

Edgar Filing: CROMPTON CORP - Form 10-K/A

CROMPTON CORP
Form 10-K/A
March 28, 2002

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2001
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File No. 0-30270

Crompton Corporation
(Exact name of registrant as specified in its charter)

Delaware 52-2183153
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

One American Lane 06831-2559
Greenwich, Connecticut (address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code:
(203)552-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, \$0.01 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g)
of the Act: NONE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. []

The aggregate market value of the voting stock held by non-affiliates of the registrant, computed as of March 1, 2002, was \$1,108,911,813.

Edgar Filing: CROMPTON CORP - Form 10-K/A

The number of shares of Common Stock of the registrant outstanding as of March 1, 2002, was 113,188,090.

DOCUMENTS INCORPORATED BY REFERENCE

Annual Report to Stockholders for fiscal year
ended December 31, 2001 Parts I, II and IV
Proxy Statement for Annual Meeting of
Stockholders on April 30, 2002 Part III

	Page
PART I	
Item 1. Business	1
Polymer Products	2
Specialty Products	6
Item 2. Properties	14
Item 3. Legal Proceedings	15
Item 4. Submission of Matters to a Vote of Security Holders	17
PART II	
Item 5. Market for Registrant's Common Equity and Related Stockholder Matters	17
Item 6. Selected Financial Data	17
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	18
Item 7A. Quantitative and Qualitative Disclosures about Market Risk	18
Item 8. Financial Statements and Supplementary Data	18
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	18
PART III	
Item 10. Directors and Executive Officers of the Registrant	18
Item 11. Executive Compensation	20
Item 12. Security Ownership of Certain Beneficial Owners and Management	21
Item 13. Certain Relationships and Related Transactions	21
PART IV	
Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K	21

PART I

ITEM 1. BUSINESS

(a) General Development of Business

Crompton Corporation (together with its consolidated subsidiaries, the "Corporation" or "Registrant"), formerly known as CK Witco Corporation, was incorporated in Delaware in 1999 in connection with the merger of Crompton & Knowles Corporation and Witco

Edgar Filing: CROMPTON CORP - Form 10-K/A

Corporation on September 1, 1999 (the "Merger").

Crompton & Knowles Corporation ("Crompton & Knowles") was incorporated in Massachusetts in 1900. Crompton & Knowles engaged in the manufacture and sale of specialty chemicals beginning in 1954 and, beginning in 1961, in the manufacture and sale of polymer processing equipment. Crompton & Knowles substantially expanded both its specialty chemical and its polymer processing equipment businesses through a number of acquisitions in both the United States and Europe, including the acquisition in 1996 of Uniroyal Chemical Company, Inc., ("Uniroyal") a multinational manufacturer of performance chemicals, including rubber chemicals and additives for plastics and lubricants, crop protection chemicals, and polymers, which include Royalene(R) EPDM rubber, Paracril(R) nitrile rubber and Adiprene(R)/Vibrathane(R) urethane prepolymers.

Witco Corporation ("Witco") was incorporated in Delaware in 1958 as Witco Chemical Company, Inc., at which time it succeeded by merger to the business of Witco Chemical Company, an Illinois corporation formed in 1920. Witco was a global manufacturer and marketer of specialty chemical products for use in a wide variety of industrial and consumer applications. In 1995, Witco acquired OSi Specialties Holding Company, an entity engaged in the manufacture of silicone surfactants, organofunctional silanes, specialty fluids and amine catalysts with manufacturing and blending facilities throughout the world. In 1998, Witco acquired Ciba Specialty Chemicals Inc.'s ("Ciba") worldwide polyvinyl chloride heat stabilizers business and related assets and Ciba acquired Witco's global epoxy systems and adhesives business and related assets.

In December 2001, the Corporation sold its industrial colors business to Sensient Technologies Corporation. Also in December 2001, the Corporation sold its interest in a 40,000 metric ton nitrile rubber plant in Altamira, Mexico to its joint venture partner, GIRSA S.A. de C.V. ("GIRSA"). In July 2001, the Corporation announced a restructuring plan designed to yield \$60 million in cost improvements by the end of 2002 through plant closures and workforce reductions. The manufacturing facilities that will close are those in Naugatuck, CT; Edison, NJ; Newark, NJ; Nutley, NJ; Reading, PA; Huddersfield, United Kingdom; and Luton, United Kingdom. In October 2001, the Corporation announced the relocation of its corporate headquarters to its facility in Middlebury, CT. The move is anticipated to be completed during the second half of 2002.

(b) Financial Information About Industry Segments

Information as to the sales, operating profit, depreciation and amortization, assets and capital expenditures attributable to each of the Corporation's business segments during each of its last three fiscal years is set forth in the Notes to Consolidated Financial Statements on pages 34 and 35 of the Corporation's 2001 Annual Report to Stockholders, and such information is incorporated herein by reference.

The Corporation's businesses are grouped into two units, "Polymer Products" and "Specialty Products." Polymer Products consists of separate reporting segments for Polymer Additives (plastic additives, rubber chemicals and urethane chemicals), Polymers (EPDM, urethanes and nitrile joint venture) and Polymer Processing Equipment (Davis-Standard). Specialty Products consists of separate reporting segments for OrganoSilicones (silanes and specialty silicones), Crop Protection (specialty actives, industrial surfactants and Gustafson Joint

Edgar Filing: CROMPTON CORP - Form 10-K/A

Venture) and Other (petroleum additives, refined products, industrial colors and glycerine/fatty acids).

(c) Narrative Description of Business

Products and Services

The Corporation manufactures and markets a wide variety of polymer and specialty products. Most of the Corporation's products are sold to industrial customers for use as additives, ingredients or intermediates that impart particular characteristics to the customers' end products. The Corporation's products are currently marketed in more than 120 countries and serve a wide variety of end use markets including tires, agriculture, automobiles, textiles, plastics, lubricants, petrochemicals, leather, construction, recreation, mining, paper, packaging, home furnishings, personal care and appliances. The principal products and services offered by the Corporation are described below.

POLYMER PRODUCTS

Polymer Additives

The Polymer Additives business supplies a number of specialty chemicals to the plastics, rubber and coatings/adhesives industries. The Polymer Additives business had net sales for fiscal 2001 of \$878.6 million.

Plastic Additives

The Corporation is a global leader in supplying a broad line of additives to the plastics industry. These additives are often specially developed and formulated for a customer's specific manufacturing requirements. The Corporation manufactures stabilizers, lubricants, plasticizers and peroxide catalysts, and markets UV stabilizers and antistats, which are used in the manufacture of PVC resins and compounds for applications such as pipes, fittings, siding, flooring, window profiles and packaging materials. In addition, the Corporation is a manufacturer and supplier of polymerization inhibitors, polymerization catalysts and initiators, antioxidants, lubricants, chemical foaming agents, polymer modifiers and chemical intermediates as additives for the olefins and styrenics industries for use in the manufacture of resins and compounds that are employed in a broad spectrum of applications used in packaging, automobiles, construction, furniture and appliances. The Corporation also produces organotin compounds for the production of PVC stabilizers, biocides for commercial marine paints and industrial wood preservatives, and pharmaceuticals, and for use as a catalyst in the production of polymers and in certain glass applications.

Net sales of plastic additives during fiscal 2001, 2000 and 1999 were 19.5%, 19.0% and 14.2% of the Corporation's net sales, respectively.

Rubber Chemicals

This product line of the Polymer Additives business contains over 100 different chemicals for use in processing rubber. These products include accelerators, antioxidants, antiozonants, chemical foaming agents and specialty waxes. Accelerators are used for curing natural and synthetic rubber, and have a wide range of activation

Edgar Filing: CROMPTON CORP - Form 10-K/A

temperatures, curing ranges and use forms. Antiozonants protect rubber compounds from flex cracking and ozone, oxygen and heat degradation. Antioxidants provide rubber compounds with protection against oxygen, light and heat. Foaming agents produce gas by thermal decomposition or via a chemical reaction with other components of a polymer system and are mixed with rubber to produce sponge rubber products. Waxes inhibit static atmospheric ozone cracking in rubber. Tire manufacturers accounted for approximately 57% of the Corporation's rubber chemical sales in fiscal 2001, with the balance of such sales going to industrial rubber goods, which includes numerous manufacturers of hoses, belting, sponge and a wide variety of other engineered rubber products. The Corporation believes it is one of the three largest producers of rubber chemicals in the world.

Net sales of rubber chemicals during fiscal 2001, 2000 and 1999 were 7.6%, 8.6% and 12.7% of the Corporation's net sales, respectively.

Urethane Chemicals

The Urethane Chemicals business is comprised of three product groupings that offer technologically advanced materials to a diverse and global customer base: Fomrez(R) saturated polyester polyols, Witcobond(R) polyurethane dispersions, and Witcothane(R) Polyurethane systems. Polyester polyols are employed in industrial applications such as flexible foam for seating, thermoplastic urethanes for structural parts, adhesives and coatings. The polyurethane dispersions are sold to a larger and more diverse customer base primarily for coating applications such as flooring, fiberglass sizing and textiles. The polyurethane systems business, which supplies products primarily for use by the shoe sole industry, is a highly service intensive business.

Baxenden Chemicals Limited, the Corporation's 53.5% owned subsidiary (Croda Inc. owns 46.5%), is engaged in the manufacture and marketing of isocyanate derivatives, polyester polyols and specialty polymer systems used in a wide range of applications. The major markets served by Baxenden are automotive, construction, surface coatings, leather and textile finishing. Sub-markets include coatings, adhesives, sealants, elastomers and insulation for the above markets. Baxenden is focused on specialty polymer and resin chemistry and novel curing mechanisms for such polymers. The core technology is urethane and acrylic chemistry and also includes novel polyesters and esterification processes.

