

PATRICK INDUSTRIES INC

Form S-3/A

May 19, 2008

As filed with the Securities and Exchange Commission on May 19, 2008

Registration No. 333-146824

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 4

to

FORM S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

\_\_\_\_\_  
PATRICK INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

**Indiana**

(State or other jurisdiction of  
incorporation or organization)

**35-1057796**

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

**107 W. Franklin Street**

**Elkhart, IN 46515**

**(574) 294-7511**

(Address, including zip code, and telephone number,

including area code, of registrant's principal executive offices)

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**Andy L. Nemeth**  
**Executive Vice President-Finance and Chief Financial Officer**  
**107 W. Franklin St.**  
**Elkhart, IN 46515**  
**Telephone: (574) 294-7511**

(Name, address, including zip code, and telephone number,  
including area code, of registrant's agent for service)

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*Copy to:*

**Robert A. Schreck, Jr.**

**Heidi J. Steele**  
**McDermott Will & Emery LLP**  
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**Chicago, IL 60606**

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*Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.*

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If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, please check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, please check the following box.

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### CALCULATION OF REGISTRATION FEE

<b>Title of each class of securities</b>	<b>Amount to be registered</b>	<b>Proposed maximum offering price per share</b>	<b>Proposed maximum aggregate offering price</b>	<b>Amount of registration fee</b>
Common Stock, without par value	1,850,000	\$7.00	\$12,950,000 (1)	\$508.94 (2)
Rights to Purchase Common Stock, without par value	(3)		\$0.00(4)	\$0.00(4)

(1) Represents the aggregate gross proceeds from the exercise of the maximum number of rights that may be issued.

(2) The registrant paid a registration fee of \$415 when it filed the registration statement with the Securities and Exchange Commission on October 19, 2007 and will pay the \$93.94 difference upon the filing of this amendment.

(3) Evidencing the right to subscribe to 1,850,000 shares of common stock, without par value.

(4) The rights are being issued for no consideration.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), shall determine.**

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**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell, and we are not soliciting an offer to buy, these securities in any state where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED MAY 19, 2008**

**Prospectus**

**PATRICK INDUSTRIES, INC.**

**Rights to Purchase up to 1,850,000 Shares of Common Stock**

We are distributing, at no cost to holders of our common stock, non-transferable subscription rights to purchase an aggregate of 1,850,000 shares of our common stock. You will receive one subscription right for every share of common stock owned on \_\_\_\_\_, 2008, the record date. Each subscription right entitles you to purchase 0.2580693 of a share of common stock at the subscription price of \$7.00 per whole share.

The subscription rights are exercisable beginning on the date of this prospectus and will expire if they are not exercised by 5:00 p.m., New York City time, on \_\_\_\_\_, 2008 (the expiration date ). We may extend the period for exercising rights in our sole discretion. If you wish to purchase shares, you should submit your subscription documents to the subscription agent, National City Bank, before that deadline or to your broker or bank at least 10 days before that deadline. Please see page 26 for further instructions for submitting subscriptions. All subscriptions will be held in escrow by the subscription agent through the expiration of the rights offering. You should carefully consider whether to exercise your subscription rights before expiration of the rights offering. Our board of directors has not made any recommendation regarding your exercise of the subscription rights. We reserve the right to cancel the rights offering at any time. The subscription rights may not be sold or transferred.

We will not issue fractional shares. If the number of subscription rights you receive would otherwise permit you to purchase a fraction of a share, the number of shares that you may purchase will be rounded down to the nearest whole share.

Concurrently with this registered rights offering, we are distributing in a private placement with two of our shareholders, Tontine Capital Partners, L.P. and its affiliate, Tontine Capital Overseas Master Fund, L.P. (collectively, Tontine Capital ), subscription rights to purchase 895,007 shares of our common stock, representing Tontine Capital 's pro rata portion of the total 1,850,000 shares offered in the rights offering, at the same \$7.00 subscription price. The 1,850,000 shares referred to herein include the 895,007 shares to be issued in this separate private placement upon the exercise of the subscription rights being distributed to Tontine Capital. If any rights remain unexercised after the closing of the rights offering, Tontine Capital also has agreed, pursuant to a Standby Purchase Agreement with us, dated March 10, 2008, as amended on April 8, 2008 (the Standby Purchase Agreement ), and subject to certain conditions and limitations, to purchase all of the shares of our common stock not subscribed for in the rights offering by our other shareholders at a price per share equal to the rights offering subscription price of \$7.00 per whole share. We intend to amend the Form S-3 resale registration statement that was filed with the Securities and Exchange Commission (the SEC ) on August 14, 2007 and declared effective on December 28, 2007, to register the additional shares purchased by Tontine Capital both upon exercise of their subscription rights and pursuant to the Standby Purchase Agreement. On May 16, 2008, Tontine Capital held approximately 48.4% of our outstanding common stock.

