WESCO INTERNATIONAL INC
Form 424B3
June 12, 2014
Table of Contents

Filed Pursuant to Rule 424(b)(3)
Registration Nos. 333-196427
333-196427-01

$500,000,000

WESCO Distribution, Inc.

OFFER TO EXCHANGE

UP TO $500,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF NEWLY ISSUED 5.375% SENIOR NOTES DUE 2021

FOR A LIKE PRINCIPAL AMOUNT OF OUTSTANDING RESTRICTED

5.375% NOTES DUE 2021 ISSUED ON NOVEMBER 26, 2013

On November 26, 2013, we issued $500,000,000 aggregate principal amount of restricted 5.375% Notes due 2021, which we refer to as the Original Notes, in a private placement.

We are offering to exchange up to $500,000,000 aggregate principal amount of new 5.375% Notes due 2021, which we refer to as the Exchange Notes, for outstanding Original Notes. We refer to this offer to exchange as the Exchange Offer. The terms of the Exchange Notes are substantially identical to the terms of the Original Notes, except that the Exchange Notes will be registered under the Securities Act of 1933, which we refer to as the Securities Act, and the transfer restrictions and registration rights and related special interest provisions applicable to the Original Notes will not apply to the Exchange Notes. The Exchange Notes will be part of the same series as the Original Notes and issued under the same indenture. The Exchange Notes will be exchanged for Original Notes in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. We will not receive any proceeds from the issuance of Exchange Notes in the Exchange Offer.

You may withdraw tenders of Original Notes at any time prior to the expiration of the Exchange Offer.

The Exchange Offer expires at 9:00 a.m. New York City time on July 17, 2014, unless extended, which we refer to as the Expiration Date.

We do not intend to list the Exchange Notes on any securities exchange or to seek approval through any automated quotation system, and no active public market for the Exchange Notes is anticipated.

You should consider carefully the risk factors beginning on page 10 of this prospectus before deciding whether to participate in the Exchange Offer.

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

The date of this prospectus is June 12, 2014.

Table of Contents

Rather than repeat certain information in this prospectus that we have already included in reports filed with the SEC, this prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus. We will provide this information to you at no charge upon written or oral request directed to: WESCO International, Inc., 225 West Station Square Drive, Suite 700, Pittsburgh, Pennsylvania 15219 Telephone: (412) 454-2200, Attention: Investor Relations. In order to receive timely delivery of any requested documents in advance of the Expiration Date, you should make your request no later than July 10, 2014, which is five full business days before you must make a decision regarding the Exchange Offer.

TABLE OF CONTENTS

This prospectus may only be used where it is legal to make the Exchange Offer and by a broker-dealer for resales of Exchange Notes acquired in the Exchange Offer where it is legal to do so.

This prospectus and the information incorporated by reference summarize documents and other information in a manner we believe to be accurate, but we refer you to the actual documents for a more complete understanding of the information we discuss in this prospectus and the information incorporated by reference. In making an investment decision, you must rely on your own examination of such documents, our business and the terms of the offering and the Exchange Notes, including the merits and risks involved.

We make no representation to you that the Exchange Notes are a legal investment for you. You should not consider any information in this prospectus to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the Exchange Notes. Neither the delivery of the prospectus nor any exchange made pursuant to this prospectus implies that any information set forth in or incorporated by reference in this prospectus is correct as of any date after the date of this prospectus.

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 Exchange Notes. The letter of transmittal accompanying this prospectus 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 Original Notes where the Original Notes

Table of Contents

were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period ending on the earlier of (i) 180 days from the date on which the registration statement of which this prospectus forms a part is declared effective and (ii) the date on which a broker-dealer is no longer required to deliver a prospectus in connection with market-making or other trading activities, we will make this prospectus available to any broker-dealer for use in connection with these resales. See Plan of Distribution.

NON-GAAP FINANCIAL MEASURES

We believe that the financial statements and the other financial data included in or incorporated by reference into this prospectus have been prepared in a manner that complies, in all material respects, with generally accepted accounting principles in the United States, or GAAP, and the regulations published by the SEC, and are consistent with current practice with the exception of the presentation of certain non-GAAP financial measures, including EBITDA and Adjusted EBITDA.