Polymer additives are sold through a specialized sales force, including technical service professionals who address customer inquiries and problems. The technical service professionals generally have degrees in chemistry and/or chemical engineering and are knowledgeable in specific product application fields. The sales and technical service professionals identify and focus on customers' growth opportunities, working not only with the customers' headquarters staff, but also with their research and development and manufacturing personnel on a worldwide basis.

Polymers

The Polymers business, which had net sales for fiscal 2001 of \$288.7 million, has three principal product lines: Adiprene(R)/Vibrathane(R) urethane prepolymers, Royalene(R) EPDM Rubber and Paracril(R) nitrile rubber.

Edgar Filing: CROMPTON CORP - Form 10-K/A

Urethanes

The Corporation believes that it is the leading manufacturer of high performance liquid castable urethane prepolymers in the world. Among the most common applications using these prepolymers are solid industrial tires, printing rollers, industrial rolls, abrasion-resistant mining products such as chutes, hoppers and slurry transport systems, mechanical goods and a variety of sports equipment and other consumer items. The Corporation competes effectively in this business by providing efficient customer service and technical assistance through a highly regarded technical service staff and a proven ability to develop new products and technologies for its customers. Over 150 grades of urethane prepolymers are commercially available from the Corporation.

Adiprene(R)/Vibrathane(R) urethane prepolymers are sold directly by a dedicated sales force in the United States, Canada and Australia and through direct sales distributorships in Europe, Latin America and the Far East. Adiprene(R)/Vibrathane(R) customers are serviced worldwide by a dedicated technical staff. Technical service personnel support field sales, while a research and development staff is dedicated to support new product and process development to meet rapidly changing customer needs. Technical support is a critical component of the product offering.

EPDM

Ethylene-propylene-diene rubber ("EPDM") is commonly known as "crackless rubber" because of its ability to withstand sunlight and ozone without cracking. EPDM's application end uses include various automobile components, single-ply roofing, hoses, electrical insulation, tire sidewalls, mechanical seals and gaskets, oil additives and plastic modifiers. The Corporation produces and markets more than 30 different EPDM polymer variations.

The Corporation believes it is one of the three largest suppliers of EPDM polymers in the world, and the largest North American producer of EPDM. The Corporation's success in this business has been due to several factors, including product performance, low cost manufacturing, customized products, and outstanding technical and customer service supported by a highly qualified staff of technical service specialists with extensive field and rubber processing experience, which have earned the Corporation a reputation for excellence and strong customer loyalty.

Royalene(R) products are primarily sold through a dedicated sales force; however, in certain geographic areas outside the United States, Royalene(R) products are sold through distributors.

Nitrile Rubber

In December 2001, the Corporation sold its interest in ParaTec S.A. de C.V. ("ParaTec") to its joint venture partner, GIRSA. The Corporation will continue to market certain nitrile rubber products for ParaTec during 2002.

Polymer Processing Equipment

The Corporation's wholly owned subsidiary, Davis-Standard Corporation, manufactures and sells polymer processing equipment, which includes extruders, electronic controls, and integrated extrusion systems, and offers specialized service and modernization

Edgar Filing: CROMPTON CORP - Form 10-K/A

programs for in-place polymer processing systems. The polymer processing equipment business had net sales for fiscal 2001 of \$202.7 million.

Integrated polymer processing systems, which include extruders in combination with controls and other equipment, are used to process polymers into various products such as plastic sheet and profiles used in appliances, automobiles, home construction, and furniture; extruded shapes used as house siding, furniture trim, and substitutes for wood molding; and cast and blown film used to package many consumer products. Integrated extrusion systems are also used to compound engineered polymers, to recycle and reclaim plastics, to coat paper, cardboard and other materials used as packaging, and to apply plastic or rubber insulation to power cables for electrical utilities and to wire for the communications, construction, automotive, and appliance industries. Industrial blow molding equipment produced by the Corporation is sold to manufacturers of non-disposable plastic items such as tool cases and beverage coolers.

The Corporation is a leading producer of polymer processing equipment for the polymers industry and competes with domestic and foreign producers of such products. The Corporation is one of a number of producers of this type of polymer processing machinery.

In the United States, most of the Corporation's sales of polymer processing equipment are made by its own dedicated sales force. In other parts of the world, and for export sales from the United States, the Corporation's sales of such equipment are made largely through agents.

SPECIALTY PRODUCTS

OrganoSilicones

The OrganoSilicones business manufactures and sells over 500 silicone-based chemical intermediate products to manufacturers of fiberglass, reinforced plastics, polyurethane foam, textiles, coatings, automotive components, adhesives, rubber, pharmaceuticals, thermoplastics, sealants and electrical products throughout the world. The OrganoSilicones business had net sales for fiscal 2001 of \$432.3 million.

Regardless of form, most silicones share a combination of properties, including electrical resistance, ability to maintain performance across a broad range of temperatures, resistance to aging, water repellence, lubricating characteristics and relative chemical and physical inertness. The versatility of silicone-based intermediates has led to a wide variety of applications across a broad spectrum of industries in all major countries.

Silanes

The Corporation is the world's largest producer of organofunctional silanes. Depending on their major organofunctional group (amino, epoxy, methacryl, sulfur, vinyl, etc.), silanes can act as coupling agents or cross-linkers. As a coupling agent, they have the unique ability to bond organic materials to inorganic materials and are used in a variety of end use products, including fiberglass, rubber and adhesive sealants. As cross-linkers, silanes have become the standard in the manufacture of thermoplastics where they promote the cross-linking of polyolefins in applications such as wire and

Edgar Filing: CROMPTON CORP - Form 10-K/A

cable.

There continue to be opportunities for silanes in the tire industry, especially in Europe where there has been a growing demand for sulfur-functional silanes, which are necessary when silica is used in place of carbon black in tire tread. Silica-tires, or "greentyres," provide improved handling, safety and other environmental benefits by lowering fuel consumption.

Specialty Silicones

Silicone fluids have several distinctive properties, which include chemical and physical inertness, good low-temperature performance, high compressibility, low-surface tension, stable viscosity with a change in the temperature or rate of shear, and thermal and oxidative stability. In addition to allowing these products to bond with various materials, these properties also offer improved antistatic, lubricity, and water-repellency performance. With these distinctive properties, silicone fluids serve a variety of end markets including the textile market where silicone fluids serve as textile softeners and wetting modifiers; the personal care market for hair and skin care products; the pharmaceutical market where they serve as a protective barrier in creams and lotions; the paper and pulp industry where they act as antifoams, surfactants, or release agents; and the automotive and furniture industries where silicone fluids are used in polishes and coatings because of their low-surface tension, lubricating properties, and water repellency.

In the early 1950's the OrganoSilicones business (while part of Union Carbide Corporation) invented the use of silicone surfactants in the manufacture of urethane foam. This fundamental technological advance facilitated a lower-cost, continuous manufacturing method, resulting in accelerated growth in the urethane foam industry. The largest end markets for urethane additives are flexible, molded and rigid polyurethane foams in which urethane additives are used to control cell size and stabilize the foam.

The Corporation markets its OrganoSilicone products worldwide primarily directly through its own sales force.

Crop Protection

The Crop Protection business manufactures and markets a wide variety of agricultural chemicals for many major food crops, including grains, fruits, nuts and vegetables, and many non-food crops, such as tobacco, cotton, turf, flax and ornamental plants. The business focuses its efforts mainly on products used on high-value cash crops, such as ornamentals, nuts, citrus and tree and vine fruits as opposed to commodity crops such as soybeans and corn. The Crop Protection business had net sales for fiscal 2001 of \$411.3 million.

Specialty Actives

The Specialty Actives business offers four major crop protection chemical product lines: fungicides; miticides and insecticides; growth regulants; and herbicides. Each product line is composed of numerous formulations for specific crops and geographic regions.

The Corporation has a substantial presence in its targeted segments of the agrichemicals market due to its strategy of focusing research, product development, and sales and marketing on highly profitable market niches that are less sensitive to competitive

Edgar Filing: CROMPTON CORP - Form 10-K/A

pricing pressures than commodity segments of the market. While the products of the Specialty Actives business represent a relatively small percentage of the grower's overall costs, these products are often critical to the success or failure of the crops being treated. In addition, product line extensions, attention to application effectiveness and customer service are important factors in developing strong customer loyalty.

In Australia, the Corporation's subsidiary, Hannaford Seedmaster Services Pty. Ltd., provides seed treatment chemicals and treating services to the local market as well as agricultural chemicals for various crop and non-crop uses.

The Crop Protection business, under the Uniroyal name, promotes seed treatment chemicals in all regions of the world other than North America and Australia, and enjoys a substantial position in the international seed treatment market. The Corporation anticipates continuing growth in seed treatment, which is environmentally attractive because it involves very localized use of agricultural chemicals and very low use rates compared to broad foliar or soil treatment.

The Crop Protection business markets its products in North America through a direct sales force selling to a distribution network consisting of more than one hundred distributors and direct customers. In the international market, the Crop Protection business' direct sales force services over 300 distributors, dealers and agents.

Net sales of specialty actives during fiscal 2001, 2000 and 1999 were 9.0%, 7.9% and 11.9% of the Corporation's net sales, respectively.

Industrial Surfactants

The Corporation's Industrial Surfactants business manufactures and sells a broad line of non-ionic and anionic surfactants to a range of industries, primarily agriculture, oil field, emulsion (water based) polymers, paints and coatings and, to a lesser extent, personal care, soap, detergent, and textile markets. Surfactants change the surface tension (spreadability) of liquids. In agricultural applications, surfactants separate pesticides into small particles, thereby increasing their efficiency via dispersion and penetration. In the oil field, surfactants are used as demulsifiers that aid in the clean separation of oil from water.

