders could declare all outstanding principal and interest to be due and payable;

our revolving credit facility lenders could terminate their commitments and commence foreclosure proceedings against our assets securing this facility; and

we could be forced into bankruptcy or liquidation.

If our operating performance declines in the future, we may need to obtain waivers from the required lenders under our revolving credit facility to avoid being in default. If we breach our covenants under the revolving credit facility and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under the revolving credit facility and the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation. See Description of Revolving Credit Facility and Other Financing Arrangements and Description of Notes.

***Our operations are substantially restricted by the terms of our debt, which could adversely affect us and increase your credit risk.***

The credit agreement governing our revolving credit facility includes, and the indenture governing the notes to a much lesser extent includes, a number of significant restrictive covenants. These covenants restrict, among other things, our ability to:

incur additional indebtedness;

pay dividends or make other restricted payments;

create or permit certain liens;

sell assets;

create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us;

engage in transactions with affiliates;

enter into certain sale and leaseback transactions; and

consolidate or merge with or into other companies or sell all or substantially all of our assets.

As a result, these covenants could limit our ability to plan for or react to market conditions or to meet our capital needs.

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In addition, our senior secured facilities require us to maintain certain financial ratios and meet other financial tests. Our failure to comply with these covenants could result in an event of default which, if not cured or waived, could result in lenders not being required to advance any more funds to us, as well as our being required to repay the borrowings under our revolving credit facility before their due date. If we were unable to make this repayment or otherwise refinance these borrowings, the lenders under our revolving credit facility could foreclose on our assets. If we were able to refinance these borrowings on less favorable terms, our results of operations and financial condition could be adversely affected by increased costs and rates. Furthermore, because the indenture governing the notes does not contain a cross-default provision, a default under the agreements governing our other indebtedness may not result in a default under the indenture governing the notes.

***Despite our debt levels, we may incur additional debt.***

Despite the restrictions and limitations described above, we may be able to incur significant additional indebtedness. Our senior secured credit facilities permit additional borrowings under certain circumstances and the indenture governing the notes and the senior notes due 2017 do not prohibit the incurrence of additional indebtedness by us or our subsidiaries. See [Description of Revolving Credit Facility and Other Financing Arrangements](#) and [Description of Notes](#). As of July 31, 2009, we had \$567.9 million of additional borrowings available to us under our senior secured credit facilities, net outstanding letters of credit, and our trade accounts receivable credit facility, subject to compliance with our financial and other covenants under the terms of such credit facilities.

***The notes are unsecured and effectively subordinated to all of our secured debt.***

The notes will not be secured by any of our assets or the assets of our subsidiaries. The payment of our senior secured credit facilities is secured by a security interest in our personal property and the personal property of our United States subsidiaries, including equipment, inventory and certain intangible assets, a pledge of the capital stock of substantially all of our United States subsidiaries and, in part, by the capital stock of the international borrowers. If we become insolvent or are liquidated, or if payment under our senior secured credit facilities or any other secured debt obligation that we may have from time to time is accelerated, our secured lenders would be entitled to exercise the remedies available to a secured lender under applicable law and will have a claim on those assets before the holders of the notes. As a result, the notes are effectively subordinated to our secured debt to the extent of the assets securing such debt in the event of our bankruptcy or liquidation. As of July 31, 2009, we had approximately \$275.7 million of secured debt outstanding and \$567.9 million undrawn capacity under our senior secured credit facilities, net of outstanding letters of credit, and our trade accounts receivable credit facility. In addition, under certain circumstances the indentures governing the notes and the senior notes due 2017 permits us to incur additional secured debt.

***Our ability to meet our obligations under our indebtedness depends on the earnings and cash flows of our subsidiaries and the ability of our subsidiaries to pay dividends or advance or repay funds to us.***

We conduct a significant portion of our operations through our subsidiaries. Consequently, our ability to service our debt and pay dividends is dependent, in part, upon the earnings from the businesses conducted by our subsidiaries. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts to us, whether by dividends, loans, advances or other payments. The ability of our subsidiaries to pay dividends and make other payments to us depends on their earnings, capital requirements and general financial conditions and is restricted by, among other things, applicable corporate and other laws and regulations as well as, in the future, agreements to which our subsidiaries may be a party.

