

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

RPM INTERNATIONAL INC/DE/
Form 11-K
July 15, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 11-K

ANNUAL REPORT
PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934 [NO FEE REQUIRED, EFFECTIVE OCTOBER 7, 1996].

For the fiscal year ended: December 31, 2002

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED].

For the transition period from _____ to _____

Commission file number 1-14187

A. Full title of the plan and the address of the plan, if different
from that of the issuer named below: RPM International Inc. Union 401(k)
Retirement Savings Trust and Plan, as amended

B. Name of issuer of the securities held pursuant to the plan and the
address of its principal executive office: RPM International Inc. 2628 Pearl
Road, P.O. Box 777, Medina, Ohio 44258

RPM INTERNATIONAL INC. UNION 401(k) TRUST AND PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2002

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

[CSD Letterhead]

Independent Auditor's Report

To The Administrators of the
RPM International Inc. Union 401(k) Trust and Plan

We were engaged to audit the financial statements of the RPM International Inc. Union 401(k) Trust and Plan, as of December 31, 2002 and 2001, and for the year ended December 31, 2002, and the supplemental schedule of assets held for investment purposes at December 31, 2002. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Key Trust Company of Ohio, N.A., the trustee/ custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2002 and 2001, and for the year ended December 31, 2002, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with standards generally accepted in the United States and, in our opinion are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

/s/ CIULLA, SMITH & DALE, LLP

July 10, 2003

Offices in Cleveland, Boston, Detroit and Grand Rapids
6364 Pearl Road o Cleveland, Ohio 44130-3052
Tel. (440) 884-2036 o Fax (440) 884-2048
E-mail: csdohio@covad.net

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

	2002 -----	2001 -----
Assets		
Investments	\$1,713,634	\$1,380,134
Receivables		
Employer's contribution	3,852	4,286
Participants' contributions	12,034	12,347
Interest	15	
	-----	-----
	15,901	16,633
	-----	-----
Total Assets	1,729,535	1,396,767
	-----	-----
Net Assets Available for Benefits	\$1,729,535	\$1,396,767
	=====	=====

See accompanying notes to financial statements.

RPM INTERNATIONAL INC. UNION 401(k) TRUST AND PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2002

Additions

Additions to net assets attributed to:
Contributions

Participants'	\$ 175,530	
Employer's	52,617	\$ 228,147

Investment Income

Interest and dividends	26,302	
Unrealized (loss) on investments	(74,895)	
Realized gain on sale of investments	376	(48,217)
	-----	-----

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

Total Additions		179,930
Deductions		
Deductions from net assets attributed to:		
Benefits paid to participants	219,869	
Administrative expenses	974	220,843
	-----	-----
Net (Loss)		(40,913)
Net Assets Available for Benefits		
Beginning of Year		1,396,767
Assets transferred from trustees of predecessor plans		373,681

End of Year		\$1,729,535
		=====

See accompanying notes to financial statements.

4

RPM INTERNATIONAL INC. UNION 401(k) TRUST AND PLAN
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2002

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The assets of the Plan, as reflected in the accompanying financial statements, are stated at current market value as of the statement date. The Plan has no assets not having a readily determinable market value.

The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE B - DESCRIPTION OF THE PLAN

The Plan, adopted on February 3, 1997, a defined contribution savings plan covering certain union employees at three wholly-owned subsidiaries of RPM International Inc. (the Company). The Plan is subject to the Employee Retirement Income Security Act of 1974 (ERISA).

Participating employees may make voluntary contributions up to 20% of

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

pre-tax annual compensation as defined in the Plan. Prior to June 1, 2002, participating employees could contribute up to 15% of compensation. The Plan currently offers eleven investment funds and the employer stock as investment options for participants. The company matches, depending upon the collective bargaining agreement of each participating union, up to a maximum rate of 50% of the first six percent of employee deferrals. The matching Company contribution is invested in the same manner that the participants invest their own contributions. Prior to October 1, 2002, the matching contribution was invested in RPM International Inc. common stock. Contributions are subject to certain limitations. Vesting is immediate for contributions, both employee and employer, and earnings thereon.

NOTE C - CERTIFIED INFORMATION

The Plan's investments are maintained by Key Trust Company of Ohio, N.A. The Plan administrator has instructed the independent public accountants not to examine the information certified as complete and accurate by the trustee/custodian. The trustee/custodian's certification applies to all Plan assets and transactions for the dates presented.