Gustafson Joint Venture

In November 1998, the Corporation formed joint ventures with Bayer Corporation to serve the agricultural seed treatment markets in North America based on Gustafson, Inc. ("Gustafson"), formerly a wholly owned subsidiary, which is a leading producer of seed treatment formulations and equipment. Bayer acquired a 50 percent interest in the Gustafson seed treatment business.

Gustafson has a leading share of the North American commercial seed treatment formulation market and is recognized as a technological leader in this market. Gustafson is engaged directly and through cooperative ventures in developing and formulating seed treatment systems, offering a broad line of chemical formulations which contain fungicides, insecticides and seed conditioning aids in addition to commercial seed treating equipment. Gustafson's expertise enables it to develop and produce formulations consisting of multiple components

Edgar Filing: CROMPTON CORP - Form 10-K/A

to obtain optimum efficacy against seed and soil disease pathogens and insects.

For the last several years, Gustafson has maintained a developmental program in the field of naturally occurring biological control agents targeted for disease. Gustafson has focused its efforts on naturally occurring organisms as opposed to genetically engineered organisms.

Other

The other businesses of the Corporation, with net sales for fiscal 2001 of \$519.0 million, included four principal product lines: Petroleum Additives, Refined Products, Industrial Colors and Glycerine/Fatty Acids. The Industrial Colors business was sold to Sensient Technologies Corporation in December 2001.

Petroleum Additives

The Corporation is a global manufacturer and marketer of high-performance additive components used in transport and industrial lubricant applications. The component product line includes Hybase(R) overbased calcium sulfonates and Lobase(R) neutral calcium sulfonates used in motor oils and marine lubricants. These sulfonates are oil soluble surfactants and their properties include detergency and corrosion protection to help lubricants keep car, truck and ship engines clean with minimal wear. Also in the product line are barium and sodium sulfonates which provide corrosion protection and emulsification in metalworking fluids. Other key products are the Naugalube(R) antioxidants widely used by the Corporation's customers in engine oils, gear oils, industrial oils and greases and Synton(R) high viscosity poly alpha olefins (PAO) used in the production of synthetic lubricants for automotive, aviation and industrial applications (e.g. compressor oils and gear oils). Products under development include new friction modifiers and antiwear additives to meet customers' performance requirements in automotive applications.

Refined Products

The Refined Products business is engaged in the manufacture and marketing of a wide range of high purity hydrocarbon products, including white oils and ink oils, petrolatums, microcrystalline waxes, cable compounds, and refrigeration oils and compressor lubricants, serving numerous global markets predominantly requiring food grade quality. The business' products serve as lubricants, emollients, moisture barriers, plasticizers and carriers and are characterized by their chemical inertness and high quality. Refined Products are used in four major market segments: polymers (including polystyrene, polyolefin, thermoplastic elastomers and PVC applications), personal care, refrigeration oils and telecommunication cables, as well as additional minor markets.

In 1998, Petro-Canada Lubricants of Mississauga, Ontario, Canada, became Refined Products' supplier for most grades of paraffinic white oils used in certain applications and Refined Products became Petro-Canada's exclusive distributor of these white oils in North America, Latin America and Asia Pacific. The Refined Products sales, marketing and distribution organization services Refined Products' and Petro-Canada's paraffinic white mineral oil customers for a variety of applications.

Edgar Filing: CROMPTON CORP - Form 10-K/A

Glycerine/Fatty Acids

The Corporation is a producer of fatty acids, glycerine as a co-product, and derivatives of fatty acids (esters, stearates and amides (purchased for resale)). These products modify surfaces either as direct lubricants or emulsifiers or as intermediates for ingredients that modify surfaces. Fatty acids are carboxylic acids derived from or contained in animal fat or vegetable oil. Examples of diverse applications of fatty acids include their use as lubricants in polymers (rubber and plastic); their use as components of personal care products such as soaps, creams and lotions; and their use as release agents or components of curing systems for rubber. Glycerine is used to improve smoothness, provide lubrication, or maintain moisture in suppositories, cough syrups, elixirs and expectorants in medical and pharmaceutical applications. Glycerine is also used as a lubricant and solvent in personal care products including toothpastes, products for hair and skin care, soaps and mouthwashes.

The Corporation markets its petroleum additives, refined products and glycerine/fatty acids worldwide primarily directly through its own sales force.

* * *

Sources of Raw Materials

Chemicals, steel, castings, parts, machine components and other raw materials required in the manufacture of the Corporation's products are generally available from a number of sources, some of which are foreign. The Corporation also uses significant amounts of petrochemical feedstocks in many of its chemical manufacturing processes. Large increases in the cost of petrochemical feedstocks or other raw materials could adversely affect the Corporation's operating margins. While temporary shortages of raw materials used by the Corporation may occur occasionally, such raw materials are currently readily available. However, their continuing availability and price are subject to domestic and world market and political conditions and regulations. Major requirements for key raw materials are typically purchased pursuant to multi-year contracts. The Corporation is not dependent on any one supplier for a material amount of its raw material requirements; however, the OrganoSilicones business purchases, in the aggregate, approximately 50% of its raw materials from Dow Corning Corporation and The Dow Chemical Company under various long-term agreements, which expire at various times through 2010.

The Corporation holds a 50% interest in Rubicon Inc. ("Rubicon"), a manufacturing joint venture between Uniroyal and Huntsman Corporation, located in Geismar, Louisiana, which supplies both Huntsman and the Corporation with aniline, and the Corporation with diphenylamine ("DPA"). The Corporation believes that its aniline and DPA needs in the foreseeable future will be met by production from Rubicon.

Patents and Licenses

The Corporation has over 3,500 United States and foreign patents and pending applications and has trademark protection for approximately 700 product names. Patents, trade names, trademarks, know-how, trade secrets, formulae, and manufacturing techniques assist in maintaining the competitive position of certain of the

Edgar Filing: CROMPTON CORP - Form 10-K/A

Corporation's products. Patents, formulae, and know-how are of particular importance in the manufacture of a number of specialty chemicals manufactured and sold by the Corporation, and patents and know-how are also significant in the manufacture of certain wire insulating and polymer processing machinery product lines. The Corporation is licensed to use certain patents and technology owned by other companies, including some foreign companies, to manufacture products complementary to its own products, for which it pays royalties in amounts not considered material to the consolidated results of the enterprise. Products to which the Corporation has such rights include certain crop protection chemicals and polymer processing machinery.

While the existence of a patent is prima facie evidence of its validity, the Corporation cannot assure that any of its patents will not be challenged nor can it predict the outcome of any such challenge. The Corporation believes that no single patent, trademark, or other individual right is of such importance, however, that expiration or termination thereof would materially affect its business.

Seasonal Business

With the exception of the Crop Protection business, the sales of which are influenced by agricultural growing seasons, no material portion of any segment of the business of the Corporation is seasonal.

Customers

With the exception of a single customer which accounted for approximately 17% of the sales by the Crop Protection reporting segment, the Corporation does not consider any reporting segment of its business dependent on a single customer or a few customers, the loss of any one or more of whom would have a material adverse effect on the reporting segment. No one customer's business accounts for more than ten percent of the Corporation's gross revenues nor more than ten percent of its earnings before taxes.

Backlog

Because machinery production schedules range from about 60 days to 10 months, backlog is significant to the Corporation's polymer processing equipment business. Firm backlog of customers' orders for this business at the end of 2001 totaled approximately \$83 million compared with \$105 million at the end of 2000. It is expected that most of the 2001 backlog will be shipped during 2002. Orders for specialty chemicals and polymers are generally filled from inventory stocks and thus are excluded from backlog.

Competitive Conditions

The Corporation is a major manufacturer of polymer products and specialty products. Competition varies by product and by geographic region, except that in rubber chemicals the market is fairly concentrated. In that market, the Corporation and its two principal competitors together account for approximately 40% of total worldwide sales. In addition, the EPDM market is fairly concentrated. The Corporation and its two principal competitors together account for approximately 60% of sales within North America and approximately 50% worldwide.

Product performance, quality, technical and customer service, and

Edgar Filing: CROMPTON CORP - Form 10-K/A

price are all important factors in competing in the polymer product and specialty product businesses.

Research and Development

The Corporation conducts research and development on a worldwide basis at a number of facilities, including field stations that are used for crop protection research and development activities. Research and development expenditures by the Corporation totalled \$82.3 million for the year 2001, \$84.6 million for the year 2000, and \$68.0 million for the year 1999.

Environmental Matters

Chemical companies are subject to extensive environmental laws and regulations concerning, among other things, emissions to the air, discharges to land, surface, subsurface strata and water and the generation, handling, storage, transportation, treatment and disposal of waste and other materials and are also subject to other federal, state and local laws and regulations regarding health and safety matters.

Environmental Regulation. The Corporation believes that its business, operations and facilities have been and are being operated in substantial compliance in all material respects with applicable environmental and health and safety laws and regulations, many of which provide for substantial fines and criminal sanctions for violations. The ongoing operations of chemical manufacturing plants, however, entail risks in these areas and there can be no assurance that material costs or liabilities will not be incurred. In addition, future developments, such as increasingly strict requirements of environmental and health and safety laws and regulations and enforcement policies thereunder, could bring into question the handling, manufacture, use, emission or disposal of substances or pollutants at facilities owned, used or controlled by the Corporation or the manufacture, use or disposal of certain products or wastes by the Corporation and could involve potentially significant expenditures. To meet changing permitting and regulatory standards, the Corporation may be required to make significant site or operational modifications, potentially involving substantial expenditures and reduction or suspension of certain operations. The Corporation incurred \$17.5 million of costs for capital projects and \$52.1 million for operating and maintenance costs related to environmental compliance at its facilities during fiscal 2001. In fiscal 2002, the Corporation expects to incur approximately \$16.5 million of costs for capital projects and \$50.9 million for operating and maintenance costs related to environmental compliance at its facilities. During fiscal 2001, the Corporation spent \$21.3 million to clean up previously utilized waste disposal sites and to remediate current and past facilities. The Corporation expects to spend approximately \$18.0 million during fiscal 2002 to clean up such waste disposal sites and current and past facilities.