***The notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries.***

None of our subsidiaries will guarantee the notes or otherwise have any obligations to make payments in respect of the notes, which will be our direct, unsecured obligations. As a result, claims of holders of the notes will be effectively subordinated to the indebtedness and other liabilities of our subsidiaries. In the event of any bankruptcy, liquidation, dissolution or similar proceeding involving one of our subsidiaries, any of our rights

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or the rights of the holders of the notes to participate in the assets of that subsidiary will be effectively subordinated to the claims of creditors of that subsidiary (including any trade creditors, debt holders, secured creditors, taxing authorities and guarantee holders), and following payment by that subsidiary of its liabilities, the subsidiary may not have sufficient assets remaining to make payments to us as a shareholder or otherwise. In addition, if we caused a subsidiary to pay a dividend to enable us to make payments in respect of the notes and such a transfer were deemed a fraudulent transfer or an unlawful distribution, the holders of the notes could be required to return the payment to (or for the benefit of) the creditors of our subsidiaries. As of July 31, 2009, our subsidiaries had \$52.7 million of indebtedness outstanding for borrowed money and significant other liabilities (excluding any guarantees by such subsidiaries of our senior secured credit facilities), all of which are structurally senior to the notes offered hereby. In addition, the indentures governing the notes and the senior notes due 2017 does not prohibit the incurrence of additional debt by our subsidiaries.

***We may not have sufficient funds or be permitted by our senior secured credit facilities to purchase notes upon a change of control.***

Upon a change of control, we will be required to make an offer to purchase all outstanding notes. However, we cannot assure you that we will have or will be able to borrow sufficient funds at the time of any change of control to make any required repurchases of notes, or that restrictions in our senior secured credit facilities or other senior secured indebtedness we may incur in the future would permit us to make the required repurchases. For the foreseeable future, we expect covenants in our senior secured credit facilities will not permit us to make the required repurchases. Furthermore, if we experience specific kinds of change of control, we must offer to repurchase all of the senior notes due 2017 at 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date. If we fail to repurchase the notes as required under the indenture governing the notes, a default would occur under the indenture governing the notes.

Under clause (c) of the definition of **Change of Control** described under **Description of Notes**, a change of control will occur when, during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (together with any new directors whose election or appointment by such Board or whose nomination for election by the stockholders of Greif was approved by a vote of not less than a majority of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors then in office (*i.e.*, continuing directors). In a recent decision in connection with a proxy contest, the Court of Chancery of Delaware has suggested that the occurrence of a change of control under a similar indenture provision may nevertheless be avoided, if the existing directors were to approve the slate of new director nominees (who would constitute a majority of the new board) as continuing directors solely for purposes of avoiding the triggering of such change of control clause, provided the incumbent directors give their approval in the good faith exercise of their fiduciary duties. The Court also suggested that there may be a possibility that an issuer's obligation to repurchase its outstanding debt securities upon a change of control triggered by a failure to have a majority of continuing directors may be unenforceable on public policy grounds.

***The notes have been issued with original issue discount for United States federal income tax purposes.***

The notes have been issued with original issue discount (OID) for United States federal income tax purposes. U.S. Holders (as defined in **Certain United States Federal Income Tax Considerations**) are required to include any OID in gross income (as ordinary income) on a constant yield basis for United States federal income tax purposes in advance of the receipt of cash payments to which such income is attributable and regardless of such U.S. Holders method of tax accounting. For more information, see **Certain United States Federal Income Tax Considerations**.



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***If a bankruptcy petition were filed by or against us, holders of notes may receive a lesser amount for their claim than they would have been entitled to receive under the indenture governing the notes.***

If a bankruptcy petition were filed by or against us under the U.S. Bankruptcy Code after the issuance of the notes, the claim by any holder of the notes for the principal amount of the notes may be limited to an amount equal to the sum of:

the original issue price for the notes; and

that portion of the original issue discount that does not constitute unamortized interest for purposes of the U.S. Bankruptcy Code.