EBITDA and Adjusted EBITDA are not measurements of financial performance or condition under GAAP and should not be considered as alternatives to operating income, or any other financial performance measures derived in accordance with GAAP. Additionally, EBITDA and Adjusted EBITDA are not intended to be measures of free cash flow available for management s discretionary use, as they do not consider certain cash requirements such as interest payments, tax payments and debt service requirements. EBITDA and Adjusted EBITDA are not calculated in the same manner by all companies and, accordingly, are not necessarily comparable to similarly titled measures of other companies and may not be appropriate measures for comparing performance relative to other companies.

For the definition of and additional information about EBITDA and Adjusted EBITDA, a description of how EBITDA and Adjusted EBITDA are calculated and a reconciliation of EBITDA and Adjusted EBITDA to the most directly comparable GAAP financial measures, see the section titled Summary Summary Historical Consolidated Financial Information of this prospectus.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the documents incorporated by reference, contains various forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve certain unknown risks and uncertainties. When used in this prospectus or the documents incorporated by reference, the words anticipates, plans, believes, estimates, intends, expects, projects, will and similar expressions may ident forward-looking statements, although not all forward-looking statements contain such words. Such statements, including, but not limited to, our statements regarding business strategy, growth strategy, competitive strengths, productivity and profitability enhancement, competition, new product and service introductions and liquidity and capital resources are based on management s beliefs, as well as on assumptions made by and information currently available to, management, and involve various risks and uncertainties, some of which are beyond our control. Our actual results could differ materially from those expressed in any forward-looking statement made by us or on our behalf. In light of these risks and uncertainties, there can be no assurance that the forward-looking information will in fact prove to be accurate. We have undertaken no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Factors that could cause actual results to differ materially from those implied by these forward-looking statements include, but are not limited to:

- adverse conditions in the global economy and disruptions of financial markets;

an increase in competition;

certain events or conditions leading to interruptions in our operations;

increased levels of risk related to international operations resulting from our acquisition of EECOL Electric Corporation, or EECOL ;

Table of Contents

- our expansion into new business activities, industries, product lines or geographic areas;
- a loss of key suppliers, product cost fluctuations, lack of product availability or inefficient supply chain operations;
- the inherent risks of any possible future acquisitions;
- costs and risks associated with laws and regulations affecting our business;
- our outstanding indebtedness and the associated debt service commitments;
- our ability to attract, retain and motivate key employees; and
- the risk factors referred to or described in the Risk Factors section of this prospectus and the other risk factors described in WESCO International s Annual Report on Form 10-K under Item 1A, Risk Factors.

We cannot guarantee that any forward-looking statement will be realized, although we believe we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements.

We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise, except as otherwise required by law. You are advised, however, to consult any further disclosures WESCO International makes on related subjects in its reports on Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC. You should understand that it is not possible to predict or identify all risk factors. Consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

MARKET AND INDUSTRY DATA

Market data used in this prospectus, including in documents incorporated by reference, is based on management s knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management s review of independent industry surveys and publications and other publicly available information prepared by a number of sources. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information.

Table of Contents

SUMMARY

This summary highlights significant aspects of our business and this exchange offer, but it is not complete and may not contain all of the information that may be important to you. You should read the entire prospectus carefully, including the historical financial statements and their related notes included elsewhere in this prospectus. Investing in the Notes involves significant risks, as described in the Risk Factors section.

In this prospectus, unless otherwise indicated or the context otherwise requires, references to the terms the Company, WESCO, we, our, us or similar terms mean WESCO Distribution, Inc. and its direct and indirect subsidiaries, and references to WESCO International mean WESCO International, Inc., the parent company of WESCO Distribution, Inc., and its subsidiaries, including WESCO. All financial data presented in this prospectus is the financial data of WESCO International and its consolidated subsidiaries unless otherwise indicated. Unless otherwise indicated or the context requires otherwise, all references in this prospectus to Notes mean collectively the Original Notes and the Exchange Notes.