Beginning in 2003, European environmental regulations will limit the use of lead-based heat stabilizers that until now have been essential to the manufacture of polyvinyl chloride construction pipe. As an alternative to these lead-based products, the Corporation has patented new technology for an organic-based, heavy metal-free product. Capacity has been added at the Corporation's Lampertheim, Germany plant to produce this product. In October 2001, the International Maritime Organization passed a regulation banning the

Edgar Filing: CROMPTON CORP - Form 10-K/A

use of TBTO in paints for ships. The regulation goes into effect one year after 25% of the member nations representing at least 25% of the world's shipping tonnage adopt the regulation. The Corporation manufactures TBTO at its Bergkamen, Germany plant.

Pesticide Regulation. The Corporation's Crop Protection business is subject to regulation under various federal, state, and foreign laws and regulations relating to the manufacture, sales and use of pesticide products.

In August, 1996, Congress enacted the Food Quality Protection Act of 1996 ("FQPA"), which made significant changes to the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), governing U.S. sale and use of pesticide products, and the Federal Food, Drug, and Cosmetic Act ("FFDCA"), which limits pesticide residues on food. FQPA facilitated registrations and reregistrations of pesticides for special (so called "minor") uses under FIFRA and authorized collection of maintenance fees to support pesticide reregistrations. Coordination of regulations implementing FIFRA and FFDCA is now required. Food safety provisions of FQPA establish a single standard of safety for pesticide residue on raw and processed foods; require that information be provided through large food retail stores to consumers about the health risks of pesticide residues and how to avoid them; preempt state and local food safety laws if they are based on concentrations of pesticide residues below recently established federal residue limits (called "tolerances"); and ensure that tolerances protect the health of infants and children.

FFDCA, as amended by FQPA, authorizes the EPA to set a tolerance for a pesticide in or on food at a level which poses "a reasonable certainty of no harm" to consumers. The EPA is required to review all tolerances for all pesticide products by August 2006. Some of the Corporation's products are currently under review and other products will be reviewed under this standard in the future.

The European Commission ("EC") has established procedures whereby all existing active ingredient pesticides will be reviewed. This EC regulation became effective in 1993 and will result in a review of all commercial products. The initial round of reviews covered ninety products, four of which are the Corporation's products. Other of the Corporation's products will be reviewed in future years and all data from the Corporation pertaining to its products must be submitted for review by mid-2003. The process may lead to full reregistration in member states of the EC or may lead to some restrictions, if adverse data is discovered.

Employees

The Corporation had approximately 7,340 employees on December 31, 2001.

Geographic Information

The information with respect to sales and property, plant and equipment attributable to each of the major geographic areas served by the Corporation for each of the Corporation's last three fiscal years, set forth in the Notes to Consolidated Financial Statements on page 35 of the Corporation's 2001 Annual Report to Stockholders, is incorporated herein by reference.

The Corporation considers that the risks relating to operations of its foreign subsidiaries are comparable to those of other U.S.

Edgar Filing: CROMPTON CORP - Form 10-K/A

companies which operate subsidiaries in developed countries. All of the Corporation's international operations are subject to fluctuations in the relative values of the currencies in the various countries in which its activities are conducted.

ITEM 2. PROPERTIES

The following table sets forth information as to the principal operating properties and other significant properties of the Corporation and its subsidiaries. All properties are owned in fee except where otherwise indicated:

Location	Facility	Products/Businesses
UNITED STATES		
Alabama		
Bay Minette	Plant	Polymer Additives
Connecticut		
Bethany	Research Center	Crop
Greenwich	Corporate Offices*	Corporate Headquarters
Middlebury	Corporate Offices, Research Center*	Corporate Headquarters
Naugatuck	Plant, Research Center	Crop, Polymer Additives, Polymers, Other
Pawcatuck	Office, Plant, Laboratory, Machine Shop, Tech Center	Crop, Polymer Additives, Other Polymer Processing Equipment
Illinois		
Mapleton	Plant	Polymer Additives
Louisiana		
Geismar	Plant	Crop, Polymer Additives, Polymers, Other
Taft	Plant	Polymer Additives
Gretna	Plant	Other
New Jersey		
Perth Amboy	Plant	Other
Somerville	Office, Plant, Machine Shop	Polymer Processing Equipment
New York		
Tarrytown	Research Center*	Polymer Additives, OrganoSilicones, Other
North Carolina		
Gastonia	Plant	Crop, Polymers
Ohio		
Dublin	Research Center	Crop, Other
Pennsylvania		
Petrolia	Plant	Other
Tennessee		
Memphis	Plant	Polymer Additives, Other
Texas		
Fort Worth	Plant	Crop
Houston	Plant	Crop, Polymer Additives,

Edgar Filing: CROMPTON CORP - Form 10-K/A

Marshall	Plant	Other Polymer Additives
West Virginia Sistersville	Plant	OrganoSilicones
South Charleston	Administrative, Research, Sales Office*	OrganoSilicones
INTERNATIONAL		
Australia Regency Park, S.A. Seven Hills	Office, Machine Shop* Office, Laboratory*	Crop Polymers
Belgium Antwerp Brussels	Plant* Office*	OrganoSilicones Crop, Polymer Additives, Polymers, Other
Brazil Itatiba Rio Claro	Plant Plant	OrganoSilicones Crop, Polymer Additives, Polymers
Canada Elmira	Plant	Crop, Polymer Additives, Polymers, Other
Guelph	Research Center	Crop, Polymer Additives, Polymers, Other
Scarborough West Hill	Plant* Plant	Other Other
France Dannemarie	Office	Polymer Processing Equipment
Germany Bergkamen Erkrath	Plant* Office, Plant, Machine Shop, Laboratory	Polymer Additives Polymer Processing Equipment
Haan	Office and Machine Shop	Polymer Processing Equipment
Lampertheim	Plant	Polymer Additives
Italy Latina	Plant	Crop, Polymer Additives, Polymers, Other
Termoli	Plant	OrganoSilicones
Korea Ansan	Plant	Polymer Additives, OrganoSilicones
Mexico Altamira Cuatitlan	Plant Plant	Polymer Additives, Other Polymer Additives, OrganoSilicones
The Netherlands		

Edgar Filing: CROMPTON CORP - Form 10-K/A

Ankerwag	Plant	Crop
Amsterdam	Plant	Other
Haarlem	Plant	Other
Koog aan de Zaan	Plant	Other
Republic of China		
Kaohsiung	Plant**	Polymer Additives, Other
Singapore	Plant	Crop
Singapore	Administrative, Research, Sales Office*	Crop, Polymer Additives, Polymers, OrganoSilicones, Other
Switzerland		
Meyrin	Administrative, Research, Sales Office*	Crop, Polymer Additives, OrganoSilicones, Other
Thailand		
Maphaphut	Plant*	Polymer Additives, OrganoSilicones
United Kingdom		
Accrington	Plant***	Polymer Additives
Birmingham	Office, Plant, Machine Shop	Polymer Processing Equipment
Droitwich	Plant***	Polymer Additives
Evesham	Research Center	Crop
Langley	Office*	Crop, Polymer Additives, Polymers, Other

* Facility leased by the Corporation.

** Facility owned by Uniroyal Chemical Taiwan Ltd., which is 80% owned by Uniroyal.

*** Facility owned by Baxenden Chemicals Limited, which is 53.5% owned by the Corporation.

All facilities are considered to be in good operating condition, well maintained, and suitable for the Corporation's requirements.

ITEM 3. LEGAL PROCEEDINGS

The Corporation is involved in claims, litigation, administrative proceedings and investigations of various types in a number of jurisdictions. A number of such matters involve claims for a material amount of damages and relate to or allege environmental liabilities, including clean-up costs associated with hazardous waste disposal sites, natural resource damages, property damage and personal injury.

Environmental Liabilities. Each quarter, the Corporation evaluates and reviews estimates for future remediation and other costs to determine appropriate environmental reserve amounts. For each site, a determination is made of the specific measures that are believed to be required to remediate the site, the estimated total cost to carry out the remediation plan, the portion of the total remediation costs to be borne by the Corporation and the anticipated

Edgar Filing: CROMPTON CORP - Form 10-K/A

time frame over which payments toward the remediation plan will occur. The total amount accrued for such environmental liabilities at December 31, 2001, was \$145 million. The Corporation estimates the potential liabilities to range from \$120 million to \$160 million at December 31, 2001. It is reasonably possible that the Corporation's estimates for environmental remediation liabilities may change in the future should additional sites be identified, further remediation measures be required or undertaken, the interpretation of current laws and regulations be modified or additional environmental laws and regulations be enacted.

The Corporation and some of its subsidiaries have been identified by federal, state or local governmental agencies, and by other potentially responsible parties (a "PRP") under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or comparable state statutes, as a PRP with respect to costs associated with waste disposal sites at various locations in the United States. Because these regulations have been construed to authorize joint and several liability, the EPA could seek to recover all costs involving a waste disposal site from any one of the PRP's for such site, including the Corporation, despite the involvement of other PRP's. In many cases, the Corporation is one of several hundred PRPs so identified. In a few instances, the Corporation is one of only a handful of PRP's. In certain instances, a number of other financially responsible PRP's are also involved, and the Corporation expects that any ultimate liability resulting from such matters will be apportioned between the Corporation and such other parties. In addition, the Corporation is involved with environmental remediation and compliance activities at some of its current and former sites in the United States and abroad. The more significant of these matters are described below.