Any original issue discount that was not amortized as of the date of the bankruptcy filing would constitute unamortized interest. Accordingly, holders of the notes under these circumstances may receive a lesser amount than they would be entitled to receive under the terms of the indenture governing the notes, even if sufficient funds are available.

***Fraudulent conveyance laws may permit courts to void the guarantors' guarantees, if any, of the notes in specific circumstances, which would interfere with the payment under the guarantors' guarantees.***

Federal and state statutes may allow courts, under specific circumstances described below, to void the guarantors' guarantees, if any, of the notes. If such a voidance occurs, our noteholders might be required to return payments received from our guarantors in the event of bankruptcy or other financial difficulty of our guarantors. Under United States federal bankruptcy law and comparable provisions of state fraudulent conveyance laws, a guarantee could be set aside if, among other things, a subsidiary guarantor, at the time it incurred the debt evidenced by its guarantee:

incurred the guarantee with the intent of hindering, delaying or defrauding current or future creditors; or

received less than reasonably equivalent value or fair consideration for incurring the guarantee, and

was insolvent or was rendered insolvent by reason of the incurrence;

was engaged, or about to engage, in a business or transaction for which the assets remaining with it constituted unreasonably small capital to carry on such business; or

intended to incur, or believed that it would incur, debts beyond its ability to pay as those debts mature.

The tests for fraudulent conveyance, including the criteria for insolvency, will vary depending upon the law of the jurisdiction that is being applied. Generally, however, a debtor would be considered insolvent if, at the time the debtor incurred the debt, either:

the sum of the debtor's debts and liabilities, including contingent liabilities, was greater than the debtor's assets at fair valuation;

the present fair saleable value of the debtor's assets was less than the amount required to pay the probable liability on the debtor's total existing debts and liabilities, including contingent liabilities, as they became absolute and matured; or

it could not pay its debts as they became due.

If a court voids guarantees or holds them unenforceable, you will cease to be a creditor of the subsidiary guarantor and will be a creditor solely of us.

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**USE OF PROCEEDS**

The exchange offer is intended to satisfy our obligations under the registration rights agreement that we entered into in connection with the private offering of the original notes. We will not receive any cash proceeds from the issuance of the exchange notes. The original notes that are surrendered in exchange for the exchange notes will be retired and cancelled and cannot be reissued. As a result, the issuance of the exchange notes will not result in any increase or decrease in our indebtedness.

Our net cash proceeds from the private offering of the original notes, after deducting initial purchaser discounts, original issue discount and our fees and expenses, were approximately \$237 million. We have used the net cash proceeds from the private offering for general corporate purposes, including the repayment of amounts under our revolving multicurrency credit facility, without any permanent reduction of the commitments thereunder.

We entered into a credit agreement for the senior secured credit facilities on February 19, 2009. Under this credit agreement, we are provided with a \$500.0 million revolving multicurrency credit facility which matures in February 2012, with an option to add \$200.0 million to the facilities with the agreement of the lenders. The revolving multicurrency credit facility is available to fund ongoing working capital and capital expenditure needs, for general corporate purposes, and to finance acquisitions. Interest is based on either a Eurodollar rate or a base rate that resets periodically plus a calculated margin amount. See [Description of Senior Secured Credit Facilities and Other Financing Arrangements](#) Senior Secured Credit Facilities. At July 31, 2009, there was \$32.9 million outstanding under the revolving multicurrency credit facility at an interest rate of 3.22%.

**Table of Contents****CAPITALIZATION**

The following table sets forth our cash and cash equivalents and our unaudited capitalization as of July 31, 2009. You should read this table in conjunction with Use of Proceeds, Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the notes thereto and other financial data which are incorporated by reference into, or included elsewhere in, this prospectus.