Our Company

We are a leading provider of electrical, industrial, and communications maintenance, repair and operating and original equipment manufacturers products, construction materials, and advanced supply chain management and logistics services. Our primary product categories include general electrical and industrial supplies, wire, cable and conduit, data and broadband communications, power distribution equipment, lighting and lighting control systems, control and automation, motors, and safety.

We serve over 75,000 active customers globally through approximately 475 full service branches and nine distribution centers located in the United States, Canada, and Mexico with offices in 15 additional countries. The Company employs approximately 9,200 employees worldwide. We distribute over 1,000,000 products, grouped into six categories, from more than 25,000 suppliers utilizing a highly automated, proprietary electronic procurement and inventory replenishment system.

In addition, we offer a comprehensive portfolio of value-added capabilities, which includes supply chain management, logistics and transportation, procurement, warehousing and inventory management, as well as kitting, limited assembly of products and system installation. Our value-added capabilities, extensive geographic reach, experienced workforce and broad product and supply chain solutions have enabled us to grow our business and establish a leading position in North America.

In December 2012, we completed the acquisition of EECOL with approximately $0.9 billion in annual sales, approximately 57 locations across Canada and approximately 20 in South America, and more than 20,000 customers.

Corporate Information

WESCO International is a Delaware corporation incorporated in 1993 and effectively formed in February 1994 upon acquiring a distribution business from Westinghouse Electric Corporation. WESCO International s principal executive office is located at 225 West Station Square Drive, Suite 700, Pittsburgh, Pennsylvania and its telephone number is (412) 454-2200. WESCO International s common stock is listed on the New York Stock Exchange under the symbol WCC. WESCO International s website address is www.wesco.com. The information contained on or accessible through WESCO International s website is not a part of this prospectus, other than the documents that it files with the SEC that are incorporated by reference into this prospectus. For additional information concerning WESCO International, please see WESCO International s most recent Annual Report on Form 10-K and its other filings with the SEC, which are incorporated by reference into this document. See Where You Can Find More Information.

Table of Contents

The Exchange Offer

The following summary contains basic information about the Exchange Offer. It does not contain all of the information that may be important to you. For a more complete description of the terms of the Exchange Offer, see The Exchange Offer.

The Exchange Offer	We are offering to exchange up to $500,000,000 aggregate principal amount of our registered 5.375% Notes due 2021, which we refer to as the Exchange Notes, for an equal principal amount of our outstanding restricted 5.375% Notes due 2021, which we refer to as the Original Notes, that were issued on November 26, 2013. The terms of the Exchange Notes are identical in all material respects to those of the Original Notes, except for transfer restrictions and registration rights and related special interest provisions relating to the Original Notes. Holders of Original Notes do not have any appraisal or dissenters rights in connection with the Exchange Offer.
Purposes of the Exchange Offer	The Exchange Notes are being offered to satisfy our obligations under the registration rights agreement entered into at the time we issued and sold the Original Notes.
Expiration Date; withdrawal of tenders; return of Original Notes not accepted for exchange	The Exchange Offer will expire at 9:00 a.m., New York City time, on July 17, 2014, or on a later date and time to which we extend it. We refer to such time and date as the Expiration Date. Tenders of Original Notes in the Exchange Offer may be withdrawn at any time prior to the Expiration Date. We will exchange the Exchange Notes for validly tendered Original Notes promptly following the Expiration Date. Any Original Notes that are not accepted for exchange for any reason will be returned by us, at our expense, to the tendering holder promptly after the expiration or termination of the Exchange Offer.
Procedures for tendering Original Notes	Each holder of Original Notes wishing to participate in the Exchange Offer must follow procedures of The Depository Trust Company s, or DTC, Automated Tender Offer Program, or ATOP, subject to the terms and procedures of that program. The ATOP procedures require that the exchange agent receives, prior to the Expiration Date, a computer-generated message known as an agent s message that is transmitted through ATOP and that DTC confirm that: DTC has received instructions to exchange your Original Notes; and

you agree to be bound by the terms of the letter of transmittal.