.. Laurel Park -The EPA, the State of Connecticut, and the Laurel Park Coalition (consisting of Uniroyal and a number of other parties) have entered into a Consent Decree governing the design and implementation of the selected remedy for the Laurel Park site. Remedial construction began at the Laurel Park site in July 1996, and was completed in 1998. Operation and maintenance activities at the site are ongoing.

Litigation brought by the Laurel Park Coalition seeking contribution to the costs from the owner/operators of the site and later from other identified generator parties has resulted in substantial recoveries from a number of parties. In December 2000 and January 2001, the United States District Court for the District of Connecticut issued final judgment allowing recovery against various municipalities by the Laurel Park Coalition in the aggregate amount of approximately \$1,044,000, and declaring that the defendants at the Laurel Park site are liable for certain stated percentages of future response costs. As a result of a settlement with one municipality, the aggregate amount of the outstanding judgment has been reduced to approximately \$761,000. Appeals and cross-appeals have been filed with the Second Circuit by various parties to the litigation.

.. Vertac - Uniroyal and its Canadian subsidiary, Uniroyal Chemical Co./Cie (formerly known as Uniroyal Chemical Ltd./Ltee) were joined with others as defendants in consolidated civil actions brought in the United States District Court, Eastern District of Arkansas, Western Division ("Court") by the United States of America, the State of Arkansas and Hercules Incorporated ("Hercules"), relating to a Vertac Chemical Corporation site in Jacksonville, Arkansas. Uniroyal has been dismissed from the litigation. On May 21, 1997, the Court

Edgar Filing: CROMPTON CORP - Form 10-K/A

entered an order finding that Uniroyal Chemical Co./Cie is jointly and severally liable to the United States, and finding that Hercules and Uniroyal Chemical Co./Cie are liable to each other in contribution. On October 23, 1998, the Court entered an order granting the United States' motion for summary judgment against Uniroyal Chemical Co./Cie and Hercules as to the amount of its claimed removal and remediation costs of \$102.9 million at the Vertac site. Trial on the allocation of these costs as between Uniroyal Chemical Co./Cie and Hercules was concluded on November 6, 1998, and on February 3, 2000, the Court entered an Order finding Uniroyal Chemical Co./Cie liable to the United States for approximately \$2,300,000 and liable to Hercules in contribution for approximately \$700,000. On April 10, 2001, the United States Court of Appeals for the Eighth Circuit ("Appeals Court") (i) reversed a decision in favor of the United States and against Hercules with regard to the issue of divisibility of harm and remanded the case back to the Court for a trial on the issue; (ii) affirmed the finding of arranger liability against Uniroyal Co./Cie; and (iii) set aside the findings of contribution between Hercules and Uniroyal Co./Cie by the Court pending a decision upon remand. The Appeals Court also deferred ruling on all constitutional issues raised by Hercules and Uniroyal Co./Cie pending subsequent findings by the Court. On June 6, 2001, the Appeals Court denied Uniroyal Co./Cie's petition for rehearing by the full Appeals Court on the Appeals Court's finding of arranger liability against Uniroyal Co./Cie and on December 10, 2001, Uniroyal Co./Cie's Petition for a Writ of Certiorari to the United States Supreme Court with regard to the issue of its arranger liability was denied. On December 12, 2001, the Court concluded hearings pursuant to the April 10, 2001 remand by the Appeals Court. A decision from the Court is expected during the second quarter of 2002.

The Corporation intends to assert all meritorious legal defenses and all other equitable factors which are available to it with respect to the above matters. The Corporation believes that the resolution of these matters will not have a material adverse effect on its consolidated financial position. While the Corporation believes it is unlikely, the resolution of these matters could have a material adverse effect on its consolidated results of operations in any given year if a significant number of these matters are resolved unfavorably.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The information concerning the range of market prices for the Corporation's Common Stock on the New York Stock Exchange and the amount of dividends per share paid thereon during the past two years, set forth in the Notes to Consolidated Financial Statements on page 35 of the Corporation's 2001 Annual Report to Stockholders, is incorporated herein by reference.

The number of registered holders of Common Stock of the Corporation on December 31, 2001, was 6,040.

Edgar Filing: CROMPTON CORP - Form 10-K/A

ITEM 6. SELECTED FINANCIAL DATA

The selected financial data for the Corporation for each of its last five fiscal years, set forth under the heading "Five Year Selected Financial Data" on page 37 of the Corporation's 2001 Annual Report to Stockholders, is incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis of the Corporation's financial condition and results of operations, set forth under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 9 through 16 of the Corporation's 2001 Annual Report to Stockholders, is incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk and risk management policy is summarized under the heading "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on pages 11 and 12 of the Corporation's 2001 Annual Report to Stockholders and is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements of the Corporation, notes thereto, and supplementary data, appearing on pages 17 through 37 of the Corporation's 2001 Annual Report to Stockholders, are incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information called for by this item concerning directors of the Corporation is included in the definitive proxy statement for the Corporation's Annual Meeting of Stockholders to be held on April 30, 2002, which is to be filed with the Commission pursuant to Regulation 14A of the Securities Exchange Act of 1934, and such information is incorporated herein by reference.

The executive officers of the Corporation are as follows:

Vincent A. Calarco, age 59, has served as Chairman, President and Chief Executive Officer of the Registrant since 1999. Mr. Calarco served as President and Chief Executive Officer of Crompton & Knowles from 1985 to 1999, and Chairman of the Board from 1986 to 1999. Mr. Calarco has been a member of the Board of Directors of the Registrant since 1999 and was a member of the Board of Directors of Crompton & Knowles from 1985 to 1999.

Edgar Filing: CROMPTON CORP - Form 10-K/A

Robert W. Ackley, age 60, has served as Executive Vice President, Polymer Processing Equipment of the Registrant since 1999. Mr. Ackley served as Vice President, Polymer Processing Equipment, of Crompton & Knowles from 1998 to 1999 and as President of Davis-Standard Corporation (prior to 1995, Davis-Standard Division) since 1983.

Peter Barna, age 58, has served as Senior Vice President and Chief Financial Officer of the Registrant since 1999. Mr. Barna served as Senior Vice President and Chief Financial Officer of Crompton & Knowles in 1999 and as Vice President-Finance of Crompton & Knowles from 1996 to 1999. Mr. Barna was the Principal Accounting Officer of Crompton & Knowles from 1986 to 1999 and its Treasurer from 1980 to 1996.

James J. Conway, age 58, has served as Executive Vice President, Performance Chemicals and Elastomers, of the Registrant since 1999. Mr. Conway served as Vice President, Colors, of Crompton & Knowles from 1998 to 1999 and President of Crompton & Knowles Colors Incorporated since 1997. Mr. Conway was Senior Vice President and General Manager of International Specialty Products, Inc. from 1992 to 1997.

Joseph B. Eisenberg, Ph.D., age 59, retired effective December 31, 2001. Dr. Eisenberg served as Executive Vice President, Polymer Additives of the Registrant from 1999 to 2001, Vice President, Rubber Chemicals, EPDM and Nitrile Rubber, of Crompton & Knowles from 1998 to 1999 and as Executive Vice President, Chemicals & Polymers, of Uniroyal since 1994.

John T. Ferguson II, age 55, has served as Senior Vice President and General Counsel of the Registrant since 1999 and served as Secretary of the Registrant from 1999 to 2000. Mr. Ferguson served as Vice President of Crompton & Knowles from 1996 to 1999, and General Counsel and Secretary of Crompton & Knowles from 1989 to 1999. Mr. Ferguson served as a member of the Board of Directors of the Registrant in 1999.

Gerald H. Fickenscher, age 58, has served as Regional Vice President, Europe, Africa & Middle East of the Registrant since 1999. Mr. Fickenscher served as President, Dyes & Chemicals International Operations, of Crompton & Knowles from 1994 to 1999.

Mary L. Gum, Ph.D., age 54, has served as Executive Vice President, OSi Specialties & Urethanes, of the Registrant since 2002. Dr. Gum served as Executive Vice President, OSi, from 1999 to 2002; Vice President of Silanes, OSi, from 1997 to 1999 and as Vice President of Specialty Fluids, OSi, from 1995 to 1997.

Edward L. Hagen, age 60, has served as Senior Vice President, Strategy & Development of the Registrant since 2001. Mr. Hagen served as Regional Vice President-Asia/Pacific of Uniroyal from 1995 to 2001.

Marvin H. Happel, age 62, has served as Senior Vice President, Organization & Administration of the Registrant since 1999. Mr. Happel served as Vice President-Organization and Administration of Crompton & Knowles from 1996 to 1999 and Vice President-Organization from 1986 to 1996.

Alfred F. Ingulli, age 60, has served as Executive Vice President, Crop Protection, of the Registrant from 1999. Mr. Ingulli served as Vice President, Crop Protection, of Crompton & Knowles from 1998 to 1999 and as Executive Vice President, Crop Protection of Uniroyal

Edgar Filing: CROMPTON CORP - Form 10-K/A

since 1994.

John R. Jepsen, age 46, has served as Vice President and Treasurer of the Registrant since 1999. Mr. Jepsen served as Treasurer of Crompton & Knowles from 1998 to 1999. Mr. Jepsen served with the International Paper Company as Assistant Treasurer, International from 1996 to 1998 and, prior to that, as Director of Corporate Finance from 1986 to 1996.

Walter K. Ruck, age 59, has served as Senior Vice President, Operations, of the Registrant since 1999. Mr. Ruck has served as Vice President, Operations, of Uniroyal since 1998; and served as Vice President, Manufacturing, of Uniroyal from 1997 to 1998. He served as Regional Vice President, Americas of Uniroyal from 1995 to 1997 and Regional Vice President of Uniroyal from 1994 to 1995.