	<b>As of July 31, 2009</b>	
	<b>Actual</b>	
	<b>(U.S. dollars in millions)</b>	
Cash and cash equivalents	\$	85.7
Short-term borrowings	\$	48.1
Senior secured credit facilities:		
Revolving multicurrency credit facility(1)		32.9
Term credit facility		195.0
United States trade accounts receivable credit facility(2)		10.0
Senior Notes due 2017		300.0
Senior Notes due 2019(3)		241.6
Other debt		4.7
Total debt		832.2
Total shareholders' equity		1,022.7
Total capitalization	\$	1,854.9

- (1) As of July 31, 2009, \$24.2 million of standby letters of credit were issued and \$442.9 million of additional borrowings were available under our senior secured credit facilities.
- (2) A total of \$135.0 million may be borrowed under this credit facility, which is subject to the pledge of a like amount of eligible trade accounts receivable. As of July 31, 2009, eligible trade accounts receivable equaled \$101.6 million.
- (3) Consists of \$250.0 million aggregate principal amount of senior notes sold at a discounted price of 96.637%. The discount will accrete and be included in the interest expense until the notes mature.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*The purpose of this section is to discuss and analyze our consolidated financial condition, liquidity and capital resources and results of operations. This analysis should be read in conjunction with our consolidated financial statements and related notes thereto which are incorporated by reference into this prospectus. This section contains certain forward-looking statements within the meaning of federal securities laws that involve risks and uncertainties, including statements regarding our plans, objectives, goals, strategies and financial performance. Our actual results could differ materially from the results anticipated in these forward-looking statements as a result of factors set forth under Disclosure Regarding Forward-Looking Statements and Risk Factors and elsewhere in this prospectus. Our fiscal year begins on November 1 and ends on October 31 of the following year. Any references to the years 2009, 2008, 2007 or 2006, or to any quarter of those years, relate to the fiscal year ended in that year.*

**General**

***Business Segments***

We operate in three business segments: Industrial Packaging; Paper Packaging; and Timber.

We are a leading global provider of industrial packaging products, such as steel, fibre and plastic drums, intermediate bulk containers, closure systems for industrial packaging products, transit protection products and polycarbonate water bottles, and services, such as blending, filling and other packaging services, logistics and warehousing. We seek to provide complete packaging solutions to our customers by offering a comprehensive range of products and services on a global basis. We sell our products to customers in industries such as chemicals, paint and pigments, food and beverage, petroleum, industrial coatings, agricultural, pharmaceutical and mineral, among others. In addition, we provide a variety of blending and packaging services, logistics and warehousing to customers in many of these same industries in North America.

We sell our containerboard, corrugated sheets, corrugated containers and multiwall bags to customers in North America in industries such as packaging, automotive, food and building products. Our corrugated container products are used to ship such diverse products as home appliances, small machinery, grocery products, building products, automotive components, books and furniture, as well as numerous other applications. Our full line of multiwall bag products is used to ship a wide range of industrial and consumer products, such as fertilizers, chemicals, concrete, flour, sugar, feed, seed, pet foods, popcorn, charcoal and salt, primarily for the agricultural, chemical, building products and food industries.

As of July 31, 2009, we owned approximately 267,150 acres of timber properties in the southeastern United States, which is actively managed, and approximately 27,400 acres of timber properties in Canada. Our timber management is focused on the active harvesting and regeneration of our timber properties to achieve sustainable long-term yields on our timberland. While timber sales are subject to fluctuations, we seek to maintain a consistent cutting schedule, within the limits of available merchantable acreage of timber, market and weather conditions. We also sell, from time to time, timberland and special use land, which consists of surplus land, higher and better use ( HBU ) land, and development land.

***Greif Business System***

In 2003, we began a transformation to become a leaner, more market-focused, performance-driven company what we call the Greif Business System. We believe the Greif Business System has and will continue to generate productivity improvements and achieve permanent cost reductions. The Greif Business System continues to focus on opportunities such as improved labor productivity, material yield and other manufacturing efficiencies, along with further plant consolidations. In addition, as part of the Greif Business System, we have launched a strategic sourcing initiative to more effectively leverage our global spending and lay the foundation for a world-class sourcing and supply chain capability. In response to the current economic slowdown, we have continued to implement incremental and accelerated Greif Business System initiatives and

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specific contingency actions. These initiatives include continuation of active portfolio management, further administrative excellence activities, a hiring and salary freeze and curtailed discretionary spending.

