



■ **Key Facts**

Business address: **Cleveland, Ohio, United States**
 Industry: **Paint and Coating Manufacturing** (NAICS 325510)
 SEC filer status: **Large Accelerated Filer** as of Mar 2021
 Index member: **S&P 500, Russell 1000**
 Market Cap: \$75.9b as of May 6, 2021
 Annual revenue: \$18.4b as of Dec 31, 2020

■ **Corporate Governance**

CEO: **John G. Morikis** since 2016
 CFO: **Allen J. Mistysyn** since 2017 1st level

Board Chairman: **John G. Morikis** since 2017
 Audit Committee Chair: **NOT AVAILABLE** 2nd level

Auditor: **Ernst & Young LLP** since 1908
 Outside Counsel (most recent): **McGuireWoods LLP**
Lathrop GPM LLP
DR Welch Attorneys At Law
Lewis Brisbois Bisgaard & Smith LLP
Milbank Tweed Hadley & McCloy LLP 3rd level

SEC Reviewer: **(unknown)** 4th level

Watchdog Research, Inc., offers both individual and group subscriptions, data feeds and/or custom company reports to our subscribers. Subscribe: We have delivered 300,000 public company reports to over 27,000 individuals, from over 9,000 investment firms and to 4,000+ public company corporate board members.



How to analyze this company's Watchdog Report? [Skip to the last page](#)

Information in this report is effective May 7, 2021 and is taken from the company's public financial and regulatory filings. Latest filing 10-Q filed 04/28/2021. Over 75 accounting and data analysts scrutinize and review crucial information, footnotes, disclosures, etc., from these filings. Material facts are captured and processed using our proprietary methods which identify key risk factors our readers need to know. Each Watchdog Report represents 30 or more hours of analysis and processing.

Accounting and financial disclosure data from [Audit Analytics](#).
 Executive compensation data from [Shore Group and Intrinio](#).
 Data from [Sharadar](#).
[Data from Barchart via Quandl](#).
[Data from Exchange Data International via Quandl](#).

May 7, 2021 Jan 1, 2020 Jan 1, 2016

RECENT PERIOD HISTORICAL PERIOD

10-Q filed on Apr 28, 2021 for period ending Mar 2021

Reporting Irregularities

| RECENT | | HISTORICAL |
|--------|---------------------------------|------------|
| ✓ | Financial Restatements | ✓ |
| ✓ | Revisions | ✓ |
| ✓ | Out of Period Adjustments | ✓ |
| ✓ | Late Filings | ✓ |
| ! | Impairments | ! |
| ✓ | Changes in Accounting Estimates | ✓ |
| ! | Disclosure Controls | ! |
| ✓ | Internal Controls | ✓ |
| ! | Critical / Key Audit Matters | ✓ |

Anomalies in the Numbers

| RECENT | | HISTORICAL |
|--------|----------------------------------|------------|
| ✓ | Benford's Law | ✓ |
| ✓ | Beneish M-Score | ! |
| ! | Accounting Disclosure Complexity | ! |

Securities & Exchange Commission Concerns

| RECENT | | HISTORICAL |
|--------|---------------------------|------------|
| ✓ | SEC Oversight | ✓ |
| ! | SEC Letters to Management | ! |
| ✓ | Revenue Recognition | ✓ |
| ✓ | Non-GAAP Measures | ✓ |

Litigation & External Pressures

| RECENT | | HISTORICAL |
|--------|--------------------------|------------|
| ! | Significant Litigation | ! |
| ✓ | Securities Class Actions | ✓ |
| ✓ | Shareholder Activism | ✓ |
| ✓ | Cybersecurity | ✓ |

Management Review

| RECENT | | HISTORICAL |
|--------|------------------------|------------|
| ✓ | CEO Changes | ✓ |
| ✓ | CFO Changes | ! |
| ! | Insider Sales | ! |
| ✓ | Pledged Securities | ✓ |
| ✓ | Mergers & Acquisitions | ! |
| ✓ | Sales of Assets | ✓ |