The issuance and sale of shares of common stock pursuant to the rights offering and the Standby Purchase Agreement and the transactions contemplated thereunder are subject to, among other things, the approval of our shareholders at the Company 's adjourned annual meeting of shareholders to be held on May 22, 2008 (the annual meeting ). If the issuance and sale of our common stock pursuant to this rights offering and the Standby Purchase Agreement and the transactions contemplated thereby are not approved at the annual meeting, then the rights offering will be cancelled. The shares are being offered directly by us without the services of an underwriter or selling agent.

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Our common stock is listed on The Nasdaq Global Market ( Nasdaq ) under the symbol PATK. The subscription price of \$7.00 per share is 7.7% higher than the closing price of our common stock of \$6.50 on May 16, 2008.

**Investing in our common stock involves significant risk. See Risk Factors beginning on page 13 of this prospectus for a discussion of certain risks you should consider before exercising your subscription rights.**

	<b>Price Per Share</b>	<b>Proceeds to Patrick Industries, Inc.</b>
Offering Price to Shareholders	\$7.00	\$12,950,000 (1)

(1) Before deduction of estimated expenses of \$300,509, including accounting fees, legal fees, printing expenses and other miscellaneous expenses.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is , 2008

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No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this prospectus and, if given or made, such information or representation must not be relied upon as having been authorized by the Company. Neither the delivery of this prospectus nor any sale made hereunder or thereunder shall, under any circumstances, create an implication that the information contained herein is correct as of any date subsequent to the date hereof or thereof or that there has been no change in the affairs of the Company since the date hereof or thereof. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy securities in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Unless otherwise indicated or the context otherwise requires in this prospectus:

the terms Patrick, we, us, our, and the Company refer to Patrick Industries, Inc. and its subsidiaries;

all references to fiscal years, when used with respect to Patrick, refer to our fiscal years which end on December 31. For example, a reference to fiscal 2007 means the twelve month period that ended December 31, 2007; and currency amounts are stated in United States dollars ( \$, dollars, or U.S. \$ ).

## QUESTIONS AND ANSWERS RELATING TO THE RIGHTS OFFERING

*The following are examples of what we anticipate will be common questions about the rights offering. The answers are based on selected information from this prospectus and the documents incorporated by reference herein. The following questions and answers do not contain all of the information that may be important to you and may not address all of the questions that you may have about the rights offering. This prospectus and the documents incorporated by reference herein contain more detailed descriptions of the terms and conditions of the rights offering and provide additional information about us and our business, including potential risks related to the rights offering, the common stock of the Company, and our business.*

**Exercising the rights and investing in our common stock involves significant risks. We urge you to carefully read the section entitled Risk Factors beginning on page 13 of this prospectus and the section entitled Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2007, and all other information included or incorporated herein by reference in this prospectus in its entirety before you decide whether to exercise your rights.**

### **What is the rights offering?**

We are distributing at no cost to holders of our common stock as of 5:00 p.m., New York City time, on \_\_\_\_\_, 2008, the record date, subscription rights to purchase shares of our common stock. You will receive one subscription right for each share of common stock you own at the close of business on the record date. Each subscription right entitles a shareholder to purchase 0.2580693 of a share of common stock for the subscription price of \$7.00 per whole share. Each right will be evidenced by a rights certificate.

### **How many shares may I purchase, if I exercise my rights?**

We are distributing to you, as a shareholder of record on the record date, one subscription right for each share of our common stock you own at that time. Each right entitles you to purchase 0.2580693 of a share of common stock at the subscription price of \$7.00 per whole share. For example, if you owned 1,000 shares of our common stock on the record date and you were granted one right for each share of our common stock you owned at that time, then you have the right to purchase 258 shares of common stock for \$7.00 per share. You may exercise any number of whole subscription rights, or you may choose not to exercise any subscription rights.

If you hold your shares in the name of a broker, bank, or other nominee who uses the services of the Depository Trust Company, or DTC, then DTC will issue one right to the nominee for each share of our common stock you own at the record date. Each right can then be used to purchase 0.2580693 of a share of common stock for \$7.00 per share. As in the example above, if you owned 1,000 shares of our common stock on the record date, you would have the right to purchase 258 shares of common stock for \$7.00 per share.

We will not issue fractional shares. If the number of subscription rights you receive would otherwise permit you to purchase a fraction of a share, the number of shares that you may purchase will be rounded down to the nearest whole share. Any excess subscription payments received by the subscription agent will be refunded, without interest, as soon as practicable.

