

SOTHEBYS  
Form SC 13D/A  
June 01, 2015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 13D**  
**Under the Securities Exchange Act of 1934**  
**(Amendment No. 10)\***

**SOTHEBY S**  
**(Name of Issuer)**  
**Common Stock, par value \$0.01 per share**

**(Title of Class of Securities)**

**835898107**  
**(CUSIP Number)**

**Richard T. McGuire III**  
**Marcato Capital Management LP**  
**One Montgomery Street, Suite 3250**  
**San Francisco, CA 94104**  
**(415) 796-6350**

**(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)**

***COPIES TO:***

**Jeffrey L. Kochian, Esq.**

**Akin Gump Strauss Hauer & Feld LLP**

**One Bryant Park**

**New York, NY 10036**

**(212) 872-1000**

**May 29, 2015**

**(Date of Event which Requires Filing of this Statement)**

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box ☐.

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule §240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 835898107

1 Names of Reporting Persons

MARCATO CAPITAL MANAGEMENT LP

2 Check the Appropriate Box If a Member of a Group (See Instructions)

a. ☐ b. ☒

3 SEC Use Only

4 Source of Funds (See Instructions)

AF

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

DELAWARE

Number of 7 Sole Voting Power

Shares

Beneficially 0

8 Shared Voting Power

Owned By

Each

6,571,806

Reporting 9 Sole Dispositive Power

Person

With 0

10 Shared Dispositive Power

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6,571,806

11 Aggregate Amount Beneficially Owned by Each Reporting Person

6,571,806

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

..

13 Percent of Class Represented By Amount in Row (11)

9.46%

14 Type of Reporting Person (See Instructions)

IA

CUSIP No. 835898107

1 Names of Reporting Persons

RICHARD T. MCGUIRE III

2 Check the Appropriate Box If a Member of a Group (See Instructions)

a. ☐ b. ☒

3 SEC Use Only

4 Source of Funds (See Instructions)

AF

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

UNITED STATES OF AMERICA

Number of 7 Sole Voting Power

Shares

Beneficially 0

8 Shared Voting Power

Owned By

Each

6,571,806

Reporting 9 Sole Dispositive Power

Person

With 0

10 Shared Dispositive Power

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6,571,806

11 Aggregate Amount Beneficially Owned by Each Reporting Person

6,571,806

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

..

13 Percent of Class Represented By Amount in Row (11)

9.46%

14 Type of Reporting Person (See Instructions)

IN

CUSIP No. 835898107

1 Names of Reporting Persons

MARCATO, L.P.

2 Check the Appropriate Box If a Member of a Group (See Instructions)

a. ☐ b. ☒

3 SEC Use Only

4 Source of Funds (See Instructions)

WC

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

DELAWARE

Number of 7 Sole Voting Power

Shares

Beneficially 0

8 Shared Voting Power

Owned By

Each

1,532,742

Reporting 9 Sole Dispositive Power

Person

With 0

10 Shared Dispositive Power



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1,532,742

11 Aggregate Amount Beneficially Owned by Each Reporting Person

1,532,742

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

..

13 Percent of Class Represented By Amount in Row (11)

2.21%

14 Type of Reporting Person (See Instructions)

PN

CUSIP No. 835898107

1 Names of Reporting Persons

MARCATO II, L.P.

2 Check the Appropriate Box If a Member of a Group (See Instructions)

a. ☐ b. ☒

3 SEC Use Only

4 Source of Funds (See Instructions)

WC

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

DELAWARE

Number of 7 Sole Voting Power

Shares

Beneficially 0

8 Shared Voting Power

Owned By

Each

103,867

Reporting 9 Sole Dispositive Power

Person

With 0

10 Shared Dispositive Power

103,867

11 Aggregate Amount Beneficially Owned by Each Reporting Person

103,867

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

..

13 Percent of Class Represented By Amount in Row (11)

0.15%

14 Type of Reporting Person (See Instructions)

PN

CUSIP No. 835898107

1 Names of Reporting Persons

MARCATO INTERNATIONAL MASTER FUND, LTD.

2 Check the Appropriate Box If a Member of a Group (See Instructions)

a. ☐ b. ☒

3 SEC Use Only

4 Source of Funds (See Instructions)

WC

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

CAYMAN ISLANDS

Number of 7 Sole Voting Power

Shares

Beneficially 0

8 Shared Voting Power

Owned By

Each

4,935,197

Reporting 9 Sole Dispositive Power

Person

With 0

10 Shared Dispositive Power

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4,935,197

11 Aggregate Amount Beneficially Owned by Each Reporting Person

4,935,197

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

..

13 Percent of Class Represented By Amount in Row (11)

7.10%

14 Type of Reporting Person (See Instructions)

OO

CUSIP No. 835898107

### SCHEDULE 13D

This Amendment No. 10 supplements the information set forth in the Schedule 13D filed by the Reporting Persons with the United States Securities and Exchange Commission (the "SEC") on July 30, 2013, as amended from time to time (the "Schedule 13D"), relating to Common Stock, par value \$0.01 per share (the "Shares"), of Sotheby's, a Delaware corporation (the "Issuer"). All capitalized terms contained herein but not otherwise defined shall have the meanings ascribed to such terms in the Schedule 13D.