Auditor Assessment

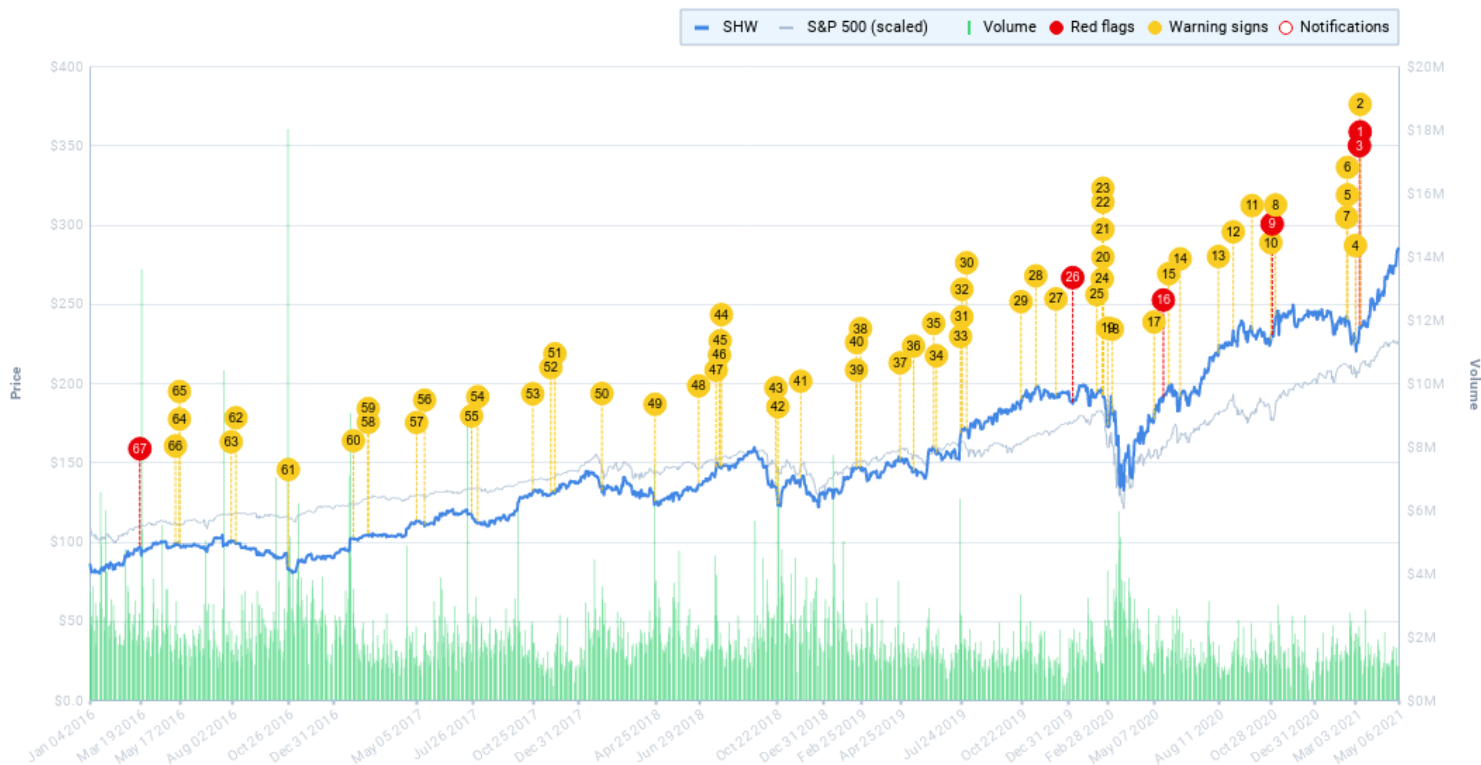
| RECENT | | HISTORICAL |
|--------|--------------------|------------|
| ✓ | Auditor Changes | ✓ |
| ✓ | Auditor Experience | ✓ |
| ! | Auditor Tenure | ! |
| ✓ | Audit Fees | ✓ |
| ! | Non-Audit Fees | ! |



Overview

Price and Volume History

This graph shows the price and trading history for Sherwin Williams. Warning signs and red flags are marked on the graph according to their disclosure dates.



- 1 Mar 10, 2021 - Insider Sale
- 2 Mar 10, 2021 - Insider Sale
- 3 Mar 9, 2021 - Insider Sale
- 4 Mar 3, 2021 - Insider Sale
- 5 Feb 19, 2021 - Impairment
- 6 Feb 19, 2021 - Critical / Key Audit Matters
- 7 Feb 18, 2021 - Insider Sale
- 8 Nov 4, 2020 - Insider Sale
- 9 Oct 30, 2020 - Insider Sale
- 10 Oct 28, 2020 - Insider Sale
- 11 Sep 30, 2020 - Insider Sale
- 12 Sep 2, 2020 - Insider Sale
- 13 Aug 11, 2020 - Insider Sale
- 14 Jun 15, 2020 - Lawsuit: Johnson v. Sherwin-Williams Company
- 15 May 29, 2020 - Insider Sale
- 16 May 21, 2020 - Insider Sale
- 17 May 7, 2020 - Insider Sale
- 18 Mar 6, 2020 - Insider Sale
- 19 Feb 28, 2020 - Insider Sale
- 20 Feb 21, 2020 - Impairment
- 21 Feb 21, 2020 - Disclosure Controls
- 22 Feb 21, 2020 - Critical / Key Audit Matters
- 23 Feb 21, 2020 - Critical / Key Audit Matters
- 24 Feb 20, 2020 - Insider Sale
- 25 Feb 12, 2020 - Insider Sale
- 26 Jan 7, 2020 - SEC letters to management
- 27 Dec 13, 2019 - Insider Sale
- 28 Nov 13, 2019 - Insider Sale
- 29 Oct 22, 2019 - Disclosure Controls
- 30 Aug 2, 2019 - Insider Sale
- 31 Jul 26, 2019 - Insider Sale
- 32 Jul 26, 2019 - Insider Sale
- 33 Jul 24, 2019 - Disclosure Controls
- 34 Jun 18, 2019 - Insider Sale
- 35 Jun 14, 2019 - Insider Sale
- 36 May 15, 2019 - Insider Sale