### **Why are we conducting the rights offering?**

We are conducting the rights offering to raise equity capital in order to prepay the approximately \$7.1 million in principal amount that remains outstanding of the \$13,975,000 in original principal amount of the Company's 9.5% Senior Subordinated Promissory Notes (the Senior Notes) owing to Tontine Capital that was provided by Tontine Capital to fund, in part, our acquisition of Adorn Holdings, Inc. in May 2007 (the Adorn Acquisition). We will use the net proceeds from the rights offering to prepay the Senior Notes in full, pay related accrued interest, and reduce borrowings under our senior secured credit facility. Under our senior secured credit facility, lenders will permit the Senior Notes to be prepaid only with the proceeds of new equity. The rights offering will strengthen our financial condition by allowing us to prepay our Senior Notes and reduce borrowings under our senior secured credit facility, thereby increasing our financial flexibility and cash flow. A rights offering also



provides our shareholders the opportunity to participate in this transaction and thereby maintain their proportionate ownership interest in the Company, compared to the ownership dilution that could result if we pursued a different form of equity financing. On May 18, 2008, the interest rate on the Senior Notes will increase to 13.5%. If we are obligated to pay the increased interest rate for an extended period of time, our financial condition may be adversely affected. If we are unable to complete the rights offering, we may be required to seek alternative sources of equity capital to prepay the Senior Notes, which may not be available on commercially reasonable terms, if at all.

**What is the role of Tontine Capital in this offering?**

In connection with the rights offering, we have entered into the Standby Purchase Agreement with Tontine Capital. Subject to the terms and conditions of the Standby Purchase Agreement, we are obligated to sell in a private placement, and Tontine Capital is obligated to purchase from us, (i) its pro rata portion of the shares offered in the rights offering, and (ii) any and all shares of our common stock issuable upon the exercise of any rights that remain unexercised by other shareholders at the closing of the rights offering subscription period. The price per share paid by Tontine Capital for such common stock will be equal to the \$7.00 subscription price per share in the rights offering. We intend to amend the Form S-3 resale registration statement that was filed with the SEC on August 14, 2007, and declared effective on December 28, 2007, to register the additional shares purchased by Tontine Capital, both upon the exercise of their subscription rights in the rights offering and pursuant to the Standby Purchase Agreement. Tontine Capital did not receive any compensation for entering into the Standby Purchase Agreement.

On May 16, 2008, Tontine Capital owned approximately 48.4% of our common stock. If no shareholder other than Tontine Capital subscribes for shares offered in the rights offering and Tontine Capital purchases all unsubscribed shares pursuant to its obligations as set forth in the Standby Purchase Agreement, Tontine Capital's ownership will be approximately 59% of our outstanding common stock after the rights offering. We have agreed to amend our Rights Agreement (as defined below) to permit Tontine Capital to acquire an unlimited amount of our outstanding common stock. For additional detail regarding our Rights Agreement, see the section of this prospectus entitled "Description of Capital Stock Shareholder Rights Agreement" on page 32.

**How was the subscription price of \$7.00 per share determined?**

Our board of directors determined the \$7.00 per share subscription price after considering the likely cost of capital from other sources, negotiations with Tontine Capital as standby purchaser, historical and current trading prices for our common stock, and our desire to prepay the Senior Notes as soon as practicable following the increase in interest rate on May 18, 2008. The \$7.00 per share price is equal to the price paid by Tontine Capital for the 1,125,000 shares issued to Tontine Capital in a private placement on March 12, 2008, the proceeds of which were used to prepay, in part, principal on the Senior Notes and to pay related accrued interest. The board also sought to provide an incentive to shareholders to participate in the rights offering by setting the subscription price below the market price at the time. On March 10, 2008, for example, when we executed the Standby Purchase Agreement with Tontine Capital, the \$7.00 per share subscription price represented a 14.9% discount to the closing price of our common stock on that date of \$8.23. On May 16, 2008, however, the subscription price of \$7.00 per share was 7.7% higher than the \$6.50 closing price of our common stock on that date. The subscription price does not necessarily bear any relationship to the book value of our assets, net worth, past operations, cash flows, profits and losses, financial condition or any other established criteria used to value securities. You should not consider the subscription price to be an indication of the fair value of the common stock to be offered in the rights offering.

**Am I required to exercise all of the rights I receive in the rights offering?**

**Am I required to exercise my rights, if I voted to approve the rights offering and Standby Purchase Agreement at the annual meeting?**

No. If you voted to approve the rights offering at the annual meeting, you are not obligated to participate in the rights offering. You should make an independent investment decision about whether or not to exercise your rights.