See The Exchange Offer Procedures for Tendering Original Notes.

Consequences of failure to exchange Original Notes	You will continue to hold Original Notes, which will remain subject to their existing transfer restrictions, if you do not validly tender your Original Notes or you tender your Original Notes and they are not accepted for exchange. With some limited exceptions, we will have no obligation to register the Original Notes after we consummate the Exchange Offer. See The Exchange Offer Terms of the Exchange Offer and The Exchange Offer Consequences of Failure To Exchange.
Conditions to the Exchange Offer	The Exchange Offer is not conditioned upon any minimum aggregate principal amount of Original Notes being tendered or accepted for exchange. The Exchange Offer is subject to customary conditions, which may be waived by us in our discretion. We currently expect that all of the conditions will be satisfied and that no waivers will be necessary.
Exchange agent	U.S. Bank National Association
Certain U.S. federal income tax considerations	Your exchange of an Original Note for an Exchange Note pursuant to the Exchange Offer will not constitute a taxable exchange. You will not recognize any taxable income, gain or loss in the exchange. Immediately after the exchange, you will have the same adjusted tax basis and holding period in each Exchange Note received as you had immediately prior to the exchange in the corresponding Original Note surrendered. See Certain U.S. Federal Income Tax Considerations.
Risk Factors	You should carefully read and consider the risk factors beginning on page 10 of this prospectus before deciding whether to participate in the Exchange Offer.

Table of Contents

The Exchange Notes

The following is a brief summary of the principal terms of the Exchange Notes and is provided solely for your convenience. It is not intended to be complete. You should read the full text and more specific details contained elsewhere in this prospectus. For a more detailed description of the Exchange Notes, see Description of Notes.

Issuer	WESCO Distribution, Inc.
Securities Offered	Up to $500,000,000 aggregate principal amount of 5.375% senior notes due 2021.
Maturity	December 15, 2021.
Interest	Interest on the Exchange Notes will accrue at a rate of 5.375% per annum, payable semi-annually in cash in arrears on June 15 and December 15 of each year, commencing June 15, 2014.
Guarantee	The Exchange Notes will be initially guaranteed on a senior unsecured basis by WESCO International. The Exchange Notes will not be guaranteed by any of our or WESCO International s subsidiaries. See Description of Notes Ranking and Guarantee.
	For the twelve months ended December 31, 2013, our subsidiaries, which will not guarantee the Exchange Notes, represented approximately 55% and 64% of our total revenues and EBITDA, respectively. In addition, these non-guarantor subsidiaries represented approximately 81% and 44% of our total assets and total liabilities, respectively, as of March 31, 2014 (excluding, in each case, intercompany amounts).
Ranking	The Exchange Notes and the guarantee will constitute senior obligations of us and WESCO International. They will rank:
	equally in right of payment with all of our and WESCO International s existing and future senior debt, including our and WESCO International s obligations under our term loan facility (the *Term Loan Facility*), our $500.0 million accounts receivable securitization facility (the *Securitization Facility*), and our $600.0 million revolving credit facility (the *Revolving Credit Facility*);

senior in right of payment to all of our and WESCO International s existing and future subordinated debt;

structurally subordinated to all liabilities (including trade payables) of WESCO International s existing and future subsidiaries that do not guarantee the Exchange Notes (of which no subsidiary will provide a guarantee as of the issue date); and

effectively subordinated in right of payment to all of our and WESCO International s secured indebtedness (including the