Barry J. Shainman, age 59, has served as Secretary of the Registrant since 2000 and has served as Assistant General Counsel of the Registrant since 1999. Mr. Shainman served as Secretary of Uniroyal from 1998 to 2000 and has served as Senior Corporate Counsel of Uniroyal since 1990.

William A. Stephenson, age 54, has served as Executive Vice President, Plastics & Petroleum Additives, of the Registrant since 2001. Mr. Stephenson served as Executive Vice President, Urethanes and Petroleum Additives from 1999 to 2001; Vice President, Specialty Additives and Urethanes, of Crompton & Knowles from 1998 to 1999 and has served as Executive Vice President, Specialties of Uniroyal since 1994.

Michael F. Vagnini, age 45, has served as Corporate Controller of the Registrant since 1999 and as Corporate Controller of Crompton & Knowles from 1998 to 1999. Mr. Vagnini has served as Corporate Controller of Uniroyal since 1995.

The term of office of each of the above-named executive officers is until the first meeting of the Board of Directors following the next annual meeting of stockholders and until the election and qualification of his or her successor.

There is no family relationship between any of such officers, and there is no arrangement or understanding between any of them and any other person pursuant to which any such officer was selected as an officer.

ITEM 11. EXECUTIVE COMPENSATION

Information called for by this item is included in the definitive proxy statement for the Corporation's Annual Meeting of Stockholders to be held on April 30, 2002, which is to be filed with the Commission pursuant to Regulation 14A, and such information is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information called for by this item is included in the definitive proxy statement for the Corporation's Annual Meeting of Stockholders to be held on April 30, 2002, which is to be filed with the Commission pursuant to Regulation 14A, and such information is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Edgar Filing: CROMPTON CORP - Form 10-K/A

Information called for by this item is included in the definitive proxy statement for the Corporation's Annual Meeting of Stockholders to be held on April 30, 2002, which is to be filed with the Commission pursuant to Regulation 14A, and such information is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) The following documents are filed as part of this report:

1. Financial statements and Independent Auditors' Report, as required by Item 8 of this form, which appear on pages 17 through 36 of the Corporation's 2001 Annual Report to Stockholders and are incorporated herein by reference:
 - (1) Consolidated Statements of Operations for the fiscal years ended 2001, 2000, and 1999;
 - (ii) Consolidated Balance Sheets for the fiscal years ended 2001 and 2000;
 - (iii) Consolidated Statements of Cash Flows for the fiscal years ended 2001, 2000, and 1999;
 - (iv) Consolidated Statements of Stockholders' Equity for the fiscal years ended 2001, 2000 and 1999;
 - (v) Notes to Consolidated Financial Statements; and
 - (vi) Independent Auditors' Report of KPMG LLP.
2. Independent Auditors' Report and Consent, and Financial Statement Schedule II, Valuation and Qualifying Accounts, required by Regulation S-X. Pages S-1 and S-2 hereof.
3. The following exhibits are either filed herewith or incorporated herein by reference to the respective reports and registration statements identified in the parenthetical clause following the description of the exhibit:

Exhibit No.	Description
2.0	Agreement and Plan of Reorganization dated as of May 31, 1999, by and among Crompton & Knowles Corporation, Park Merger Co. and Witco Corporation (incorporated by reference to Appendix A to the Joint Proxy Statement-Prospectus dated July 28, 1999, as part of the Registrant's Registration Statement on Form S-4, Registration No. 333-83901, dated July 28, 1999 ("Joint Proxy Statement-Prospectus S-4 Registration Statement")).
2.1	Amendment No. 1 to Agreement and Plan of Reorganization dated as of July 27, 1999, by and among Crompton & Knowles Corporation, CK Witco Corporation (formerly known as Park Merger Co.) and Witco Corporation (incorporated by reference to Appendix A-1 to the Joint Proxy Statement-Prospectus S-4 Registration Statement).
2.2	Agreement and Plan of Merger dated April 30, 1996, by and among Crompton & Knowles, Tiger Merger Corp. and Uniroyal

Edgar Filing: CROMPTON CORP - Form 10-K/A

- Chemical Corporation ("UCC") (incorporated by reference to Exhibit 2 to the Crompton & Knowles Form 10-Q for the period ended March 31, 1996).
- 2.3 Acquisition Agreement dated November 29, 1999, by and among Yorkshire Group PLC, Yorkshire Americas, Inc., as Purchasers and CK Witco Corporation, Crompton & Knowles Europe S.P.R.L., Uniroyal Chemical European Holdings B.V. and Crompton & Knowles Colors Incorporated, as Sellers (incorporated by reference to Exhibit 2.3 of the Registrant's Form 10-K for the fiscal year ended December 31, 1999 ("1999 Form 10-K")).
 - 2.4 Limited Liability Company Agreement by and between Gustafson, Inc. and Trace Chemicals, Inc., effective as of September 23, 1998, (incorporated by reference to Exhibit 2.1 to the Crompton & Knowles Form 8-K/A dated January 21, 1999 ("Form 8-K/A")).
 - 2.5 First Amendment to Limited Liability Company Agreement by and among GT Seed Treatment Inc. (f/k/a Gustafson, Inc.), Ecart Inc. (f/k/a Trace Chemicals, Inc.) and Bayer Corporation, dated as of November 20, 1998, (incorporated by reference to Exhibit 2.2 to Form 8-K/A).
 - 2.6 Purchase Agreement by and among the Crompton & Knowles, Uniroyal, Trace Chemicals, Inc. and Gustafson, Inc. as Sellers, and Bayer Corporation, as Purchaser, and Gustafson LLC, as the Company, dated as of November 20, 1998, (incorporated by reference to Exhibit 2.3 to Form 8-K/A).
 - 2.7 Purchase Agreement by and between Uniroyal Chemical Co./Cie and Bayer Inc., effective as of November 20, 1998, (incorporated by reference to Exhibit 2.4 to Form 8-K/A).
 - 2.8 Partnership Agreement of Gustafson Partnership by and between Uniroyal Chemical Co./Cie and Bayer Inc., effective as of November 20, 1998, (incorporated by reference to Exhibit 2.5 to Form 8-K/A).
 - 2.9 Joint Venture Agreement and Shareholders Agreement dated September 18, 1998, by and between Uniroyal and GIRSA S.A. de C.V. (incorporated by reference to Exhibit 2.6 to the Crompton & Knowles Form 10-K for the fiscal year ended December 26, 1998 ("1998 Form 10-K")).
 - 2.10 Stock Purchase Agreement dated as of December 8, 1998, by and among Crompton & Knowles and Ingredient Technology Corporation, as Sellers, and Chr. Hansen Inc., as Purchaser (incorporated by reference to Exhibit 2.7 to the 1998 Form 10-K).
- 3(i)(a) Amended and Restated Certificate of Incorporation of the Registrant dated September 1, 1999 (filed herewith*).
 - 3(i)(b) Certificate of Amendment of Amended and Restated Certificate of Incorporation of the Registrant dated April 27, 2000 (filed herewith*).
 - 3(i)(c) Certificate of Change of Location of Registered Office and of Registered Agent dated May 18, 2000 (filed herewith*).
 - 3(ii) By-laws of the Registrant (filed herewith*).

Edgar Filing: CROMPTON CORP - Form 10-K/A

- 4.1 Rights Agreement dated as of September 2, 1999, by and between the Registrant and ChaseMellon Shareholder Services, L.L.C., as Rights Agent (incorporated by reference to Form 8-A dated September 28, 1999).
- 4.2 Form of Indenture, dated as of February 8, 1993, among Uniroyal and State Street Bank and Trust Company, as Trustee, relating to the 102% Notes, including form of securities (incorporated by reference to Exhibit 4.1 to the Registration Statement on UCC Form S-1, Registration No. 33-45296 and 33-45295 (AUCC Form S-1, Registration No. 33-45296/45295)).
- 4.3 Form of First Supplemental Indenture, dated as of December 9, 1998, among UCC, as Issuer, Uniroyal, as successor to the Issuer, and State Street Bank and Trust Company, as Trustee, relating to the 102% Senior Notes due 2002 (incorporated by reference to Exhibit 4.4 to Form 10-K for the fiscal year ended December 26, 1998).
- 4.4 Form of Second Supplemental Indenture, dated as of December 6, 1999, among UCC, as Issuer, Uniroyal, as successor to the Issuer, and State Street Bank & Trust Company, as Trustee, relating to the 10 1/2% Senior Notes due 2002 (incorporated by reference to Exhibit 4.18 to the 1999 Form 10-K).
- 4.5 Form of \$600 Million 364-Day Credit Agreement dated as of October 28, 1999, by and among the Registrant, certain subsidiaries of the Registrant, various banks, The Chase Manhattan Bank, as Syndication Agent, Citibank, N.A., as Administrative Agent and Bank of America, N.A. and Deutsche Bank Securities Inc., as Co-Documentation Agents (incorporated by reference to Exhibit 4.1 to the 10-Q for the quarter ended September 30, 1999 ("September 30, 1999 10-Q")).
- 4.6 Form of \$125 Million Amended and Restated 364-Day Credit Agreement dated as of September 24, 2001, among the Registrant, certain subsidiaries of the Registrant, various banks, The Chase Manhattan Bank, as Syndication Agent, Citibank, N.A., as Administrative Agent, Bank of American, N.A., as Documentation Agent and J.P. Morgan Securities Inc., as Lead Arranger and Sole Bookrunner (incorporated by reference to Exhibit 4.1 to the 10-Q for the quarter ended September 30, 2001 ("September 30, 2000 10-Q")).
- 4.7 First Amendment dated as of December 21, 2001, to the Amended and Restated 364-Day Credit Agreement dated as of October 28, 1999, (as amended and restated in the form of the Amended and Restated Credit Agreement as of September 24, 2001) among the Registrant, certain subsidiaries of the Registrant, various banks, J.P. Morgan Bank (formerly known as The Chase Manhattan Bank), as Syndication Agent, Citicorp USA, Inc. (as successor to Citibank, N.A.), as Administrative Agent, and Bank of America, N.A. and Deutsche Bank Alex Brown Inc., as Co-Documentation Agents (filed herewith*).
- 4.8 Waiver No. 1 dated as of June 30, 2001, to the 364-Day Credit Agreement dated as of October 28, 1999 as amended as of October 26, 2000, among the Registrant, certain subsidiaries of the Registrant, various banks, The Chase Manhattan Bank, as Syndication Agent, Citibank, N.A., as Administrative Agent and Bank of America, N.A. and Deutsche Bank Securities Inc., as Co-