- | | | | |
|----|--|----|---|
| 37 | Apr 25, 2019 - Disclosure Controls | 53 | Oct 25, 2017 - Disclosure Controls |
| 38 | Feb 25, 2019 - Insider Sale | 54 | Aug 4, 2017 - SEC letters to management |
| 39 | Feb 19, 2019 - Insider Sale | 55 | Jul 26, 2017 - Disclosure Controls |
| 40 | Feb 19, 2019 - Insider Sale | 56 | May 17, 2017 - Insider Sale |
| 41 | Nov 28, 2018 - Lawsuit: The County of Lehigh v. Atlantic Richfield Company et al | 57 | May 5, 2017 - Insider Sale |
| 42 | Oct 25, 2018 - Disclosure Controls | 58 | Feb 22, 2017 - Impairment |
| 43 | Oct 22, 2018 - Lawsuit: The Sherwin Williams Company v. County of Delaware Pennsylv... | 59 | Feb 22, 2017 - Insider Sale |
| 44 | Aug 2, 2018 - Insider Sale | 60 | Jan 31, 2017 - Insider Sale |
| 45 | Jul 31, 2018 - Insider Sale | 61 | Oct 26, 2016 - Change in CFO |
| 46 | Jul 30, 2018 - Insider Sale | 62 | Aug 9, 2016 - Insider Sale |
| 47 | Jul 25, 2018 - Disclosure Controls | 63 | Aug 2, 2016 - Insider Sale |
| 48 | Jun 29, 2018 - Lawsuit: Occidental Chemical Corporation v. 21st Century Fox America I... | 64 | May 17, 2016 - Insider Sale |
| 49 | Apr 25, 2018 - Disclosure Controls | 65 | May 17, 2016 - Insider Sale |
| 50 | Feb 5, 2018 - Lawsuit: Chemetco Site PRP Group v. A Square Systems Inc et al | 66 | May 11, 2016 - Insider Sale |
| 51 | Nov 27, 2017 - Insider Sale | 67 | Mar 19, 2016 - Mergers & Acquisitions |
| 52 | Nov 21, 2017 - Insider Sale | | |

Notifications

Important notifications related to the company are listed here. Notifications may come from the SEC, exchanges such as the NYSE or NASDAQ, or Watchdog Research. Examples of notifications include announcements of bankruptcy proceedings, company name changes, and noncompliance with SEC regulations or exchange rules.

There are no notifications for Sherwin Williams at least since 2016.



Peer Group

Peer groups are used by companies to benchmark executive compensation and performance. Each company identifies its own peer group. Peer groups vary from company to company.

Peer Group

| Company | Ticker | Market Cap |
|------------------------------|--------|------------|
| Honeywell International Inc. | HON | \$159b |
| Linde PLC | LIN | \$152b |
| Deere & Co. | DE | \$122b |
| 3M Co. | MMM | \$120b |
| Sherwin Williams Co. | SHW | \$75.9b |
| Illinois Tool Works Inc. | ITW | \$74.9b |
| Air Products & Chemicals | APD | \$70b |
| Colgate Palmolive Co. | CL | \$69.6b |
| Ecolab Inc. | ECL | \$65.3b |
| Kimberly Clark Corp. | KMB | \$45.9b |

Companies Who Named Sherwin Williams as a Peer

| Company | Ticker | Market Cap |
|--------------------------------|--------|------------|
| Linde PLC | LIN | \$152b |
| Sherwin Williams Co. | SHW | \$75.9b |
| Ecolab Inc. | ECL | \$65.3b |
| DuPont de Nemours, Inc. | DD | \$42.7b |
| Sempra Energy | SRE | \$41.4b |
| O'Reilly Automotive Inc. | ORLY | \$39.4b |
| PPG Industries Inc. | PPG | \$39.3b |
| LyondellBasell Industries N.V. | LYB | \$38.2b |
| Yum Brands Inc. | YUM | \$35.6b |
| Ball Corp. | BLL | \$29.7b |