### ***Critical Accounting Policies***

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States ( GAAP ). The preparation of these consolidated financial statements, in accordance with these principles, require us to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of our consolidated financial statements.

A summary of our significant accounting policies is included in the notes to our consolidated financial statements which are incorporated by reference into this prospectus. We believe that the consistent application of these policies enables us to provide readers of the consolidated financial statements with useful and reliable information about our results of operations and financial condition. The following are the accounting policies that we believe are most important to the portrayal of our results of operations and financial condition and require our most difficult, subjective or complex judgments.

*Allowance for Accounts Receivable.* We evaluate the collectibility of our accounts receivable based on a combination of factors. In circumstances where we are aware of a specific customer s inability to meet its financial obligations to us, we record a specific allowance for bad debts against amounts due to reduce the net recognized receivable to the amount we reasonably believe will be collected. In addition, we recognize allowances for bad debts based on the length of time receivables are past due with allowance percentages, based on our historical experiences, applied on a graduated scale relative to the age of the receivable amounts. If circumstances change (e.g., higher than expected bad debt experience or an unexpected material adverse change in a major customer s ability to meet its financial obligations to us), our estimates of the recoverability of amounts due to us could change by a material amount.

*Inventory Reserves.* Reserves for slow moving and obsolete inventories are provided based on historical experience and product demand. We continuously evaluate the adequacy of these reserves and make adjustments to these reserves as required.

*Net Assets Held for Sale.* Net assets held for sale represent land, buildings and land improvements less accumulated depreciation for locations that have been closed. We record net assets held for sale in accordance with Statement of Financial Accounting Standards ( SFAS ) No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, at the lower of carrying value or fair value less cost to sell. Fair value is based on the estimated proceeds from the sale of the facility utilizing recent purchase offers, market comparables and/or data obtained from our commercial real estate broker. Our estimate as to fair value is regularly reviewed and subject to changes in the commercial real estate markets and our continuing evaluation as to the facility s acceptable sale price.

*Properties, Plants and Equipment.* Depreciation on properties, plants and equipment is provided on the straight-line method over the estimated useful lives of our assets.

We own timber properties in the southeastern United States and in Canada. With respect to our United States timber properties, which consisted of approximately 267,150 acres at July 31, 2009, depletion expense is computed on the basis of cost and the estimated recoverable timber acquired. Our land costs are maintained by tract. Merchantable timber costs are maintained by five product classes, pine sawtimber, pine chip-n-saw, pine pulpwood, hardwood sawtimber and hardwood pulpwood, within a depletion block, with each depletion block based upon a geographic district or sub district. Currently, we have 10 depletion blocks. These same depletion blocks are used for

pre-merchantable timber costs. Each year, we estimate the volume of our merchantable timber for the five product classes by each depletion block. These estimates are based on the current state in the growth cycle and not on quantities to be available in future years. Our estimates do not include costs to be incurred in the future. We then project these volumes to the end of the year. Upon acquisition of a new timberland tract, we record separate amounts for land, merchantable timber and pre-

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merchantable timber allocated as a percentage of the values being purchased. These acquisition volumes and costs acquired during the year are added to the totals for each product class within the appropriate depletion block(s). The total of the beginning, one-year growth and acquisition volumes are divided by the total undepleted historical cost to arrive at a depletion rate, which is then used for the current year. As timber is sold, we multiply the volumes sold by the depletion rate for the current year to arrive at the depletion cost. Our Canadian timberland, which consisted of approximately 27,400 acres at July 31, 2009, did not have any depletion expense since it is not actively managed at this time.

We believe that the lives and methods of determining depreciation and depletion are reasonable; however, using other lives and methods could provide materially different results.

