**Background**

For over 160 years, Church & Dwight Co. Inc. has been working to build market share on a brand name that is rarely associated with the company. When consumers are asked, “Are you familiar with Church & Dwight products?” the answer is typically “No.” Yet, Church & Dwight products can be found among a variety of consumer products in 95% of all U.S.

households. As the world’s largest producer and marketer of sodium bicarbonate-based products, Church & Dwight has achieved fairly consistent growth in both sales and earnings as new and expanded uses were found for its core sodium bicarbonate products. Although Church & Dwight may not be a household name, many of its core products bearing the ARM & HAMMER name are easily recognized.

Shortly after its introduction in 1878, ARM & HAMMER Baking Soda became a fundamental item on the pantry shelf as homemakers found many uses for it other than baking, such as cleaning and deodorizing. The ingredients that can be found in that ubiquitous yellow box of baking soda can also be used as a dentrifice, a chemical agent to absorb or neutralize odors and acidity, a kidney dialysis element, a blast media, an environmentally friendly cleaning agent, a swimming pool pH stabilizer, and a pollution-control agent.

Finding expanded uses for sodium bicarbonate and achieving orderly growth have been consistent targets for the company. Over the past 30 years, average company sales have increased 10%–15% annually. While top-line sales growth has historically been a focal point for the company, a shift may have occurred in management’s thinking, as more emphasis seems to have been placed on bottom-line profitability growth. Since President and Chief Executive Officer James R. Cragie took over the helm of Church&Dwight from RobertA. Davies III in July of 2004, he has remained focused on “building a portfolio of strong brands with sustainable competitive advantages.”2 At that time, he proposed a strategy of reshaping the company through acquisitions and organic growth and he continues to state that “Our long-term objective is to maintain thecompany’s track record of delivering outstanding TSR (Total Shareholder Return) relative to that

of the S&P 500. Our long-term business model for delivering this sustained earnings growth is based on annual organic growth of 3–4%, gross margin expansion, tight management of overhead costs and operating margin improvement of 60–70 basis points resulting in sustained earnings growth of 10–12% excluding acquisitions.”3 In addition, Cragie noted that “. . . [W]e have added $1 billion in sales in the past five years, a 72% increase, while reducing our total headcount by 5%, resulting in higher revenue per employee than all of our major competitors.”4 The results of these

efforts can be seen in the financial statements shown in **Exhibits 1**, **2**, and **3.**

**Management**

The historically slow but steady course Church & Dwight has traveled over the decades reflected stability in the chief executive office and a steady focus on long-term goals. The ability to remain focused may be attributable to the fact that about 25% of the outstanding shares of common stock were owned by descendants of the company’s co-founders. Dwight C. Minton, a direct descendant of Austin Church, actively directed the company as CEO from 1969 through 1995 and remained on the board as Chairman Emeritus. He passed on the duties of CEO to the first non-family member in the company’s history, Robert A. Davies III, in 1995 and leadership at the top has remained a stable hallmark of the company.

Many companies with strong brand names in the consumer products field have been susceptible to leveraged buy-outs and hostile takeovers. However, a series of calculated actions has spared Church & Dwight’s board and management from having to make last-minute decisions to ward off unwelcome suitors. Besides maintaining majority control of the outstanding

common stock, the board amended the company’s charter, giving current shareholders four votes per share. However, they required future shareholders to buy and hold shares for four years before receiving the same privilege. The board of directors was also structured into three

classes with four directors in each class serving staggered three-year terms. According to Minton, the objective of these moves was to “[give] the board control so as to provide the best results for shareholders.”5