Peer Flag Comparison

The return to a company's stock is not the only measure of executive performance. Ethics matter, and growth can quickly reverse and gains evaporate if a company's accounting and financial reporting processes are not fundamentally sound and trustworthy. How does Sherwin Williams' accounting quality compare to its peer group?

| | SHW | PEER GROUP FLAGS | | |
|--|-----|------------------|---|---|
| Reporting Irregularities | | | | |
| Financial Restatements | ✓ | 9 | | |
| Revisions | ✓ | 5 | 4 | |
| Out of Period Adjustments | ✓ | 8 | 1 | |
| Impairments | ! | 3 | 6 | |
| Changes in Accounting Estimates | ✓ | 2 | 7 | |
| Disclosure Controls | ! | 3 | 6 | |
| Internal Controls | ✓ | 9 | | |
| Critical / Key Audit Matters | ! | | 4 | 5 |
| Anomalies in the Numbers | | | | |
| Benford's Law | ✓ | 5 | | 4 |
| Beneish M-Score | ! | 8 | 1 | |
| Accounting Disclosure Complexity | ! | 3 | 6 | |
| Securities & Exchange Commission Concerns | | | | |
| SEC Oversight | ✓ | 8 | 1 | |
| SEC Letters to Management | ! | | 8 | 1 |
| Revenue Recognition | ✓ | 7 | 2 | |
| Non-GAAP Measures | ✓ | 9 | | |

| | SHW | PEER GROUP FLAGS | | |
|--|-----|------------------|---|---|
| Litigation & External Pressures | | | | |
| Significant Litigation | ! | | 4 | 5 |
| Securities Class Actions | ✓ | 6 | | 3 |
| Shareholder Activism | ✓ | 9 | | |
| Cybersecurity | ✓ | 9 | | |
| Management Review | | | | |
| CEO Changes | ✓ | 2 | 5 | 2 |
| CFO Changes | ! | 5 | 1 | 3 |
| Insider Sales | ! | | 1 | 8 |
| Pledged Securities | ✓ | 8 | | 1 |
| Mergers & Acquisitions | ! | 3 | 6 | |
| Sales of Assets | ✓ | 9 | | |
| Auditor Assessment | | | | |
| Auditor Changes | ✓ | 8 | 1 | |
| Auditor Experience | ✓ | 9 | | |
| Auditor Tenure | ! | 5 | 4 | |
| Audit Fees | ✓ | 5 | 4 | |
| Non-Audit Fees | ! | 7 | 2 | |



About Watchdog Research, Inc.

Watchdog Research, Inc. is an independent research provider and publisher of Watchdog Reports. Watchdog Reports identify red flags, issues, and other anomalies in financial reporting. Our reports contain warning signs, red flags, material disclosures, and peer analysis for use in valuation, risk analysis, due diligence research, and idea generation.

Watchdog Reports are designed to assist investment professionals fulfill their fiduciary or suitability obligations and to help investors, executives, board members, regulators and educators learn what they need to know about publicly traded companies.

The company is headquartered in Ave Maria, FL. Watchdog Research, Inc. utilizes over 75 specialists and analysts to provide accurate and timely information to our readers.

Our management team is:

CEO: Brian Lawe. Brian has been part of the corporate staff at The New York Times Company and IBM. He has created and operated several technology companies including MyStoreCredit, OnPage Ideas and HelloCampus. He holds an MBA from Harvard Business School and a BBA from Texas Christian University. He and his wife have four children and live in the Naples, FL area.

CTO: Radu Cugut. Radu has led the award-winning technology team that developed the Watchdog Report and services. He, his wife and son split their time between his home in Ave Maria, FL and his home in Timisoara, Romania where he oversees five talented development professionals. Radu has a bachelors in Computer Science and a masters in Banking and Financial Information Systems, both from the West University of Timisoara.

Chief Content Officer: Joseph Burke, Ph.D. is responsible for the content development, analysis, and quality control for the Watchdog Report. Joseph worked previously as a professor of economics at Ave Maria University. He received his Ph.D. from the University of Wisconsin-Madison and resides with his family in the Naples area.

Director of Research: John Cheffers. John is responsible for writing our blogs and for our press relationships. He received his bachelors from Washington University in St. Louis, and has worked for Audit Analytics and Ave Maria University. He graduated Ave Maria University School of Law where his research was selected for publication in the Law Review. He currently lives in Pennsylvania with his wife and two children.



Watchdog Research, Inc.
5072 Annunciation Cir.
Suite 202
Ave Maria, FL 34142

info@watchdogresearch.com
(855) 820-6272
www.watchdogresearch.com