**How soon must I act to exercise my rights?**

The rights may be exercised beginning on the effective date of this prospectus through the expiration date, which is \_\_\_\_\_, 2008, at 5:00 p.m., New York City time, unless extended by us. If you elect to exercise any rights, the subscription agent must actually receive all required documents and payments from you or your broker or nominee at or before the expiration date, unless you are following the guaranteed delivery procedures. If you are following the guaranteed delivery procedures, the subscription agent must receive your Notice of Guaranteed Delivery at or before the expiration date and all required documents and payments by 5:00 p.m., New York City time, on the third business day after the expiration date. Your payment will be considered received by the subscription agent only upon clearance of any uncertified check deposited by the subscription agent; receipt by the subscription agent of any certified check, cashier's check or bank draft drawn upon a U.S. bank, any express money order or any wire transfer; or receipt of collected funds in the subscription agent's account as of 5:00 p.m., New York City time, on the expiration date, or if you are following the guaranteed delivery procedures, as of 5:00 p.m., New York City time, on the third business day after the expiration date. Although we have the option of extending the expiration date of the subscription period, we currently do not intend to do so.

**When will I receive my subscription rights?**

Promptly after the date of this prospectus, the subscription agent will send a subscription rights certificate to each registered holder of our common stock as of 5:00 p.m., New York City time, on the record date, based on our shareholders registry maintained at the transfer agent for our common stock. If you hold your shares of common stock through a brokerage account, bank or other nominee, you will not receive an actual subscription rights certificate. Instead you will receive an election form sent by your broker, bank or other nominee. As described in this prospectus, you must complete this form to instruct your broker, bank or nominee whether or not to exercise rights on your behalf. If you wish to obtain a separate subscription rights certificate, you should promptly contact your broker, bank or other nominee and request a separate subscription rights certificate. It is not necessary to have a physical subscription rights certificate to elect to exercise your rights.

**May I transfer my rights?**

No. Should you choose not to exercise your subscription rights, you may not sell, give away or otherwise transfer your subscription rights.

**Is there a minimum subscription to complete the rights offering?**

No, there is no minimum subscription to complete the rights offering.

**Can our board of directors cancel, amend or extend the rights offering?**

Yes. Our board of directors may decide to cancel or terminate the rights offering at any time before the expiration of the rights offering and for any reason. If our board of directors cancels or terminates the rights offering, we will issue a press release notifying shareholders of the cancellation or termination, and any money received from subscribing shareholders will be returned, without interest or deduction, as soon as practicable.

We may amend the terms or extend the subscription period of the rights offering. If we amend the terms of the rights offering in a manner that we, in our sole discretion, deem material, we will issue a press release and mail notice to all shareholders, extend the expiration date by at least 10 days and give you the right to cancel your subscription. The period for exercising your subscription rights may be extended by our board of directors, although

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we do not presently intend to do so. The extension of the expiration date will not, in and of itself, be treated as a material amendment for these purposes.

### **Has our board of directors made a recommendation to our shareholders regarding the exercise of rights under the rights offering?**

Our board of directors has not made any recommendation to shareholders regarding the exercise of rights under the rights offering. You should make an independent investment decision about whether or not to exercise your rights.

Shareholders who exercise rights risk investment loss on new money invested. As of the date of this prospectus, the market price for our common stock was below the subscription price of \$7.00. The market price for our common stock fluctuates and may be higher or lower than the subscription price when you decide whether to participate in the rights offering. If you participate in the rights offering, we cannot assure that you will be able to sell those shares in the future at the same price or a higher price. If you do not exercise your rights, you will lose any value represented by your rights and your percentage ownership interest in our company will be diluted. For more information on the risks of participating in the rights offering, see the section of this prospectus entitled "Risk Factors" on page 13.

### **How do I exercise my rights? What forms and payment are required to purchase the shares of common stock?**

If you wish to participate in the rights offering, you must take the following steps, unless your shares are held by a broker, bank or other nominee:

deliver payment to the subscription agent using the methods outlined in this prospectus before 5:00 p.m., New York City time, on \_\_\_\_\_, 2008, unless extended; and

deliver a properly completed subscription rights certificate to the subscription agent before 5:00 p.m., New York City time, on \_\_\_\_\_, 2008, unless extended.

Your payment will be considered received by the subscription agent only upon clearance of any uncertified check deposited by the subscription agent; receipt by the subscription agent of any certified check, cashier's check or bank draft drawn upon a U.S. bank, any express money order or any wire transfer; or receipt of collected funds in the subscription agent's account before 5:00 p.m., New York City time, on the expiration date.

If you cannot deliver your rights certificate to the subscription agent prior to the expiration of the rights offering, you may follow the guaranteed delivery provisions described under "The Rights Offering - Guaranteed Delivery Procedures" on page 30.

If you send a payment that is insufficient to purchase the number of shares you subscribed for, or if the number of shares you wish to subscribe for is not specified in the forms, the payment received will be applied to exercise your subscription rights to the fullest extent possible based on the amount of payment received, subject to the elimination of fractional shares. If the payment exceeds the subscription price for the full exercise of your subscription rights (to the extent specified by you), the excess will be refunded to you as soon as practicable. You will not receive interest on any payments refunded to you under the rights offering.