5

RPM INTERNATIONAL INC. UNION 401(k) TRUST AND PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002

Continued

NOTE D - INVESTMENTS

The following presents investments at December 31, 2002 and 2001, that represent 5% or more of the Plan's net assets:

Janus Balanced Fund	20
American U.S. Government Securities Fund	131
American Washington Mutual Investors Fund	108
Fidelity Magellan Fund	119
Fidelity Contra Fund Inc.	120
Victory DCS Money Market Fund	253
Victory DCS Magic Fund	313
RPM International Inc. Ohio common stock	297

*Nonparticipant directed

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

**Fund balance did not represent 5% of the Plan's net assets

During 2002, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by \$74,519.

	Realized -----	Gains (Losses) Unrealized -----
Common/Collective Trust	\$ 12,123	\$ 13
Mutual Funds	(24,903)	(98)
Common Stock (Employer)	13,156	9
	-----	-----
	\$ 376	\$ (74)
	=====	=====

6

RPM INTERNATIONAL INC. UNION 401(k) TRUST AND PLAN
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2002

Continued

NOTE E - NONPARTICIPANT-DIRECTED INVESTMENTS

Information about the net assets and the significant components of the changes in net assets relating to the nonparticipant-directed investments is as follows:

	December 31,	
	----- 2002 -----	----- 2001 -----
Net Assets:		
RPM Int'l Inc. common stock	\$	\$273,323
Loan fund	71,258	50,656
	-----	-----
	\$ 71,258	\$323,979
	=====	=====

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

	Year Ended December 31, 2002 -----
Changes in Net Assets:	
Contributions	\$ 40,877
Interest and dividends	11,915
Net depreciation	(2,506)
Benefits paid to participants	(37,925)
Administrative expenses	(287)
Net transfers to participant-directed investments	(264,795) -----
	\$ (252,721) =====

NOTE F - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

7

RPM INTERNATIONAL INC. UNION 401(k) TRUST AND PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002

Continued

NOTE G - INCOME TAX STATUS

The Plan obtained its latest determination letter on November 13, 2002, in which the Internal Revenue Service stated that the plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The plan has been amended since receiving the determination letter. However, the plan administrator and the plan's tax counsel believe that the plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE H - DERIVATIVE FINANCIAL INSTRUMENTS

The Plan has no instrument that, in whole or in part, is accounted for

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

as a derivative instrument under FASB Statement No. 133, Accounting for Derivative Instruments and Hedging Activities during the current Plan year.

NOTE I - SUBSEQUENT EVENTS

Effective March 1, 2003, the Plan's investments will be maintained by Wachovia Bank N.A.

8

RPM INTERNATIONAL INC. UNION 401(k) TRUST AND PLAN SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES DECEMBER 31, 2002

FEDERAL ID #34-6550857 PLAN 007

Schedule 1

Schedule H - Line 4i - Schedule of Assets Held for Investment Purposes

(a)	(b) & (c)	(d)	(e)
Identity of Issue & Description		Cost	Current Value
Victory DCS Money Market Fund		\$ 234,207	\$ 253,770
Victory DCS Magic Fund		262,957	313,532
American Government Securities Fund		124,397	131,236
American Washington Mutual Investors Fund		131,738	108,903
Fidelity Magellan Fund		164,036	119,481
Fidelity Contra Fund		153,299	120,439
Franklin Small Cap Growth Fund		55,480	34,182
Templeton Foreign Fund		54,340	46,775
Victory Stock Index Fund		52,927	35,557
Neuberger Berman Genesis Assets Fund		15,563	16,453
Janus Balanced Fund		173,091	151,977
Employer Stock Fund		228,759	297,777
E B Money Market Fund		12,294	12,294
Participant Loans (5.75% to 10.00%)		-0-	\$ 71,258

Edgar Filing: RPM INTERNATIONAL INC/DE/ - Form 11-K

Total

\$1,713,634
=====

See Accountant's Report.

See Notes to Financial Statements.

9

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

RPM INTERNATIONAL INC. UNION 401(K)
RETIREMENT SAVINGS TRUST AND PLAN

By: RPM International Inc. (Plan Administrator)

/s/ Ronald A. Rice

Ronald A. Rice, Senior Vice President -
Administration

Date: July 15, 2003

EXHIBIT INDEX

23.1 Consent of Ciulla, Smith & Dale, LLP