**EXHIBIT 1 –** Consolidated Statements of Income: Church & Dwight Co. Inc. (Dollars in thousands, except per share data)

|  |  |  |  |
| --- | --- | --- | --- |
| **Year Ending December 31st** | **2009** | **2008** | **2007** |
| **Net Sales**  Cost of sales  **Gross Profit**  Marketing Expense  Selling, general, and administrative expenses  Patent litigation settlement, net  **Income from Operations**  Equity in earnings of affiliates  Investment earnings  Other income (expense), net  Interest expense  **Income before Income Taxes**  Income taxes  Net income  Non-controlling interest  **Net income**  Weighted average shares outstanding-Basic  Weighted average shares outstanding— Diluted  Net income per share – Basic  Net income per-share – Diluted  Cash dividends per share | $2,520,922  $1,419,932  1,100,990  353,588  354,510  (20,000)  412,892  12,050  1,325  1,537  (35,568)  392,236  148,715  243,521  (12)  $243,533  70,379  71,477  $ 3.46  $ 3.41  $ 0.46 | $2,422,398  $1,450,680  971,718  294,130  337,256  -  340,332  11,334  6,747  (3,208)  (46,945)  308,260  113,078  195,182  8  $195,174  67,870  71,116  $ 2.88  $ 2.78  $ 0.34 | $2,220,940  $1,353,042  867,898  256,743  306,121  -  305,034  8,236  8,084  2,469  (58,892)  264,931  95,900  169,031  6  $169,025  65,840  70,312  $ 2.57  $ 2.46  $ 0.30 |

As a further deterrent to would-be suitors or unwelcome advances, the company entered into an employee severance agreement with key officials. This agreement provided severance pay of up to two times (three times for Mr. Cragie) the individual’s highest annual salary and bonus plus benefits for two years (three years for Mr. Cragie) if the individual was terminated

within one year after a change in control of the company. Change of control was defined as the acquisition by a person or group of 50% or more of company common stock; a change in the majority of the board of directors not approved by the pre-change board of directors; or the approval by the stockholders of the company of a merger, consolidation, liquidation, dissolution, or sale of all the assets of the company.

As Church & Dwight pushed aggressively into consumer products outside of sodium bicarbonate-related products and into the international arena in the early 2000s, numerous changes were made in key personnel. These changes can be seen by reviewing **Exhibit 4** and noting the original date of hire for these key decision-makers. Many of the new members of the top management team brought extensive marketing and international experience from organizations such as Spalding Sports Worldwide, Johnson & Johnson, FMC, and Carter-Wallace.

In addition to the many changes that have taken place in key management positions, changes have also been made in the composition of the board of directors. Four members of the 10-member board have served for 10 years or more, whereas the other six members have served for five years or less. Two women serve on the board and ages of members range from 50 to 74, with six members being younger than 60. All but one of the newer additions to the board and noting the original date of hire for these key decision-makers. Many of the new members of the top management team brought extensive marketing and international experience from organizations such as Spalding Sports Worldwide, Johnson & Johnson, FMC, andCarter-Wallace.

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**Changing Directions**

Entering the 21st century, “. . . [m]anagement recognized a major challenge to overcome . . .was the company’s small size compared to its competitors in basic product lines of household and personal care. They also recognized the value of a major asset, the company’s pristine balance sheet, and made the decision to grow.”7 According to Cragie, “Church & Dwight has undergone a substantial transformation in the past decade largely as a result of three major acquisitions which doubled the size of the total company, created a well balanced portfolio of household and personal care businesses, and established a much larger international business.”8 The MENTADENT, PEPSODENT, AIM, and CLOSE-UP brands of toothpaste products were purchased from Unilever in October of 2003; the purchase of the remaining 50% of Armkel, the acquisition vehicle that had been used to purchase Carter-Wallace’s consumer brands such as TROJAN, was completed in May of 2004; and SPINBRUSH was purchased from Procter & Gamble in October of 2005.

Five years later, another major acquisition was finalized when the stable of Orange Glow International products, including the well-known OXICLEAN brand, were added to the portfolio. The acquisitions didn’t stop as Del Pharmaceutical’s ORAGEL brands were added in 2008. What impact has this string of acquisitions made? The numbers speak for themselves as revenues have been pumped up from less than $500 million in 1995 to over $1 billion in2001, then to $1.7 billion in 2005, and finally topping $2.5 billion in 2009.