Edgar Filing: CROMPTON CORP - Form 10-K/A

- Documentation Agents (incorporated by reference to Exhibit No. 4.1 to the 10-Q for the quarter ended June 30, 2001 ("June 30, 2001 10-Q")).
- 4.9 Form of \$400 Million Five-Year Credit Agreement dated as of October 28, 1999, by and among the Registrant, certain subsidiaries of the Registrant, various banks, The Chase Manhattan Bank, as Syndication Agent, Citibank, N.A., as Administrative Agent and Bank of America, N.A. and Deutsche Bank Securities Inc., as Co-Documentation Agents (incorporated by reference to Exhibit 4.2 to the September 30, 1999 10-Q).
- 4.10 First Amendment dated as of September 24, 2001, to the Five-Year Credit Agreement dated as of October 28, 1999, by and among the Registrant, certain subsidiaries of the Registrant, various banks, The Chase Manhattan Bank, as Syndication Agent, Citibank, N.A., as Administrative Agent, Bank of America, N.A. and Deutsche Bank Alex Brown Inc., as Co-Documentation Agents, and J.P. Morgan Securities Inc., as Lead Arranger and Sole Bookrunner (incorporated by reference to the September 30, 2001 10-Q).
- 4.11 Second Amendment dated as of December 21, 2001, to the Five-Year Credit Agreement dated as of October 28, 1999, by and among the Registrant, certain subsidiaries of the Registrant, various banks, J.P. Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Syndication Agent, Citicorp USA, Inc. (as successor to Citibank, N.A.), as Administrative Agent and Bank of America, N.A. and Deutsche Bank Alex Brown Inc., as Co-Documentation Agents (filed herewith*).
- 4.12 Waiver No. 1 dated as of June 30, 2001, to the Five-Year Credit Agreement dated as of October 28, 1999, by and among the Registrant, certain subsidiaries of the Registrant, various banks, The Chase Manhattan Bank, as Syndication Agent, Citibank, N.A., as Administrative Agent and Bank of America, N.A. and Deutsche Bank Securities Inc., as Co-Documentation Agents (incorporated by reference to Exhibit 4.2 to the June 30, 2001 Form 10-Q).
- 4.13 Form of Indenture, dated as of March 1, 2000, by and between the Registrant and Citibank, N.A., relating to \$600 Million of 8 1/2% Senior Notes due 2005, including as Annex A thereto, Form of Senior Note Pledge Agreement by and among the Registrant, certain foreign subsidiaries of the Registrant, and Citibank, N.A., as Collateral Agent (incorporated by reference to Exhibit 4.13 of the 1999 Form 10-K).
- 4.14 Form of Purchase Agreement, dated as of March 2, 2000, by and among the Registrant, as Seller, and Merrill Lynch, ABN AMRO Incorporated, Banc of America Securities LLC, Chase Securities Inc., Deutsche Bank Securities Inc., Goldman, Sachs & Co. and Salomon Smith Barney Inc. (together, the "Initial Purchasers"), relating to \$600 Million of 8 1/2% Senior Notes due 2005 (incorporated by reference to Exhibit 4.14 of the 1999 Form 10-K).
- 4.15 Form of Indenture, dated as of February 1, 1993, by and between Witco and the Chase Manhattan Bank, N.A., as Trustee, relating to Witco's 6.60% Notes due 2003, 7.75% Debentures due 2023, 6 1/8% Notes due 2006 and 6 7/8% Debentures due 2026, including form of securities (incorporated by reference to

Edgar Filing: CROMPTON CORP - Form 10-K/A

Post-Effective Amendment No. 2 to the Registration Statement on Form S-3, Registration No. 33-58066, filed March 19, 1993).

- 4.16 Form of First Supplemental Indenture, dated February 1, 1996, by and among Witco, Chase Manhattan Bank, N.A., the Initial Trustee, and Fleet National Bank of Connecticut, the Note Trustee, relating to Witco's 6 1/8% Notes due 2006 and 6 7/8% Notes due 2026 (incorporated by reference to Registration Statement on Form S-3, Registration Number 33-65203, filed January 25, 1996).
- 4.17 Form of \$600 Million of 8.50% Senior Notes due 2005, dated June 9, 2000, registered for public trading with the U.S. Securities and Exchange Commission and issued in exchange for identical securities sold in March 2000, which were not registered for public trading (incorporated by reference to Exhibit 4 of the Registrant's Form 10-Q for the quarter ended June 30, 2000).
- 10.1+ Supplemental Medical Reimbursement Plan (incorporated by reference to Exhibit 10(n) to the Crompton & Knowles Form 10-K for the fiscal year ended December 27, 1980).
- 10.2+ Supplemental Dental Reimbursement Plan (incorporated by reference to Exhibit 10(o) to the Crompton & Knowles Form 10-K for the fiscal year ended December 27, 1980).
- 10.3+ Form of Employment Agreement entered into in 1988, 1989, 1992, 1994, 1996 and 1998 between Crompton & Knowles or one of its subsidiaries and ten of the executive officers of Crompton & Knowles (incorporated by reference to Exhibit 10(k) to the Crompton & Knowles Form 10-K for the fiscal year ended December 26, 1987).
- 10.4+ Form of Employment Agreement dated as of August 21, 1996, between a subsidiary of the Registrant and three executive officers of the Registrant (incorporated by reference to Exhibit 10.28 to the UCC/Uniroyal Form 10-K for the fiscal year ended September 28, 1996).
- 10.5+ Form of Supplemental Retirement Agreement dated as of August 21, 1996, between a subsidiary of the Registrant and two executive officers of the Registrant (incorporated by reference to Exhibit 10.29 to the UCC/Uniroyal Form 10-K for the fiscal year ended September 28, 1996).
- 10.6+ Form of Supplemental Retirement Agreement dated as of August 21, 1996, between a subsidiary of the Registrant and two executive officers of the Registrant (incorporated by reference to Exhibit 10.30 to the UCC/Uniroyal Form 10-K for the fiscal year ended September 28, 1996).
- 10.7+ Supplemental Retirement Agreement Trust Agreement dated October 20, 1993, between Crompton & Knowles and Shawmut Bank, N.A. (incorporated by reference to Exhibit 10(l) to the Crompton & Knowles Form 10-K for the fiscal year ended December 25, 1993).
- 10.8+ Amended Benefit Equalization Plan dated October 20, 1993 (incorporated by reference to Exhibit 10(m) to the Crompton & Knowles Form 10-K for the fiscal year ended December 25, 1993).

Edgar Filing: CROMPTON CORP - Form 10-K/A

- 10.9+ Amended Benefit Equalization Plan Trust Agreement dated October 20, 1993, between Crompton & Knowles and Shawmut Bank, N.A. (incorporated by reference to Exhibit 10(n) to the Crompton & Knowles Form 10-K for the fiscal year ended December 25, 1993).
- 10.10+ Amended Crompton Corporation 1988 Long Term Incentive Plan (filed herewith*).
- 10.11 Trust Agreement dated as of May 15, 1989, between Crompton & Knowles and Shawmut Worcester County Bank, N.A. and First Amendment thereto dated as of February 8, 1990 (incorporated by reference to Exhibit 10(w) to the Crompton & Knowles Form 10-K for the fiscal year ended December 30, 1989).
- 10.12+ Restricted Stock Plan for Directors of Crompton & Knowles approved by the stockholders on April 9, 1991 (incorporated by reference to Exhibit 10(z) to the Crompton & Knowles Form 10-K for the fiscal year ended December 28, 1991).
- 10.13+ Amended 1993 Stock Option Plan for Non-Employee Directors (incorporated by reference to Exhibit 10.21 to the Crompton & Knowles Form 10-K for the fiscal year ended December 26, 1998).
- 10.14+ UCC Purchase Right Plan, as amended and restated as of March 16, 1995 (incorporated by reference to Exhibit 10.1 to the UCC Form 10-Q for the period ended April 2, 1995 (AUCC April 1995 Form 10-Q@)).
- 10.15+ UCC 1993 Stock Option Plan (incorporated by reference to Exhibit 28.1 to UCC's Registration Statement No. 33-62030 on Form S-8, filed on May 4, 1993).
- 10.16+ Form of Amendment No. 2 to the UCC 1993 Stock Option Plan (incorporated by reference to Exhibit 10.2 to the UCC April 1995 Form 10-Q).
- 10.17+ Form of Executive Stock Option Agreement, dated as of November 15, 1993 (incorporated by reference to Exhibit 10.22 to the UCC 1994 Form 10-K).
- 10.18+ Form of Amended and Restated 1996 - 1998 Long Term Performance Award Agreement entered into in 1996 between Crompton & Knowles or one of its subsidiaries and thirteen of the executive officers of Crompton & Knowles (incorporated by reference to Exhibit 10.27 to the Crompton & Knowles Form 10-K for the fiscal year ended December 27, 1997).
- 10.19 Second Amended and Restated Lease Agreement between the Middlebury Partnership, as Lessor, and Uniroyal, as Lessee, dated as of August 28, 1997 (incorporated by reference to Exhibit 10 to the UCC/Uniroyal 10-Q for the quarter ended September 27, 1997) .
- 10.20 Form of Receivables Sale Agreement, dated as of December 11, 1998, by and among Crompton & Knowles, as Initial Collection Agent, Crompton & Knowles Receivables Corporation, as Seller, ABN AMRO Bank N.V., as Agent, the Enhancer, and the Liquidity Provider, and Windmill Funding

Edgar Filing: CROMPTON CORP - Form 10-K/A

Corporation (incorporated by reference to Exhibit 10.291 to the Crompton & Knowles Form 10-K for the fiscal year ended December 26, 1998).