Table of Contents

	obligations under the Term Loan Facility, the Securitization Facility and the Revolving Credit Facility to the extent of the value of the assets securing such indebtedness).
	As of March 31, 2014, we had $831.5 million aggregate principal amount of secured debt outstanding. In addition, we had approximately $447.0 million and $21.9 million of availability under the Revolving Credit Facility and the Securitization Facility, respectively.
Optional Redemption	On or after December 15, 2016, we may redeem the Notes, in whole or in part, at any time at the redemption prices described under Description of Notes Optional Redemption. In addition, we may redeem up to 35% of the aggregate principal amount of the Notes before December 15, 2016 with the net cash proceeds from certain equity offerings at a redemption price of 105.375% of the principal amount plus accrued and unpaid interest, if any, to, but not including, the redemption date. We may also redeem some or all of the Notes before December 15, 2016 at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, to, but not including, the redemption date, plus a make whole premium.
Change of Control	If we experience a defined change of control, we may be required to offer to repurchase the Notes at a price equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but not including, the date of purchase. See Description of Notes Repurchase at the Option of Holders Change of Control.
Covenants	The indenture contains covenants that, among other things, will limit our ability and the ability of our restricted subsidiaries to: incur liens on assets; make certain restricted payments; engage in certain sale and leaseback transactions; and sell certain assets or merge or consolidate with or into other companies.

	These covenants are subject to important exceptions and qualifications as described under Description of Notes Certain Covenants.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the Exchange Notes. See Use of Proceeds.
Trustee	U.S. Bank National Association

5

Table of Contents

Summary Historical Consolidated Financial Information

The following table presents WESCO International s and its subsidiaries summary historical consolidated financial information as of and for each of the fiscal years ended December 31, 2013, 2012 and 2011, as well as such information as of and for the three-month period ended March 31, 2014. The summary historical consolidated financial information as of December 31, 2013, 2012 and 2011 and for each of the fiscal years ended December 31, 2013 and 2012 have been derived from WESCO International s audited consolidated financial statements and should be read together with those audited consolidated financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations contained in WESCO International s Annual Report on Form 10-K for the fiscal year ended December 31, 2013, which is incorporated by reference in this prospectus. The summary historical consolidated financial information as of March 31, 2014 and for the three-month period ended March 31, 2014 are derived from WESCO International s unaudited financial statements and should be read together with those unaudited consolidated financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations contained in WESCO International s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014, which is incorporated by reference in this prospectus. In the opinion of management, WESCO International s unaudited consolidated financial statements were prepared on the same basis as its audited consolidated financial statements and include all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of this information. Results of operations for the three-month period ended March 31, 2014 are not necessarily indicative of results of operations that may be expected for the full fiscal year.

	Three Months Ended March 31, 2014	Year Ended December 31, 2013	2012	2011
		(Dollars in thousands)		
Income Statement Data:				
Net sales	$ 1,810,825	$ 7,513,342	$ 6,579,301	$ 6,125,718
Cost of goods sold (excluding depreciation and amortization below)	1,436,032	5,967,892	5,247,855	4,889,149
Selling, general and administrative expenses	265,462	996,810	961,014	871,983
Depreciation and amortization	16,372	67,642	37,561	31,607
Income from operations	92,959	480,998	332,871	332,979
Interest expense, net	20,688	85,607	47,762	53,603
Loss on debt extinguishment[(1)]		13,225	3,470	
Loss on sale of Argentina business		2,315		
Other (income) loss				
Income before income taxes	72,271	379,851	281,639	279,376
Provision for income taxes	20,416	103,333	79,880	83,136
Net income	51,855	276,518	201,759	196,240
Less: Net income (loss) attributable to noncontrolling interest[(2)]	(50)	88	(18)	(11)
Net income attributable to WESCO International	$ 51,905	$ 276,430	$ 201,777	$ 196,251