Explosive growth through acquisitions transformed this once small company focused on a few consumer and specialty products into a much larger competitor, not only across a broader range of products, but also geographic territory. Consumer products now encompassed a broad array of personal care, deodorizing and cleaning, and laundry products while specialty products offerings were expanded to specialty chemicals, animal nutrition, and specialty cleaners. International consumer product sales, which were an insignificant portion of total revenue at the turn of the century, now accounted for 16% of sales. In the face of consumer products behemoths such as Clorox, Colgate-Palmolive, and Procter & Gamble, Church & Dwight had been able to

carve out a respectable position with several leading brands. Regardless, the firm was not a major market force and needed to evaluate its portfolio of 80 different consumer brands.

**Consumer Products**

Prior to its acquisition spree, the company’s growth strategy had been based on finding new uses for sodium bicarbonate. Using an overall family branding strategy to penetrate the consumer products market in the United States and Canada, Church & Dwight introduced additional products displaying the ARM & HAMMER logo. This logoed footprint remained significant as theARM & HAMMER brand controlled a commanding 85% of the baking soda market. By capitalizing on its easily recognizable brand name, logo, and established marketing channels, Church & Dwight moved into such related products as laundry detergent, carpet cleaners and deodorizers, air deodorizers, toothpaste, and deodorant/antiperspirants. This strategy worked well, allowing the company to promote multiple products using only one brand name, but it limited growth opportunities “. . . in highly competitive consumer product markets, in which cost efficiency, new product offering and innovation are critical to success.

From the company’s founding until 1970, it produced and sold only two consumer

products: ARM & HAMMER Baking Soda and a laundry product marketed under the name Super Washing Soda. In 1970, under Minton, Church & Dwight began testing the consumer products market by introducing a phosphate-free, powdered laundry detergent. Several other products, including a liquid laundry detergent, fabric softener sheets, an all-fabric bleach, tooth powder and toothpaste, baking soda chewing gum, deodorant/antiperspirants, deodorizers (carpet, room, and pet), and clumping cat litter have been added to the expanding list of ARM & HAMMER brands. However, simply relying on baking soda extensions and focusing on niche markets to avoid a head-on attack from competitors with more financial resources and marketing clout limited growth opportunities.

So, in the late 1990s, the company departed from its previous strategy of developing new product offerings in-house and bought several established consumer brands such as BRILLO, PARSONS Ammonia, CAMEO Aluminum & Stainless Steel Cleaner, RAIN DROPS water softener, SNO BOWL toilet bowl cleaner, and TOSS ’N SOFT dryer sheets from one of its competitors, the Dial Corporation. An even broader consumer product assortment including TROJAN, NAIR, and FIRST RESPONSE was added to the company’s mix of offerings with the acquisition of the consumer products business of Carter-Wallace in partnership with the private equity group, Armkel. The list of well-known brands was further enhanced with the acquisition of Crest’s SPINBRUSH, Coty’s line of ORAJEL products, and OXICLEAN, as well as other brands from Orange Glow International. In fact, acquisitions have been so important that seven of the company’s eight brands are the result of these moves. The company has achieved significant success in the consumer products arena, as can be seen in **Exhibit 5**.

Church & Dwight faced the same dilemma as other competitors in mature domestic and international markets for consumer products. New consumer products had to muscle their way into markets by taking market share from larger competitors’ current offerings. With the majority of company sales concentrated in the United States and Canada where sales were funneled through mass merchandisers, such as Wal-Mart (accounting for 22% of sales), supermarkets, wholesale clubs, and drugstores, it was well-equipped to gain market share with its low-cost strategy. In the international arena where growth was more product driven and less marketing sensitive, the company was less experienced. To compensate for this weakness, Church & Dwight relied on acquisitions and management changes to improve its international footprint

and reach.