### **What should I do, if I want to participate in the rights offering, but my shares are held in the name of my broker, bank or other nominee?**

If you hold your shares of our common stock in the name of a broker, bank or other nominee, then your broker, bank or other nominee is the record holder of the shares you own. The record holder must exercise the rights on your behalf for the shares of common stock you wish to purchase.

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If you wish to participate in the rights offering and purchase shares of common stock, please promptly contact the record holder of your shares. We will ask your broker, bank or other nominee to notify you of the rights offering and to send to you an election form for exercising your rights. You should receive this form from your record holder with the other rights offering materials.

### **When will I receive my new shares?**

If you purchase shares of our common stock in the rights offering, you will receive your new shares as soon as practicable after the closing of the rights offering.

### **After I send in my payment and rights certificate, may I change or cancel my exercise of rights?**

No. Unless we give you a right of cancellation as a result of a material (as determined by us in our sole discretion) change to the terms of the rights offering, all exercises of rights are irrevocable, even if you later learn information that you consider to be unfavorable to the exercise of your rights. You should not exercise your rights, unless you are certain that you wish to purchase additional shares of our common stock at a price of \$7.00 per share.

### **How much money will the Company receive from the rights offering?**

If we sell all 1,850,000 shares being offered in the rights offering, we will receive proceeds of \$12,950,000 before deducting the related offering expenses. While we are offering shares in the rights offering with no minimum purchase requirement, Tontine Capital has, subject to certain conditions and limitations, agreed to purchase all of the shares of our common stock not subscribed for in the rights offering by other shareholders at a price per share equal to the rights offering subscription price. Accordingly, even if Tontine Capital is the only participant in the rights offering, we expect to receive proceeds from the rights offering of \$12,950,000.

See the sections of this prospectus entitled *Use of Proceeds* and *The Rights Offering Standby Purchase Agreement* on pages 20 and 24, respectively.

### **Are there risks in exercising my subscription rights?**

Yes. The exercise of your subscription rights involves significant risk. Exercising your subscription rights means buying additional shares of our common stock and should be considered as carefully as you would consider any other equity investment. You should carefully read the section entitled *Risk Factors* beginning on page 13 of this prospectus and the section entitled *Risk Factors* in our Annual Report on Form 10-K for the year ended December 31, 2007, and all other information included or incorporated herein by reference in this prospectus in its entirety before you decide whether to exercise your rights.

### **How many shares of common stock will be outstanding after the rights offering?**

On May 16, 2008, there were 7,168,618 shares of common stock issued and outstanding. Based upon the 1,850,000 shares to be issued pursuant to the rights offering, we would have 9,018,618 shares of common stock outstanding after the closing of the rights offering.

### **If the rights offering is not completed, will my subscription payment be refunded to me?**

Yes. The subscription agent will hold all funds it receives in a segregated bank account until completion of the rights offering. If the rights offering is not completed, we will instruct the subscription agent to return your payment in full. If you own shares in *street name*, it may take longer for you to receive payment, because the subscription agent will send payments through the record holder of your shares. You will not be credited interest on any payments refunded to you in the rights offering.



**Will the rights be listed on a stock exchange or national market?**

The rights may not be sold, transferred or assigned and will not be listed on Nasdaq or any other stock exchange or national market. Our common stock will continue to trade on Nasdaq under the symbol PATK, and the shares to be issued to you in connection with the rights offering will be eligible for trading on Nasdaq.

**What fees or charges apply, if I purchase shares of common stock?**

We are not charging any fee or sales commission to issue rights to you or to issue shares to you if you exercise your rights. If you exercise your rights through the record holder of your shares, you are responsible for paying any fees your record holder may charge you.

**What are the U.S. federal income tax consequences of exercising rights?**

A holder should not recognize income or loss for U.S. federal income tax purposes in connection with the receipt or exercise of subscription rights in the rights offering. You should consult your tax advisor as to the particular consequences to you of the rights offering. For a more detailed discussion, see U.S. Federal Income Tax Considerations on page 35.

**To whom should I send my forms and payment?**

If your shares are held in the name of a broker, bank or other nominee, then you should follow the instructions you receive from that record holder with regard to exercising your subscription rights. If you are the record holder, you should deliver your rights certificate, payment of the subscription price (unless you decide to wire your payment) and any notices of guaranteed delivery to National City Bank, which is acting as our subscription agent, by first-class mail to:

National City Bank

c/o The Colbent Corp.

P.O. Box 859208

Braintree, MA 02185-9208

or by hand, express mail, or overnight courier to:

National City Bank

c/o The Colbent Corp.