Table of Contents

	Three Months Ended March 31, 2014	Year Ended December 31, 2013	2012	2011
		(Dollars in thousands)		
Balance Sheet Data (as of period end):				
Cash and cash equivalents	$ 96,356	$ 123,725	$ 86,099	$ 63,869
Total assets	4,711,069	4,648,893	4,651,798	3,078,452
Total debt (including current portion)(3)	1,676,377	1,662,381	1,918,816	825,241
Stockholders equity(4)	1,773,559	1,764,791	1,553,691	1,345,910
Working capital(5)	1,077,371	1,030,227	1,007,743	827,705
Statement of Cash Flow Data				
Net cash provided by operating activities	$ 46,713	$ 315,141	$ 288,184	$ 167,533
Net cash used by investing activities	96,160	18,223	1,311,006	81,343
Net cash provided (used) by financing activities	23,539	(257,519)	1,044,048	(70,908)
Capital expenditures	5,012	27,825	23,084	33,347
Acquisition payments, net of cash acquired	91,187		1,289,480	48,093
Reconciliation of Net Income Attributable to WESCO International to EBITDA and Adjusted EBITDA				
Net Income attributable to WESCO International	$ 51,905	$ 276,430	$ 201,777	$ 196,251
Net loss (income) attributable to noncontrolling interest	(50)	88	(18)	(11)
Provision for income taxes	20,416	103,333	79,880	83,136
Loss on debt extinguishment		13,225	3,470	
Loss on sale of Argentina business		2,315		
Interest expense, net	20,688	85,607	47,762	53,603
Depreciation and amortization	16,372	67,642	37,561	31,607
EBITDA(6)	109,331	548,640	370,432	364,586
ArcelorMittal litigation impact(7)		(36,134)	36,134	
Adjusted EBITDA(6)	**$ 109,331**	**$ 512,506**	**$ 406,566**	**$ 364,586**

(1) Represents the loss recognized in 2013 related to the repayment of $500 million of the Company s term loan due 2019 and the loss recognized in 2012 due to the redemption of all the outstanding 7.50% 2017 Senior Subordinated Notes due 2017. See Note 7 of the notes to the consolidated financial statements included in WESCO International s Annual Report on Form 10-K for the fiscal year ended December 31, 2013, which is incorporated by reference in this prospectus.

(2) Represents the portion of a net (income) loss attributable to a consolidated entity not owned by WESCO International.

(3) Includes the discount related to WESCO International s 6.0% Convertible Senior Debentures due 2029 (the 2029 Debentures), 1.75% Convertible Senior Debentures due 2026 (the 2026 Debentures and, collectively with the 2029 Debentures, the Debentures), and the Term Loan Facility. See Note 7 of the notes to the consolidated financial statements included in WESCO International s Annual Report on Form 10-K for the fiscal year ended

December 31, 2013, which is incorporated by reference in this prospectus.

(4) Stockholders equity includes amounts related to the Debentures. See Note 7 of the notes to the consolidated financial statements included in WESCO International s Annual Report on Form 10-K for the fiscal year ended December 31, 2013, which is incorporated by reference in this prospectus.

(5) Working Capital is defined as current assets (excluding cash) less current liabilities.

(6) We define EBITDA as net income attributable to WESCO International, plus net loss (income) attributable to noncontrolling interest, plus provision for income taxes, less other income, plus loss on debt extinguishment, plus loss on sale of Argentina business, plus interest expense, net, plus depreciation and

amortization. We define Adjusted EBITDA as EBITDA adjusted for the ArcelorMittal litigation impact. EBITDA and Adjusted EBITDA are not measures of operating performance or liquidity under GAAP and, as used in this prospectus, are not necessarily comparable to similarly titled measures used by other companies. Management believes that EBITDA and Adjusted EBITDA may be useful to potential purchasers of the Notes in assessing our operating performance and as an indicator of our ability to service or incur indebtedness, make capital expenditures and finance working capital requirements. EBITDA and Adjusted EBITDA are not measurements of operating performance computed in accordance with GAAP and should not be considered as a substitute for operating income, net income (loss) or cash generated by operating activities computed in accordance with GAAP. In evaluating EBITDA and Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of EBITDA and Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

EBITDA and Adjusted EBITDA have limitations as analytical tools. Some of these limitations are:

- EBITDA and Adjusted EBITDA do not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;

- EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;

- EBITDA and Adjusted EBITDA do not reflect interest expense, or the cash requirements necessary to service interest or principal payments, on our debts;

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements;

- EBITDA and Adjusted EBITDA do not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; and

- other companies in our industry may calculate EBITDA and Adjusted EBITDA differently than we do, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA only supplementally.