With its new stable of products and expanded laundry detergent offerings, Church & Dwight found itself competing head-on with both domestic and international consumer product giants such as Clorox, Colgate-Palmolive, Procter & Gamble, and Unilever. The breadth of its expanded consumer product offerings, composed of 60% premium and 40% value brand names, can be seen in **Exhibit 6**.

According to Minton, as the company grew, “We have made every effort to keep costs under control and manage frugally.”10 A good example of this approach to doing business can be seen in the Armkel partnership. “Armkel borrowed money on a non-recourse basis so a failure would have no impact on Church & Dwight, taking any risk away from shareholders.

As mentioned previously, the remaining interest in Armkel was purchased in 2005. This

important move cleared the way to increase marketing efforts behind TROJAN, a brand which controlled 71% of the market.

As more and more products were added to the consumer line-up, Church & Dwight brought many of its marketing tasks in-house as well as stepping out with groundbreaking and often controversial marketing campaigns. The first major in-house marketing project was in dental care. Although it entered a crowded field of specialty dental products, Church & Dwight rode the crest of increasing interest by both dentists and hygienists in baking soda for maintaining dental health—enabling it to sneak up on the industry giants. The company moved rapidly from the position of a niche player in the toothpaste market to that of a major competitor.

In a groundbreaking marketing campaign that some considered controversial, the company aired commercials for condoms on prime-time television. “Church & Dwight executives said their new campaign was designed to shake people up, particularly those who don’t think they need to use condoms. Attempts were made to shock them out of complacency and grab their attention.”Other campaigns, such as when the Trojan brand advertised its own stimulus package at the same time as the federal stimulus package was enacted, stated, “because we believe we should ride out these hard times together.”A Valentine’s Day ad featuring condoms in place of candy in a heart-shaped box of chocolates continued to highlight the shock theme.

The company’s increasing marketing strength caught the attention of potential partners as is evidenced by its partnership with Quidel Corporation, a provider of point-of-care diagnostic tests, to meet women’s health and wellness needs. “The partnership combined Church & Dwight’s strength in the marketing, distribution and sales of consumer products with Quidel’s strength in the development and manufacture of rapid diagnostic tests.”16 Other product tie-ins, especially with ARM & HAMMER Baking Soda, have been created with air filter, paint, and vacuum cleaner bag brands.

For the most part, Church & Dwight’s acquired products and entries into the consumer products market have met with success. However, potential marketing problems may be looming on the horizon for its ARM & HAMMER line of consumer products. The company could be falling into the precarious line-extension snare. Placing a well-known brand name on a wide variety of products could cloud the brand’s image, leading to consumer confusion and loss of marketing pull. In addition, competition in the company’s core laundry detergent market continues to heat up as the market matures and sales fall with major retailers such as Wal-Mart and Target wringing price concessions from all producers. Will the addition of such well-known

brand names as ORAJEL, OXICLEAN, and SPINBRUSH continue the momentum gained from the XTRA, NAIR, TROJAN, and FIRST RESPONSE additions? Where would new avenues for consumer products’ growth come from?

**Specialty Products**

In addition to a large and growing stable of consumer products, Church & Dwight also has a very solid core of specialty products. The Specialty Products Division basically consists of the manufacture and sale of sodium bicarbonate for three distinct market segments: specialty chemicals, animal nutrition products, and specialty cleaners. Manufacturers utilize sodium bicarbonate performance products as a leavening agent for commercial baked goods; an antacid in pharmaceuticals; a chemical in kidney dialysis; a carbon dioxide release agent in fire extinguishers; and an alkaline in swimming pool chemicals, detergents, and various textile and tanning applications. Animal feed producers use sodium bicarbonate nutritional products predominantly as a buffer, or antacid, for dairy cattle feeds and make a nutritional

supplement that enhances milk production of dairy cattle. Sodium bicarbonate has also been used as an additive to poultry feeds to enhance feed efficiency.