161 Bay State Drive

Braintree, MA 02184

Your delivery to an address other than the addresses set forth above will not constitute valid delivery.

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Payment of the subscription price by wire transfer may be made as provided under The Rights Offering - Method of Payment of Subscription Price on page 27.

You are solely responsible for completing delivery to the subscription agent of your subscription documents, rights certificate, and payment. We urge you to allow sufficient time for delivery of your subscription materials to the subscription agent.

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## PROSPECTUS SUMMARY

This summary highlights important features of this offering and the information included or incorporated by reference in this prospectus. This summary does not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus and any documents incorporated by reference carefully.

**Exercising the rights and investing in our common stock involves significant risks. We urge you to carefully read the section entitled Risk Factors beginning on page 13 of this prospectus and the section entitled Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2007, and all other information included or incorporated by reference in this prospectus in its entirety before you decide whether to exercise your rights.**

### Our Business

Patrick Industries, Inc., which was founded in 1959 and incorporated in 1961, is a leading manufacturer and supplier of building products and materials to the manufactured housing and recreational vehicle industries. In addition, we are a supplier to certain other industrial markets, such as kitchen cabinet, furniture manufacturing, office furniture, commercial fixtures and furnishings, marine, architectural, and the automotive aftermarket. We manufacture a variety of products including decorative vinyl and paper panels, wrapped mouldings, stiles and battens, hardwood, foil and membrane pressed cabinet doors, drawer sides, slotwall and slotwall components, components for electronic desks, countertops, aluminum extrusions, and printed decorative vinyl and paper. We are also an independent wholesale distributor of pre-finished wall and ceiling panels, drywall and drywall finishing products, Beauflor resilient flooring and other flooring products, particleboard, vinyl and cement siding, interior passage doors, roofing products, high pressure laminates, decorative mirrors and glass, insulation, and other related products.

We have a nationwide network of manufacturing and distribution centers for our products, thereby reducing in-transit delivery time and cost to the regional manufacturing plants of our customers. We believe that we are one of the few suppliers to the manufactured housing and recreational vehicle industries that has such a nationwide network. We maintain six manufacturing plants and a distribution facility near our principal offices in Elkhart, Indiana, and operate eleven other warehouse and distribution centers and ten other manufacturing plants in thirteen other states.

In January 2007, we acquired the net assets of American Hardwoods, Inc., a distributor of hardwood products to the commercial and industrial markets located in Phoenix, Arizona. American Hardwoods supplies industrial wood products, including hardwood plywood, hardwood lumber, thermo-fused melamine and particleboard to the kitchen cabinet, office furniture, commercial fixture, home furniture, and garage cabinet industries. American Hardwoods also supplies roll lamination products which directly complement our current lamination product lines.

In May 2007, we acquired all of the outstanding capital stock of Adorn Holdings, Inc., an Elkhart Indiana based manufacturer and supplier of laminated wall paneling, cabinet doors, printed decorative vinyl and papers, slotwall and slotwall components, and other interior components to the recreational vehicle, manufactured housing, and other industrial markets.

For a more comprehensive overview of our business strategy, we refer you to Item 1 of our Annual Report on Form 10-K and Form 10-K/A for the fiscal year ended December 31, 2007, which is hereby incorporated by reference.



**Summary of the Rights Offering**

<b>Subscription Right</b>	If you are a holder of record of our common stock at the close of business on _____, 2008, we are distributing to you, at no cost, one non-transferable subscription right to purchase 0.2580693 of a share of our common stock for every share of common stock you own.
<b>Subscription Price</b>	\$7.00 per share in cash.
<b>Market Price</b>	On May 16, 2008, the last reported sale price of our common stock on Nasdaq was \$6.50 per share.
<b>Common Stock Outstanding after Rights Offering</b>	Assuming all rights are exercised, an aggregate of approximately 1,850,000 shares will be sold. When these shares are added to the 7,168,618 shares of common stock outstanding on May 16, 2008, we would have a total of 9,018,618 shares of common stock outstanding after the rights offering.
<b>Non-Transferability of Rights</b>	The rights may be exercised only by the persons to whom they are granted and may not be sold, given away or otherwise transferred.
<b>Record Date</b>	_____, 2008.
<b>Expiration Time</b>	5:00 p.m., New York City time, on _____, 2008, unless extended by us.
<b>Standby Commitment</b>	Pursuant to a Standby Purchase Agreement, Tontine Capital has agreed to purchase in a private placement (i) its pro rata portion of the shares offered in the rights offering and (ii) any and all of the shares not subscribed for by other shareholders in the rights offering at the \$7.00 per share rights offering subscription price. On May 16, 2008, Tontine Capital held approximately 48.4% of our outstanding common stock and, collectively, is our largest shareholder.
<b>Revocation</b>	YOU MAY NOT REVOKE AN EXERCISE OF RIGHTS, UNLESS WE AMEND THE TERMS OF THE OFFERING IN A MANNER WE DEEM, IN OUR SOLE DISCRETION, TO BE MATERIAL.