*Restructuring Reserves.* Restructuring reserves are determined in accordance with appropriate accounting guidance, including SFAS No. 146, Accounting for Costs Associated with Exit or Disposal Activities, and Staff Accounting Bulletin No. 100, Restructuring and Impairment Charges, depending upon the facts and circumstances surrounding the situation. Restructuring reserves are further discussed in the notes to our consolidated financial statements which are incorporated by reference into this prospectus.

*Pension and Postretirement Benefits.* Our actuaries use assumptions about the discount rate, expected return on plan assets, rate of compensation increase and health care cost trend rates to determine pension and postretirement benefit expenses. Further discussion of our pension and postretirement benefit plans and related assumptions is contained in the notes to our consolidated financial statements which are incorporated by reference into this prospectus. The results would be different using other assumptions.

*Income Taxes.* We record a tax provision for the anticipated tax consequences of our reported results of operations. In accordance with SFAS No. 109, Accounting for Income Taxes, the provision for income taxes is computed using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. We record a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized. On November 1, 2007, we adopted Financial Interpretation No. (FIN) 48, Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109. Further information may be found in the notes to our consolidated financial statements which are incorporated by reference into this prospectus.

We believe it is more likely than not that forecasted income, including income that may be generated as a result of certain tax planning strategies, together with the tax effects of the deferred tax liabilities, will be sufficient to fully recover the remaining deferred tax assets. In the event that all or part of the net deferred tax assets are determined not to be realizable in the future, an adjustment to the valuation allowance would be charged either to earnings or to goodwill, whichever is appropriate, in the period such determination is made. In addition, the calculation of tax liabilities involves significant judgment in estimating the impact of uncertainties in the application of FIN 48 and other complex tax laws. Resolution of these uncertainties in a manner inconsistent with our expectations could have a material impact on our financial condition and operating results.

*Environmental Cleanup Costs.* We expense environmental costs related to existing conditions caused by past or current operations and from which no current or future benefit is discernable. Expenditures that extend the life of the related property, or mitigate or prevent future environmental contamination, are capitalized.

Our reserves for environmental liabilities at July 31, 2009 amounted to \$33.2 million, which included reserves of \$18.2 million related to one of our blending facilities (a reduction of \$3.3 million from January 31, 2009 due to

expenditures made and a reduction in cost estimates by a third party for its remediation efforts), and \$9.7 million related to certain facilities acquired in fiscal year 2007. The remaining reserves were for asserted and unasserted environmental litigation, claims and/or assessments at manufacturing sites and other locations where we believe it is probable the outcome of such matters will be unfavorable to us, but the environmental exposure at any one of those sites was not individually material. Reserves for large

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environmental exposures are principally based on environmental studies and cost estimates provided by third parties, but also take into account management estimates. Reserves for less significant environmental exposures are principally based on management estimates.

Environmental expenses were \$0.4 million, \$0.2 million, and \$1.6 million in 2008, 2007, and 2006, respectively. Environmental cash expenditures were \$3.2 million, \$1.6 million, and \$1.8 million in 2008, 2007 and 2006, respectively. Environmental expenses were insignificant for the nine months ended July 31, 2009 and 2008. Environmental cash expenditures were \$0.6 million and \$2.6 million for the nine months ended July 31, 2009 and 2008, respectively.

We anticipate that expenditures for remediation costs at most of the sites will be made over an extended period of time. Given the inherent uncertainties in evaluating environmental exposures, actual costs may vary from those estimated at July 31, 2009. Our exposure to adverse developments with respect to any individual site is not expected to be material. Although environmental remediation could have a material effect on results of operations if a series of adverse developments occur in a particular quarter or fiscal year, we believe that the chance of a series of adverse developments occurring in the same quarter or fiscal year is remote. Future information and developments will require us to continually reassess the expected impact of these environmental matters.

*Self-Insurance.* We are self-insured for certain of the claims made under our employee medical and dental insurance programs. We had recorded liabilities totaling \$3.8 million and \$4.1 million of estimated costs related to outstanding claims at July 31, 2009 and October 31, 2008, respectively. These costs include an estimate for expected settlements on pending claims, administrative fees and an estimate for claims incurred but not reported. These estimates are based on our assessment of outstanding claims, historical analysis and current payment trends. We record an estimate for the claims incurred but not reported using an estimated lag period based upon historical information. This lag period assumption has been consistently applied for the periods presented. If the lag period were hypothetically adjusted by a period equal to a half month, the impact on earnings would be approximately \$1.0 million. However, we believe the liabilities recorded are adequate based upon current facts and circumstances.