“Church & Dwight has long maintained its leadership position in the industry through a strategy of sodium bicarbonate product differentiation, which hinges on the development of special grades for specific end users.”18 Management’s apparent increased focus on consumer products has only recently impacted the significance of specialty products in the overall corporate mix of revenues, as is shown in **Exhibit 7**.

Church & Dwight was in an enviable position to profit from its dominant niche in the sodium bicarbonate products market since it controlled the primary raw material used in its production. The primary ingredient in sodium bicarbonate is produced from the mineral trona, which is extracted from the company’s mines in southwestern Wyoming. The other ingredient, carbon dioxide, is a readily available chemical which can be obtained from a variety of sources. Production of the final product, sodium bicarbonate, for both consumer and specialty products is completed at one of the two company plants located in Green River, Wyoming, and Old Fort, Ohio.

The company maintained a dominant position in the production of the required raw materials for both its consumer and industrial products. It manufactures almost two-thirds of the sodium bicarbonate sold in the United States and, until recently, was the only U.S. producer of ammonium bicarbonate and potassium carbonate. The company has the largest share (approximately 75%) of the sodium bicarbonate capacity in the United States and is the largest consumer of baking soda as it fills its own needs for company-produced consumer and industrial products.

The Specialty Products Division focused on developing new uses for the company’s core product, sodium bicarbonate. Additional opportunities continue to be explored for ARMEX Blast Media. This is a sodium bicarbonate-based product used as a paint-stripping compound. It gained widespread recognition when it was utilized successfully for the delicate task of stripping the accumulation of years of paint and tar from the interior of the Statue of Liberty without damaging the fragile copper skin. It is now being considered for other specialized applications in the transportation and electronics industries and in industrial cleaning because of its apparent environmental safety.ARMEX also has been introduced into international markets.

Specialty cleaning products are found in blasting (similar to sand blasting applications) as well as many emerging aqueous-based cleaning technologies such as automotive parts cleaning and circuit board cleaning. Safety-Kleen and Church & Dwight teamed up through a 50-50 joint venture, ARMAKLEEN, to meet the parts cleaning needs of automotive repair shops. Safety-Kleen’s 2,800 strong sales and service team markets Church & Dwight’s aqueous-based cleaners as an environmentally friendly alternative to traditional solvent-based cleaners.

The company’sARMAKLEEN product is also used for cleaning printed circuit boards. This nonsolvent-based product may have an enormous potential market because it may be able to replace chlorofluorocarbon-based cleaning systems. Sodium bicarbonate also has been used to remove lead from drinking water and, when added to water supplies, coats the inside of pipes and prevents lead from leaching into the water. This market could grow in significance with additions to the CleanWater Bill. The search for new uses of sodium bicarbonate from pharmaceutical to environmental protection continues in both the consumer and industrial products divisions.

**International Operations**

Church & Dwight has traditionally enjoyed a great deal of success in North American markets and is attempting to gain footholds in international markets through acquisitions. The company’s first major attempt to expand its presence in the international consumer products market was with the acquisition of DeWitt International Corporation, which manufactured and marketed personal care products including toothpaste. The DeWitt acquisition not only provided the company with increased international exposure but also with much-needed toothpaste production facilities and technology. However, until the 2001 acquisition of the Carter-Wallace line of products, only about 10% of sales were outside the United States.

By 2009, 19% of revenue was derived from sales outside the United States. Most of the growth in international markets was being fueled by consumer products, as shown in **Exhibit 8**.