- 10.201 Amended and Restated Receivables Sale Agreement, dated as of January 18, 2002, among Crompton & Knowles Receivables Corporation, as the Seller, the Registrant, as the Initial Collection Agent, ABN AMRO Bank N.V., as the Agent, certain liquidity providers, ABN AMRO Bank, N.V., as the Enhancer, and Amsterdam Funding Corporation (filed herewith*).
- 10.202 Form of Receivables Purchase Agreement, dated as of December 11, 1998, by and among Crompton & Knowles, as Initial Collection Agent, and certain of its subsidiaries, as Sellers, Crompton & Knowles Receivables Corporation, as Buyer, and ABN AMRO Bank N.V., as Agent (incorporated by reference to Exhibit 10.292 to the Crompton & Knowles Form 10-K for the fiscal year ended December 26, 1998).
- 10.203 Amendment Number 1 dated as of December 9, 1999, to the Receivables Purchase Agreement, dated as of December 11, 1998, by and among CK Witco Corporation (as successor by merger to Crompton & Knowles), as Initial Collection Agent, and certain of its subsidiaries, as Sellers, Crompton & Knowles Receivables Corporation, as Buyer, and ABN AMRO Bank N.V., as Agent (incorporated by reference to Exhibit 10.265 to Form 10-K for the fiscal year ended December 31, 2000 ("2000 Form 10-K").
- 10.204 Amendment Number 2 dated as of November 20, 2000, to the Receivables Purchase Agreement, dated as of December 11, 1998, by and among the Registrant (as successor to Crompton & Knowles), as Initial Collection Agent, and certain of its subsidiaries, as Sellers, Crompton & Knowles Receivables Corporation, as Buyer, and ABN AMRO Bank N.V., as Agent (incorporated by reference to Exhibit 10.266 to the 2000 Form 10-K).
- 10.205 Amendment Number 3 dated as of February 1, 2001, to the Receivables Purchase Agreement dated as of December 11, 1998, by and among the Registrant (as successor to Crompton & Knowles), as Initial Collection Agent, and certain of its subsidiaries, as Sellers, Crompton & Knowles Receivables Corporation, as Buyer, and ABN AMRO Bank N.V., as Agent (incorporated by reference to Exhibit 10.267 to the 2000 Form 10-K).
- 10.206 Letter Agreement dated as of January 18, 2002, to the Receivables Purchase Agreement dated as of December 11, 1998, by an among the Registrant (as successor to Crompton & Knowles), as Initial Collection Agent, and certain of its subsidiaries, as Sellers, Crompton & Knowles Receivables Corporation, as Buyer, and Crompton Sales Company, Inc. and ABN AMRO Bank N.V., as Agent (filed herewith*).
- 10.21+ Amended Crompton Corporation 1998 Long Term Incentive Plan (filed herewith*).
- 10.22+ Amended and Restated Employment Agreement by and between Crompton & Knowles and Vincent A. Calarco dated May 31, 1999 (incorporated by reference to Exhibit 10.1 to the Crompton & Knowles Form 10-Q for the quarter ended June 26, 1999).

Edgar Filing: CROMPTON CORP - Form 10-K/A

- 10.23+ Form of Merger Synergy Restricted Stock Agreement, dated as of October 19, 1999, by and between the Registrant and various of its executive officers (incorporated by reference to Exhibit 10.32 to the 1999 Form 10-K).
- 10.24+ Form of Supplemental Retirement Agreement, dated as of October 21, 1999, by and between the Registrant and various of its executive officers (incorporated by reference to Exhibit 10.35 of the 1999 Form 10-K).
- 10.25+ Form of 2001-2002 Long Term Incentive Award Agreement, dated as of January 31, 2001, by and between the Registrant and various of its executive officers (incorporated by reference to Exhibit 10 to the 10-Q for the quarter ended March 31, 2001).
- 10.26+ Form of 2001 Management Incentive Plan dated as of March 20, 2001, by and between the Registrant and various key management personnel (filed herewith*).
- 10.27+ Form of 2002 Management Incentive Plan dated as of February 8, 2002, by and between the Registrant and various key management personnel (filed herewith*).
- 13 2001 Annual Report to Stockholders of the Registrant. (Not to be deemed filed with the Securities and Exchange Commission except those portions expressly incorporated by reference into this report on Form 10-K.) (filed herewith*).
- 21 Subsidiaries of the Registrant (filed herewith*).
- 23 Consent of independent auditors. (See Item 14(a)2 herein.) (filed herewith*).
- 24 Power of attorney from directors and executive officers of the Registrant authorizing signature of this report. (Original on file at principal executive offices of Registrant.) (filed herewith*).

* Copies of these Exhibits are annexed to this report on Form 10-K provided to the Securities and Exchange Commission and the New York Stock Exchange.

+ This Exhibit is a compensatory plan, contract or arrangement in which one or more directors or executive officers of the Registrant participate.

(b) Reports on Form 8-K filed in fourth quarter 2001

During the fiscal fourth quarter of 2001, the Registrant did not file a Current Report on Form 8-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Edgar Filing: CROMPTON CORP - Form 10-K/A

CROMPTON CORPORATION
(Registrant)

Date: March 28, 2002

By:/s/Peter Barna
Peter Barna
Senior Vice President &
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Name	Title
Vincent A. Calarco*	Chairman of the Board, President, and Director (Principal Executive Officer)
Peter Barna*	Senior Vice President (Chief Financial Officer)
Michael F. Vagnini*	Corporate Controller (Principal Accounting Officer)
Robert A. Fox*	Director
Roger L. Headrick*	Director
Leo I. Higdon, Jr.*	Director
Harry G. Hohn*	Director
C. A. Piccolo*	Director
Bruce F. Wesson*	Director
Patricia K. Woolf*	Director

Date: March 28, 2002

*By:/s/Peter Barna
Peter Barna
as attorney-in-fact

Independent Auditors' Report and Consent

The Board of Directors and Stockholders
Crompton Corporation:

Under date of January 31, 2002, we reported on the consolidated balance sheets of Crompton Corporation and subsidiaries (the Company) as of December 31, 2001 and 2000, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2001, which are incorporated by reference in this Form 10-K for the year 2001. In connection with our audits of the aforementioned consolidated financial statements, we also

Edgar Filing: CROMPTON CORP - Form 10-K/A

audited the related consolidated financial statement schedule included in this Form 10-K for the year 2001. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audit.

In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We consent to the incorporation by reference in the registration statements (Nos. 33-21246, 33-42280, 33-67600, 333-62429, 333-87035, 333-60422, 333-71030 and 333-71032) on Form S-8 of Crompton Corporation of our report, dated January 31, 2002, with respect to the consolidated balance sheets of Crompton Corporation and subsidiaries as of December 31, 2001 and 2000, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2001, which report is incorporated by reference in the December 31, 2001 Annual Report on Form 10-K of Crompton Corporation.

/s/KPMG LLP

Stamford, Connecticut
March 27, 2002

S - 1

Schedule II

CROMPTON CORPORATION AND SUBSIDIARIES Valuation and Qualifying Accounts (In thousands of dollars)

	Balance at Beginning of year	Additions charged to costs and expenses	Adjustments Recurring	Other	Balance at end of year
Fiscal Year ended December 31, 2001:					
Allowance for doubtful accounts	\$ 22,134	\$ 4,499	\$ (8,864) (1)	\$ (873) (2)	\$ 16,896
Accumulated amortization of cost in excess of acquired net assets	73,796	26,056	(220) (3)	(2,568) (4)	97,064
Accumulated amortization of other					

Edgar Filing: CROMPTON CORP - Form 10-K/A

intangible assets	148,388	12,804	(244) (3)	(81) (5)	160,867
Fiscal Year ended December 31, 2000:					
Allowance for doubtful accounts	\$ 23,356	\$ 3,773	\$ (4,995) (1)	\$ 0	\$ 22,134
Accumulated amortization of cost in excess of acquired net assets	49,403	26,465	(155) (3)	(1,917) (6)	73,796
Accumulated amortization of other intangible assets	135,539	12,805	(98) (3)	142 (6)	148,388
Fiscal Year ended December 31, 1999:					
Allowance for doubtful accounts	\$ 9,768	\$ 3,937	\$ (5,206) (1)	\$ 14,857 (7)	\$ 23,356
Accumulated amortization of cost in excess of acquired net assets	44,647	12,382	(939) (3)	(6,687) (6)	49,403
Accumulated amortization of other intangible assets	120,860	15,078	(232) (3)	(167) (6)	135,539

- (1) Represents accounts written off as uncollectible (net of recoveries), and the translation effect of accounts denominated in foreign currencies.
- (2) Represents the disposition of the industrial colors business.
- (3) Represents the translation effect of intangible assets denominated in foreign currencies.
- (4) Represents primarily impairment of goodwill related to the rubber chemicals and trilene businesses.
- (5) Represents primarily the disposition of the industrial colors business partially offset by the impairment of intangible assets relating to the rubber chemicals business.
- (6) Represents primarily intangible asset retirements.
- (7) Represents primarily the acquisition of Witco Corporation.