The information set forth in response to each separate Item below shall be deemed to be a response to all Items where such information is relevant. The Schedule 13D is hereby supplementally amended as follows:

#### **Item 4. Purpose of Transaction.**

On May 29, 2015, Marcato filed a Notice of Challenge to Confidential Treatment with the Delaware Chancery Court (the "Second Notice"), challenging the confidential treatment of certain documents from prior legal proceedings involving the Issuer that are filed under seal with the court and are not available in the public court file. The legal proceedings, captioned *Third Point LLC v. Ruprecht* (Case No. 9469-VCP), involved a dispute between a large shareholder of the Issuer and members of its Board of Directors. The resolution of that dispute was announced on May 5, 2014, but completely unredacted versions of certain court filings remain unavailable to the public. In the Second Notice, Marcato maintains that the information in the documents under seal does not appear to be the type of proprietary information that would warrant protection from release by the court, and in any event, sufficient time has passed since the action concluded to warrant unsealing. Furthermore, in an order dated May 7, 2015, the Delaware Chancery Court granted Marcato's previously disclosed request to unseal plaintiff Third Point LLC's Opening Brief in Support of Its Motion for Preliminary Injunction (the "Third Point Brief"), filed on April 29, 2014, and the Third Point Brief was thereafter released to the court file in unredacted form.

The foregoing description of the Second Notice does not purport to be complete and is qualified in its entirety by reference to the full text of the Second Notice, which is filed as Exhibit 8, and is incorporated herein by reference.

#### **Item 5. Interest in Securities of the Issuer.**

(a) - (e) As of the date hereof, (i) Marcato and Mr. McGuire may be deemed to be the beneficial owners of 6,571,806 Shares (the "Marcato Shares") constituting 9.46% of the Shares, (ii) Marcato, L.P. may be deemed to be the beneficial owner of 1,532,742 Shares, constituting 2.21% of the Shares, (iii) Marcato II, L.P. may be deemed to be the beneficial owner of 103,867 Shares, constituting 0.15% of the Shares and (iv) Marcato International Master Fund, Ltd. may be deemed to be the beneficial owner of 4,935,197 Shares, constituting 7.10% of the Shares, each based upon a total of 69,488,135 Shares outstanding as of April 30, 2015 (based on the Issuer's Form 10-Q, filed with the SEC on May 11, 2015).

Marcato, L.P. may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) 1,532,742 Shares. Marcato II, L.P. may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) 103,867 Shares. Marcato International Master Fund, Ltd. may be deemed to have the shared power to vote or direct vote of (and the shared power to dispose or direct the disposition of) 4,935,197 Shares. Marcato, as the investment manager of Marcato, L.P., Marcato II, L.P. and Marcato International Master Fund, Ltd., may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) the Marcato Shares. By virtue of Mr. McGuire's position as managing partner of Marcato, Mr. McGuire may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) the Marcato Shares and, therefore, Mr. McGuire may be deemed to be the beneficial owner of the Marcato Shares.

Except as set forth in previous amendments to this Schedule 13D, the transactions by the Reporting Persons in the securities of the Issuer during the past sixty days are set forth in Exhibit 2.

The limited partners of (or investors in) each of Marcato, L.P., Marcato II, L.P., and Marcato International Master Fund, Ltd., or their respective subsidiaries or affiliated entities, for which Marcato or its affiliates acts as general partner and/or investment manager have the right to participate in the receipt of dividends from, or proceeds from the sale of, the Shares held for the accounts of their respective funds in accordance with their respective limited partnership interests (or investment percentages) in their respective funds.

**Item 7. Material to be Filed as Exhibits.**

Exhibit 2 Transactions.

Exhibit 8 Notice of Challenge to Confidential Treatment.

**SIGNATURES**

After reasonable inquiry and to the best of my knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: June 1, 2015

MARCATO CAPITAL MANAGEMENT LP

By: Marcato Holdings LLC

By: /s/ Richard T. McGuire III

Richard T. McGuire III  
Authorized Person

Date: June 1, 2015

RICHARD T. MCGUIRE III

By: /s/ Richard T. McGuire III

Date: June 1, 2015

MARCATO, L.P.

By: MCM General Partner LLC, its General Partner

By: /s/ Richard T. McGuire III

Richard T. McGuire III  
Authorized Person

Date: June 1, 2015

MARCATO II, L.P.

By: MCM General Partner LLC, its General Partner

By: /s/ Richard T. McGuire III

Richard T. McGuire III  
Authorized Person

Date: June 1, 2015

MARCATO INTERNATIONAL MASTER FUND, LTD.

By: /s/ Richard T. McGuire III

Richard T. McGuire III  
Director