As the company cautiously moved into the international arena of consumer products, it also continued to pursue expansion of its specialty products into international markets. Attempts to enter international markets have met with limited success, probably for two reasons: (1) lack of name recognition and (2) transportation costs. Although ARM & HAMMER was one of the most recognized brand names in the United States (in the top 10), it did not enjoy the same name recognition elsewhere. In addition, on an historic basis, international transportation costs were at least four times as much as domestic transportation costs. However, export opportunities continued

to present themselves as 10% of all U.S. production of sodium bicarbonate was exported. While Church & Dwight dominated the United States sodium bicarbonate market, Solvay Chemicals was the largest producer in Europe and Ashi Glass was the largest producer in Asia. Although demand was particularly strong in Asia, “. . . little of the chemical produced in North America and Europe is exported to Asia because of prohibitive transportation costs.

**Streamlining**

Two significant projects were completed in 2009. One was the completion and start-up of a major new manufacturing facility and the other was the disposition of some non-core assets.

With the completion of a 1.1 million square foot manufacturing plant for laundry detergent, the company consolidated into one facility the functions that had previously been completed in five separate facilities with room to grow. This move took place in an industry facing slowing growth. Global laundry detergent sales had grown by 8% between 2003 and 2008, but were only forecast to grow by 3% between 2008 and 2013.

Although the company had made some minor asset sales in the past, the disposition in 2009 of five domestic and international consumer product brands acquired during the 2008 Del Laboratories transaction marked the first major jettisoning of non-core assets for the company. This was followed by the disposition of the Lambert Kay pet supplies line; then the BRILLO brand in March of 2010. These changes were just the beginning. To remain competitive in a volatile retail market with major competitors jockeying for shelf space and retailers seeking to rationalize their breadth of product offerings, more changes may be considered.

The core business and foundation on which the company was built remained the same after more than 160 years. However, as management looks to the future, can it successfully achieve a balancing act based on finding growth through expanded uses of sodium bicarbonate while assimilating a divergent group of consumer products into an expanding international footprint? Will the current portfolio of products continue to deliver the same results in the face of competitors who, unlike consumers, know the company and must react to its strategic and tactical moves?

**EXHIBIT 2 –** Consolidated Balance Sheets: Church & Dwight Co. Inc. (Dollars in thousands, except share and per share data)

|  |  |  |  |
| --- | --- | --- | --- |
| **Year Ending December 31st** | **2009** | **2008** | **2007** |
| **Assets**  Current assets  Cash and cash equivalents  Accounting receivable, less allowances  Inventories  Deferred income taxes  Prepaid expenses  Other current assets  **Total current assets**  Property, plant, and equipment, net  Notes receivable  Equity investment in affiliates  Long-term supply contracts  Trade names & other intangibles  Goodwill  Other assets  **Total assets**  **Liabilities and Stockholders’ Equity**  **Current liabilities**  Short-term borrowings  Accounts payable and accrued expenses  Current portion of long term debt  Income taxes payable  **Total current liabilities**  Long-term debt  Deferred income taxes  Deferred and other long-term liabilities  Pension, post retirement & benefits  Minority interest  **Total liabilities**  **Commitments and contingencies stockholders’ equity**  Preferred stock–$1.00 par value  Authorized 2,500,000 shares, none issued — — —  Common stock–$1.00 par value  Authorized 300,000,000 shares, issued 73,213,775 shares  Additional paid-in capital  Retained earnings  Accumulated other comprehensive income (loss)  Common stock in treasury, at cost:  2,664,312 shares in 2009 and 3,140,931 shares in 2008  **Total Church & Dwight Co. Inc. stockholders’ equity**  Noncontrolling interest  **Total stockholders’ equity**  **Total Liabilities and Stockholders’ Equity** | $ 447,143  222,158  216,870  20,432  11,444  10,218  **928,265**  455,636  -  12,815  -  794,891  838,078  88,761  **$3,118,446**  $ 34,895  332,450  184,054  15,633  **567,032**  597,347  201,256  112,440  38,599  -  **1,516,674**  73,214  276,099  1,275,117  10,078  (32,925)  **1,601,583**  189  **1,601,772**  **$ 3,118,446** | $ 197,999  211,194  198,893  15,107  10,234  31,694  **665,121**  384,519  -  10,061  -  810,173  845,230  86,334  **$2,801,438**  $ 3,248  310,622  71,491  1,760  **387,121**  781,402  171,981  93,430  35,799  -  **1,469,733**  73,214  252,129  1,063,928  (20,454)  (37,304)  **1,331,513**  192  **1,331,705**  **$ 2,801,438** | $ 249,809  247,898  213,651  13,508  9,224  1,263  **735,353**  350,853  3,670  10,324  2,519  665,168  688,842  75,761  **$2,532,490**  $ 115,000  303,071  33,706  6,012  **457,789**  707,311  162,746  87,769  36,416  194  **1,452,225**  69,991  121,902  891,868  39,128  (42,624)  -  -  **1,080,265**  **$ 2,532,490** |