We have certain deductibles applied to various insurance policies including general liability, product, auto and workers compensation. Deductible liabilities are insured primarily through our captive insurance subsidiary. We recorded liabilities totaling \$16.8 million and \$20.6 million for anticipated costs related to general liability, product, auto and workers compensation at July 31, 2009 and October 31, 2008, respectively. These costs include an estimate for expected settlements on pending claims, defense costs and an estimate for claims incurred but not reported. These estimates are based on our assessment of outstanding claims, historical analysis, actuarial information and current payment trends.

*Contingencies.* Various lawsuits, claims and proceedings have been or may be instituted or asserted against us, including those pertaining to environmental, product liability, and safety and health matters. We are continually consulting legal counsel and evaluating requirements to reserve for contingencies in accordance with SFAS No. 5, Accounting for Contingencies. While the amounts claimed may be substantial, the ultimate liability cannot currently be determined because of the considerable uncertainties that exist. Based on the facts currently available, we believe the disposition of matters that are pending will not have a material effect on our consolidated results of operations, cash flows or financial position.

*Goodwill, Other Intangible Assets and Other Long-Lived Assets.* Goodwill and indefinite-lived intangible assets are no longer amortized, but instead are periodically reviewed for impairment as required by SFAS No. 142, Goodwill and Other Intangible Assets. The costs of acquired intangible assets determined to have definite lives are amortized on a straight-line basis over their estimated economic lives of five to 20 years. Our policy is to periodically review other intangible assets subject to amortization and other long-lived assets based upon the evaluation of such factors as the

occurrence of a significant adverse event or change in the environment in which the business operates, or if the expected future net cash flows (undiscounted and without interest) would become less than the carrying amount of the asset. An impairment loss would be recorded in the period such determination is made based on the fair value of the related assets.

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*Other Items.* Other items that could have a significant impact on the financial statements include the risks and uncertainties listed in this prospectus under Disclosures Regarding Forward-Looking Statements and Risk Factors. Actual results could differ materially using different estimates and assumptions, or if conditions are significantly different in the future.

**Results of Operations**

Historically, revenues and earnings may or may not be representative of future operating results due to various economic and other factors.

The non-GAAP financial measure of operating profit before the impact of restructuring charges, restructuring-related inventory charges and timberland disposals, net, is used throughout the following discussion of our results of operations (although restructuring-related inventory charges are applicable only to the 2009 results for the Industrial Packaging segment and timberland disposals, net, are applicable only to the Timber segment). Operating profit before the impact of restructuring charges, restructuring-related inventory charges and timberland disposals, net, is equal to operating profit plus restructuring charges, plus restructuring-related inventory charges less timberland gains plus timberland losses. We use operating profit before the impact of restructuring charges, restructuring-related inventory charges and timberland disposals, net because we believe that this measure provides a better indication of our operational performance because it excludes restructuring charges and restructuring-related inventory charges, which are not representative of ongoing operations, and timberland disposals, net, which are volatile from period to period, and it provides a more stable platform on which to compare our historical performance.

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The following table sets forth the net sales and operating profit for each of our business segments for the years ended October 31, 2008, 2007 and 2006, and for the three and nine months ended July 31, 2009 and 2008:

<b>For the</b>			<b>For the</b>		<b>For the</b>	
<b>Years Ended</b>			<b>Nine Months</b>		<b>Three Months</b>	
<b>October 31,</b>			<b>Ended</b>		<b>Ended</b>	
<b>2006</b>			<b>July 31,</b>		<b>July 31,</b>	
<b>2007</b>	<b>2008</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2009</b>
<b>(Audited)</b>			<b>(Unaudited)</b>		<b>(Unaudited)</b>	
<b>(U.S. dollars in millions)</b>						