(7) WESCO is a defendant in a lawsuit filed in a state court in Indiana in which a customer, ArcelorMittal Indiana Harbor, Inc. (AIH), alleges that the Company sold defective products to AIH in 2004 that were supplied to the Company by others. The lawsuit sought monetary damages in the amount of approximately $50 million. On

February 14, 2013, the jury returned a verdict in favor of AIH and awarded damages in the amount of approximately $36.1 million, and judgment was entered on the jury s verdict. As a result, the Company recorded a $36.1 million charge to selling, general and administrative expenses in 2012. The Company disputes this outcome and filed a post-trial motion challenging the verdict alleging various errors that occurred during trial. The Company received letters from its insurers confirming insurance coverage of the matter and recorded a receivable in the quarter ended March 31, 2013 in an amount equal to the previously recorded liability. AIH also filed a post-trial motion asking the court to award additional amounts to AIH, including prejudgment and post-judgment interest. The Court denied the Company s post-trial motion on June 28, 2013 and granted in part AIH s motion, awarding prejudgment interest in the amount of $3.9 million and ordering post-judgment interest to accrue on the entire judgment at 8% per annum. In the quarter ended June 30, 2013, the Company received letters from its insurers confirming insurance coverage of all prejudgment and post-judgment interest related to the matter. Final judgment was entered by the court on July 16, 2013, and the Company is appealing the judgment. As of March 31, 2014, the Company recorded a liability and a corresponding receivable in the amount of $7.1 million for all prejudgment and post-judgment interest accrued in connection with this matter. The judgment may increase or decrease based on the outcome of the appellate proceedings that cannot be predicted with certainty.

Table of Contents

RISK FACTORS

The terms of the Exchange Notes are identical in all material respects to those of the Original Notes, except for the transfer restrictions and registration rights and related special interest provisions relating to the Original Notes that will not apply to the Exchange Notes. You should carefully consider the risks described below and all of the information contained in and incorporated by reference into this prospectus before making a decision on whether or not to participate in the Exchange Offer. In addition, you should carefully consider, among other things, the matters discussed under Risk Factors in our Annual Report on Form 10-K for our fiscal year ended December 31, 2013. If any of those risks actually occurs, our business, financial condition and results of operations could suffer. The risks discussed below also include forward-looking statements, and our actual results may differ substantially from those discussed in these forward-looking statements. See Disclosure Regarding Forward-looking Statements in this prospectus.

Risks Related to our Indebtedness and the Notes

We have a substantial amount of indebtedness, which could have a material adverse effect on our financial condition and our ability to obtain financing in the future and to react to changes in our business.

As of March 31, 2014, we had $1,676.4 million aggregate principal amount of par value debt outstanding. We also would have had $447.0 million of undrawn availability (which excludes approximately $26.0 million of outstanding letters of credit) under the Revolving Credit Facility, $21.9 million of undrawn availability under the Securitization Facility and $40.5 million of undrawn availability under foreign lines of credit, subject to borrowing base limitations.

Our significant amount of debt could limit our ability to satisfy our obligations, limit our ability to operate our business and impair our competitive position.

For example, it could:

- make it more difficult for us to satisfy our obligations under the Notes and other outstanding debt;
- reduce the amount of funds available to finance our operations, capital expenditures and other activities;
- increase our vulnerability to adverse economic and general industry conditions, including interest rate fluctuations, because a portion of our borrowings are and will continue to be at variable rates of interest;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our debt, which would reduce the availability of our cash flow from operations to fund working capital, capital expenditures or other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and industry;

- place us at a disadvantage compared to competitors that may have proportionately less debt;

- limit our ability to obtain additional debt or equity financing due to applicable financial and restrictive covenants in our debt agreements; and

- increase our cost of borrowing.

The Notes do not impose any limitations on our ability to incur additional debt or protect against certain other types of transactions.

The indenture that governs the Notes does not restrict the future incurrence of unsecured indebtedness, guarantees or other obligations. In addition, the indenture governing the Notes does not contain many other restrictions, including, without limitation, limitations on investments or prepaying subordinated indebtedness or engaging in transactions with our affiliates.