**EXHIBIT 3 -** Business Segment Results: Church & Dwight Co. Inc.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consumer**  **Domestic** | **Consumer**  **International** | **Specialty Products** | **Corporate Total** | **Net Sales** |
| **Net Sales** |  |  |  |  |  |
| 2009 | $1,881,748 | $393,696 | $245,478 | - | $2,520,922 |
| 2008 | 1,716,801 | 420,192 | 285,405 | - | 2,422,398 |
| 2007 | 1,563,895 | 398,521 | 258,524 | - | 2,220,940 |
|  |  |  |  |  |  |
| **Income Before**  **Income Taxes** |  |  |  |  |  |
| 2009 | $325,633 | $38,562 | $15,991 | $12,050 | $392,236 |
| 2008 | 236,956 | 34,635 | 25,335 | 11,334 | 308,260 |
| 2007 | 205,688 | 34,656 | 16,351 | 8,236 | 264,931 |

**EXHIBIT 4 -** Key Officers: Management Positions and Tenure with Church & Dwight Co. Inc.

|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Age** | **Position** | **Anniversary Date** |
| James R. Cragie | 56 | President & Chief Executive Officer | 2004 |
| Jacquelin J. Brova | 56 | Executive Vice President, Human Resources | 2002 |
| Mark G. Conish | 57 | Executive Vice President, Global Operations | 1975 |
| Steven P. Cugine | 47 | Executive Vice President, Global New Products Innovation | 1999 |
| Matthew T. Farrell | 53 | Executive Vice President Finance and Chief Financial Officer | 2006 |
| Bruce F. Fleming | 52 | Executive Vice President and Chief Marketing Officer | 2006 |
| Susan E. Goldy | 55 | Executive Vice President, General Counsel and Secretary | 2003 |
| Adrian J. Huns | 61 | Executive Vice President, President International Consumer Products | 2004 |
| Joseph A. Sipia Jr. | 61 | Executive Vice President, President, and Chief Operating Officer, Specialty Products Division | 2002 |
| Paul A. Siracusa | 53 | Executive Vice President, Global Research and  Development | 2005 |
| Louis H. Tursi | 49 | Executive Vice President, Domestic Consumer Sales | 2004 |
| Steven J. Katz | 52 | Vice President, Controller and Chief Accounting Officer | 1986 |

