

GRACO INC
Form 8-K
March 20, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **March 13, 2003**

Graco Inc.

(Exact name of registrant as specified in its charter)

Minnesota

(State of Incorporation)

001-9249

(Commission File No.)

41-0285640

(I.R.S. Employer
Identification No.)

**88-11th Avenue Northeast
Minneapolis, Minnesota**

(Address of principal executive offices)

55413

(Zip Code)

(612) 623-6000

(Registrant's telephone number)

Item 5. Other Events

On March 13, 2003, the Company entered into a Stock Purchase Agreement (the Purchase Agreement) pursuant to which the Company purchased 2.2 million shares of common stock of the Company (the Stock) held by David A. Koch, a director of the Company and the former Chairman and Chief Executive Officer; Barbara G. Koch, his wife; and a family trust and family foundation. The purchase price was \$24.89 per share, which represented a discount of 5.5% from the average closing price of the Stock on the New York Stock Exchange on the 10 trading days ending on Friday, March 7, 2003, the day the parties reached an agreement in principal. The Company used available cash to fund the \$54.8 million repurchase.

After the Company completed the purchase of these shares, approximately 45.4 million shares of Stock remained outstanding.

The foregoing description of the Purchase Agreement is qualified in its entirety by reference to the text of the Purchase Agreement, which is attached as an exhibit to this report and is incorporated herein by reference.

Item 7. Exhibits

- 10.1 Stock Purchase Agreement dated March 13, 2003 between Graco Inc. and David A. Koch, Barbara Koch, Paul M. Torgerson and U.S. Bank Trust National Association SD, as Trustees of the Trust administered pursuant to Article V of the Last Will and Testament and Codicil thereto of Clarissa L. Gray deceased, and Greycoach Foundation.
- 99. Press Release Dated March 10, 2003
- 99.1 Press Release Dated March 13, 2003

Signature

Pursuant to the requirements 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.

GRACO INC.

Date: March 20, 2003

By: \Robert M. Mattison

ITS: Vice President, General Counsel and Secretary