

Castor Anthony T III
 Form 3
 May 31, 2005

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *

Castor Anthony T III

(Last) (First) (Middle)

765 STRAITS
 TURNPIKE, SUITE 2000

(Street)

MIDDLEBURY, CT 06762

(City) (State) (Zip)

2. Date of Event Requiring Statement

(Month/Day/Year)

05/26/2005

3. Issuer Name and Ticker or Trading Symbol
 KATY INDUSTRIES INC [KT]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner

Officer Other
 (give title below) (specify below)

President and CEO

5. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person

Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security
 (Instr. 4)

2. Amount of Securities Beneficially Owned
 (Instr. 4)

3. Ownership Form:
 Direct (D)
 or Indirect (I)
 (Instr. 5)

4. Nature of Indirect Beneficial Ownership
 (Instr. 5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security
 (Instr. 4)

2. Date Exercisable and Expiration Date
 (Month/Day/Year)

Date Exercisable Expiration Date

3. Title and Amount of Securities Underlying Derivative Security
 (Instr. 4)

Title Amount or Number of Shares

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security:
 Direct (D)
 or Indirect (I)

6. Nature of Indirect Beneficial Ownership
 (Instr. 5)

(Instr. 5)

Option to purchase Common Stock 05/26/2006⁽²⁾ 05/26/2015 Common Stock 750,000 \$ 3.59 D ⁽¹⁾ Â

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Castor Anthony T III 765 STRAITS TURNPIKE SUITE 2000 MIDDLEBURY, CT 06762 | Â X | Â | Â President and CEO | Â |

Signatures

/s/ Michael C. Paul as attorney-in-fact for Anthony T. Castor III 05/31/2005

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Mr. Castor was appointed President and CEO effective June 1, 2005. Mr. Castor was appointed to the Board of Directors effective June 1, 2005.
- (2) The Stock Options will vest ratably as follows: one-third on 5/26/06, one-third on 5/26/07, and one-third on 5/26/08.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.