<b>Procedure for Exercising Rights</b>	<p>If you are the record holder, you may exercise your rights by properly completing and signing your rights certificate. You must deliver your rights certificate to National City Bank, which is acting as the subscription agent for the rights offering. The subscription agent will not accept a facsimile transmission of your completed rights certificate. This delivery must be accompanied by full payment of the subscription price for each share you wish to purchase. If you send your rights certificate by mail, we recommend that you send it by registered mail, properly insured, with return receipt requested. Your payment will be considered received by the subscription agent only upon clearance of any uncertified check deposited by the subscription agent; receipt by the subscription agent of any certified check, cashier's check or bank draft drawn upon a U.S. bank, any express money order or any wire transfer; or receipt of collected funds in the subscription agent's account before 5:00 p.m., New York City time, on the expiration date.</p> <p>See The Rights Offering - Method of Subscription - Exercise of Rights.</p>
<b>Exercise by Beneficial Holders</b>	<p>If you hold shares of our common stock through a broker, bank or other nominee, you will need to have your broker, bank or other nominee act for you if you wish to exercise your rights. We will ask your broker, bank or other nominee to notify you of the rights offering and to send to you an election form for exercising your rights. You should receive this form from your record holder with the other rights offering materials. See The Rights Offering - Beneficial Owners.</p>
<b>Issuance of Common Stock</b>	<p>We will deliver to you certificates representing common stock purchased upon exercise of your subscription rights as soon as practicable after the expiration date. We have the discretion to delay distribution of any shares you may elect to purchase by exercise of rights if necessary to comply with securities laws. No interest will be paid to you on the funds you deposit with the subscription agent.</p>
<b>Use of Proceeds</b>	<p>The proceeds from the sale of the common stock offered in the rights offering, before payment of fees and expenses, are anticipated to be \$12,950,000. We intend to use the proceeds from the rights offering to prepay in full the remaining approximately \$7.1 million in principal amount of Senior Notes issued to Tontine Capital to finance, in part, the Adorn Acquisition, pay related accrued interest, and reduce borrowings under our senior secured credit facility.</p>
<b>No Board Recommendation</b>	<p>Our board of directors has not made any recommendation as to whether you should exercise your rights. You should make those decisions based upon your own assessment of your best interests.</p>
<b>Risk Factors</b>	<p>An investment in our common stock involves significant risks. Please see Risk Factors for a discussion of some of the risks involved in investing in our common stock.</p>
<b>U.S. Federal Income Tax Consequences of Rights Offering</b>	<p>You should not recognize any gain or other income or loss for U.S. federal income tax purposes upon receipt or exercise of a subscription right. You should consult your own tax advisor as to the tax consequences to you of the receipt, exercise or lapse of the rights in light of your particular circumstances.</p>
<b>Subscription Agent</b>	<p>National City Bank</p>
<b>Amendment, Extension or Termination of Rights Offering</b>	<p>We reserve the right, in our discretion, to (a) amend or modify the terms of the rights offering; (b) extend the expiration time to a later date; and (c) terminate the rights offering at any time for any reason. If we amend the terms of the rights offering in a manner we deem, in our sole discretion, to be material, we will issue a press release and mail notice to all shareholders, extend the expiration date by at least 10 days, and give you the right to cancel your subscription.</p>
<b>Fees and Expenses</b>	<p>We will pay all fees and expenses relating to the rights offering.</p>



## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains certain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. The terms may, should, could, anticipate, believe, estimate, expect, project and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are subject to inherent risks and uncertainties that may cause actual results or events to differ materially from those contemplated by such forward-looking statements. In addition to the assumptions and other factors referred to specifically in connection with such statements, factors that may cause actual results or events to differ materially from those contemplated by such forward-looking statements include, without limitation, general economic conditions, variation in demand from customers, the impact on the economy of terrorist attacks and other geopolitical activity, continued market acceptance of the Company's new product introductions, the successful integration of business unit acquisitions and related restructuring, operating margin risk due to competitive pricing and operating efficiencies, supply chain risk, material or labor cost increases, foreign currency fluctuations, interest rate risk, and other factors that may be referred to or noted in the Company's reports filed with the SEC from time to time.

## RISK FACTORS

In addition to the other information in this prospectus, including the matters addressed in Cautionary Note Regarding Forward-Looking Information, you should consider the matters described below before deciding whether to invest in our common stock.