**EXHIBIT 5 -** Market Position of Key Church & Dwight Co. Inc. Brands

**Brand Name Market Position**

ARM & HAMMER In 9 out of 10 households in America

TROJAN #1 condom brand

OXICLEAN #1 laundry additive brand

SPINBRUSH #1 battery-powered toothbrush brand

FIRST RESPONSE #1 branded pregnancy kit

NAIR #1 depilatory brand

ORAJEL #1 oral care pain relief brand

XTRA Leading deep value laundry detergent

**EXHIBIT 6 -** Key Church & Dwight Co. Inc. Brand Names

**Type of Product Key Brand Names**

*Household* ARM & HAMMER Pure Baking Soda

ARM & HAMMER Carpet & Room Deodorizers

ARM & HAMMER Cat Litter Deodorizer

ARM & HAMMER Clumping Cat Litters

BRILLO Soap Pads

SCRUB FREE Bathroom Cleaners

CLEAN SHOWER Daily Shower Cleaner

CAMEO Aluminum & Stainless Steel Cleaner

SNO BOWL Toilet Bowl Cleaner

ARM & HAMMER and XTRA Powder and Liquid Laundry Detergents

XTRA and NICE ‘N FLUFFY Fabric Softeners

ARM & HAMMER FRESH ‘N SOFT Fabric Softeners

DELICARE Fine Fabric Wash

ARM & HAMMER Super Washing Soda

OXICLEAN Detergent and Cleaning Solution

KABOOM Cleaning Products

ORANGE GLO Cleaning Products

*Personal Care* ARM & HAMMER Toothpastes

SPINBRUSH Battery-operated Toothbrushes

MENTADENT Toothpaste, Toothbrushes

AIM Toothpaste

PEPSODENT Toothpaste

CLOSE-UP Toothpaste

PEARL DROPS Toothpolish and Toothpaste

RIGIDENT Denture Adhesive

ARM & HAMMER Deodorants & Antiperspirants

ARRID Antiperspirants

LADY’S CHOICE Antiperspirants

TROJAN Condoms

NATURALAMB Condoms

CLASS ACT Condoms

FIRST RESPONSE Home Pregnancy and Ovulation Test

ANSWER Home Pregnancy and Ovulation Test Kits

NAIR Depilatories, Lotions, Creams, and Waxes

CARTERS LITTLE PILLS Laxative

ORAJEL Oral Analgesics

**EXHIBIT 7 -** Revenues by Product Category as a Percent of Net Sales: Church & Dwight Co. Inc.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** |
| *Consumer domestic Household* | 47 | 45 | 45 | 43 | 41 | 47 |
| Personal care | 27 | 26 | 28 | 28 | 29 | 27 |
| Consumer International | 16 | 17 | 17 | 17 | 17 | 12 |
| Specialty products | 10 | 12 | 12 | 11 | 13 | 14 |
| **Total** | **100** | **100** | **100** | **100** | **100** | **100** |

**EXHIBIT 8 –** International Markets for Church & Dwight Co. Inc. Products

|  |  |  |
| --- | --- | --- |
| **Canada** | **France** | **United Kingdom** |
| (36% of International Sales) | (20% of International Sales) | (16% of International Sales) |
| Antiperspirants | Baby Care | Antiperspirants |
| Baking Soda | Depilatories | Baking Soda |
| Bathroom Cleaners | Diagnostics | Depilatories |
| Carpet & Room Deodorizer | Feminine Hygiene | Feminine Hygiene |
| Condoms | OTC Products | Pregnancy Kits |
| Depilatories | Skin Care | Skin Care |
| Gum | Toothpaste | Toothpaste |
| OTC Products |  | Toothpolish |
| Pregnancy Kits |  |  |
| Toothpaste |  |  |
| **Mexico** | **Middle East** | **Australia** |
| Baking Soda | Baking Soda | Baby Care |
| Brillo | Bathroom Cleaners | Depilatories |
| Condoms | Brillo | OTC Products |
| Depilatories | Carpet & Room Deodorizer | Pregnancy Kits |
| Gum | Fabric Softener | Toothpolish |
| OTC Products | Gum |  |
| Pregnancy Kits | Toothpaste |  |
| Toothpaste |  |  |
| Toothpolish |  |  |
| **Korea** | **Eastern Europe** | **Germany** |
| Baking Soda | Antiperspirant | Pregnancy Kits |
| Gum | Baking Soda | Toothpolish |
| Pet Care | Toothpaste |  |
| Toothpaste |  |  |
| **Spain** | **Japan** |  |
| Depilatories | Baking Soda |  |
| Skin Care |  |  |
|  |  |  |