### Risks Related to This Offering.

*The subscription price in the rights offering is not an indication of the fair value of our common stock.*

The subscription price in the rights offering of \$7.00 per share was set by our board. In determining the subscription price, our board considered a number of factors, including negotiations with Tontine Capital; our need for capital; our business prospects; the historical and current market price of our common stock; general conditions in the securities market; our operating history; and the liquidity of our common stock. \$7.00 per share is also the price paid by Tontine Capital on March 12, 2008 for 1,125,000 shares of our common stock. The board also sought to provide an incentive to shareholders to participate in the rights offering by setting the subscription price below the market price at the time. On March 10, 2008, for example, when we executed the Standby Purchase Agreement with Tontine Capital, the \$7.00 per share subscription price represented a 14.9% discount to the closing price of our common stock on that date of \$8.23. On May 16, 2008, however, the subscription price of \$7.00 per share was 7.7% higher than the \$6.50 closing price of our common stock on that date. The subscription price does not necessarily bear any relationship to the book value of our assets, net worth, past operations, cash flows, profits and losses, financial condition or any other established criteria for fair value. You should not consider the subscription price as an indication of the fair value of our common stock. After the date of this prospectus, our common stock may trade at prices above or below the subscription price. We cannot assure you that you will be able to sell common stock purchased in this offering at a price equal to or greater than the subscription price.

*The rights offering may cause the price of our common stock to decline immediately, and this decline may continue.*

The number of shares of common stock we will issue if the rights offering is completed may result in an immediate decrease in the market value of our common stock. This decrease may continue after the completion of this offering.

*You may suffer dilution of your percentage ownership of our common stock.*

If you do not exercise your subscription rights in full, your proportionate voting and ownership interest will be diluted. For example, if you own 10,000 shares of common stock before this offering, or approximately 0.14% of our outstanding common stock, and you do not exercise any of your subscription rights while all other subscription rights are exercised by other shareholders, your percentage ownership would be reduced to approximately 0.11%.



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The magnitude of the reduction of your percentage ownership will depend upon the extent to which you exercise your subscription rights.

***Shareholders who exercise rights risk investment loss on new money invested.***

As of the date of this prospectus, the market price of our common stock was lower than the subscription price. The market price for our common stock fluctuates and may be higher or lower than the subscription price when you decide whether to participate in the rights offering. If you participate in the rights offering, we cannot assure that you will be able to sell those shares in the future at the same price or a higher price.

***If the rights offering is consummated, our common stock ownership will likely be further concentrated in the hands of Tontine Capital and, under certain circumstances, Tontine Capital may hold a majority of our outstanding common stock.***

In connection with the rights offering, we entered into the Standby Purchase Agreement with Tontine Capital, pursuant to which Tontine Capital is obligated to purchase (i) its pro rata portion of the shares offered in the rights offering and (ii) any and all shares issuable upon the exercise of rights that remain unexercised by other shareholders at the closing of the rights offering subscription period. To the extent that holders of our common stock do not exercise their rights, Tontine Capital, as the standby purchaser, will increase its substantial ownership interest in the Company. For example, on May 16, 2008, Tontine Capital owned approximately 48.4% of our outstanding common stock. If no shareholder other than Tontine Capital subscribes for shares in the rights offering and Tontine Capital purchases all unsubscribed shares pursuant to its obligations under the Standby Purchase Agreement, Tontine Capital's ownership percentage will increase to approximately 59% of our outstanding common stock. If Tontine Capital acquires approximately 146,200 unsubscribed for shares pursuant to its obligations under the Standby Purchase Agreement, Tontine Capital would own a majority of our outstanding capital stock after the rights offering. If Tontine Capital holds a majority of our outstanding common stock, Tontine Capital would have the ability to control the election of our board of directors and the approval of other matters presented for consideration by the shareholders, which could include mergers, acquisitions, amendments to our charter, and various corporate governance actions.

If Tontine Capital owns more than a majority of our outstanding common stock, the Company would become a controlled company and would be exempt from certain Nasdaq independence requirements. Specifically, the Company would not need to have a board consisting of a majority of independent directors and would not need to have independent compensation or nominating committees.

***Once you exercise your subscription rights, you may not revoke the exercise even if there is a decline in the price of our common stock or if we decide to extend the expiration date of the subscription period, unless we amend the terms of the rights offering in a manner that we, in our sole discretion, deem material.***

You may not revoke an exercise of rights, unless we amend the terms of the offering in a manner we deem, in our sole discretion, to be material. The market price of our common stock could be subject to wide fluctuations in response to numerous factors, some of which are beyond our control. These factors include, among other things, actual or anticipated variations in our operating results and cash flow, the nature and content of our earnings releases and our competitors' earnings releases, as well as general economic and market conditions, such as recessions. We cannot assure you that the public trading market price of our common stock will not decline after you elect to exercise your rights. If that occurs, you may have committed to buy shares of common stock.