

Workday, Inc.
Form S-1/A
October 09, 2012
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As filed with the Securities and Exchange Commission on October 9, 2012

Registration No. 333-183640

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

PRE-EFFECTIVE AMENDMENT NO. 2

TO

Form S-1

REGISTRATION STATEMENT

Under

The Securities Act of 1933

Workday, Inc.

(Exact name of Registrant as specified in its charter)

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Delaware (State or other jurisdiction of incorporation or organization)	7372 (Primary Standard Industrial Classification Code Number)	20-2480422 (IRS Employer Identification No.)
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Workday, Inc.
6230 Stoneridge Mall Road
Pleasanton, California 94588
(925) 951-9000

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

David A. Duffield, Co-Founder and Co-Chief Executive Officer

Aneel Bhusri, Chairman, Co-Founder and Co-Chief Executive Officer

Mark S. Peek, Chief Financial Officer

Workday, Inc.
6230 Stoneridge Mall Road
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(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

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, 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, 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 post-effective amendment filed pursuant to Rule 462(d) 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. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer "
 Non-accelerated filer (Do not check if a smaller reporting company) Accelerated filer "
 Smaller reporting company "

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered ⁽¹⁾	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate	Amount of Registration Fee ⁽²⁾
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Class A Common Stock, \$0.001 par value	26,162,500 shares	\$26.00	Offering Price⁽¹⁾ \$680,225,000	\$85,646
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- (1) Estimated solely for the purpose of calculating the amount of the registration fee in accordance with Rule 457(a) of the Securities Act of 1933, as amended. Includes shares that the underwriters have the option to purchase to cover over-allotments, if any.
- (2) Previously paid. Pursuant to Rule 457(a), no additional fee is payable as a result of the increase in the Proposed Maximum Aggregate Public Offering Price.

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), may 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 these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion)

Issued October 9, 2012

22,750,000 Shares

CLASS A COMMON STOCK

Workday, Inc. is offering 22,750,000 shares of its Class A common stock. This is our initial public offering and no public market currently exists for our shares of Class A common stock. We anticipate that the initial public offering price will be between \$24.00 and \$26.00 per share.

We have two classes of outstanding common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except voting and conversion rights. Each share of Class A common stock is entitled to one vote. Each share of Class B common stock is entitled to ten votes and is convertible at any time into one share of Class A common stock. The holders of our outstanding Class B common stock will hold approximately 98% of the voting power of our outstanding capital stock following this offering, and our co-founders and co-Chief Executive Officers, David Duffield and Aneel Bhusri, together with their affiliates, will hold approximately 67% of the voting power of our outstanding capital stock following this offering.

*Our Class A common stock has been approved for listing on the New York Stock Exchange under the symbol **WDAY**.*

We are an emerging growth company as defined under the federal securities laws. Investing in our Class A common stock involves risks. See Risk Factors beginning on page 11.

PRICE \$ A SHARE

	<i>Price to Public</i>	<i>Underwriting Discounts and Commissions</i>	<i>Proceeds to Workday</i>
<i>Per share</i>	\$	\$	\$
<i>Total</i>	\$	\$	\$

We have granted the underwriters the right to purchase up to an additional 3,412,500 shares of Class A common stock to cover over-allotments.

The Securities and Exchange Commission and state regulators have not approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Class A common stock to purchasers on _____, 2012.

MORGAN STANLEY
 ALLEN & COMPANY LLC
 COWEN AND COMPANY
 PACIFIC CREST SECURITIES

CANACCORD GENUITY

GOLDMAN, SACHS & CO.
 J.P. MORGAN
 JMP SECURITIES
 WELLS FARGO SECURITIES

, 2012

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Neither we nor the underwriters have authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are offering to sell, and seeking offers to buy, shares of our Class A common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of shares of our Class A common stock. Our business, financial condition, results of operations, and prospects may have changed since that date.

Until _____, 2012 (25 days after the date of this prospectus), all dealers that buy, sell or trade shares of our Class A common stock, whether or not participating in our initial public offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

For investors outside the United States: Neither we nor the underwriters have done anything that would permit our initial public offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of our Class A common stock and the distribution of this prospectus outside of the United States.

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PROSPECTUS SUMMARY

This summary highlights information contained in greater detail elsewhere in this prospectus. This summary is not complete and does not contain all of the information you should consider in making your investment decision. You should read the entire prospectus carefully before making an investment in our Class A common stock. You should carefully consider, among other things, our consolidated financial statements and the related notes and the sections entitled Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus.

WORKDAY, INC.

Workday is a leading provider of enterprise cloud-based applications for human capital management (HCM), payroll, financial management, time tracking, procurement and employee expense management. We achieved this leadership position through our innovative and adaptable technology, focus on the consumer Internet experience and cloud delivery model. Further, we believe we are the only company to provide this complete set of unified cloud-based applications to enterprises. Our applications are designed for global enterprises to manage complex and dynamic operating environments. We provide our customers highly adaptable, accessible and reliable applications to manage critical business functions that enable them to optimize their financial and human capital resources.

Organizations today operate in environments that are highly complex and that are changing at an increasing rate. Managers and employees must quickly synthesize vast amounts of information and react to rapid changes in global business and regulatory environments. To be successful, they need highly functional and flexible software that enables informed decision-making about the enterprise-wide allocation of their resources. Additionally, given the increasing prominence of consumer-oriented Internet applications, managers and employees expect to interact with enterprise systems in an open, intuitive and collaborative way, including real-time access through a wide range of mobile and computing devices. We believe that legacy, on-premise enterprise systems make these interactions difficult, as their user interfaces are not intuitive and were not originally designed for mobility. Furthermore, legacy applications are often expensive to implement, maintain and upgrade. In the last few years, new technologies and approaches to deliver software have emerged to address these issues.

In response to these changes, Workday is leading the way in helping organizations to better manage their core enterprise resources, specifically their financial and human capital resources. We enable organizations to embrace changes in their operating environments through our rapid innovation cycle of frequent updates, which generally contain new functionality, support for new regulatory requirements, performance requirements and enhancements of the user experience. Our latest update is Workday 17, which provided more than 100 new features, and we currently provide a new update three times per year. By delivering our software as a cloud-based service, our customers operate on our latest version without the burden of large upgrade costs, while having the flexibility to configure our applications to meet their own requirements.

Our customers can operate with a more complete picture of their organization because our applications and embedded analytics capture the content and context of everyday business events, facilitating fast and informed decision-making from wherever they are working. Our applications are designed for the way people work today, in collaboration with each other from a wide variety of devices, empowering workers to make business decisions using real-time data. By providing an intuitive user experience, we enable effective management of resources by all members of an organization, minimizing reliance on specialist information technology (IT), human resources (HR) or finance employees. These professionals are therefore freed to focus on other strategic activities.

We deliver our cloud-based applications using an innovative technology foundation that leverages the most recent advances in cloud computing and data management. Our use of a multi-tenant architecture, object-oriented technology framework, in-memory data management and a

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mobile-centric approach allows us to deliver applications that are highly functional, flexible and fast. Our customers benefit from moving beyond the limitations associated with traditional on-premise software to highly configurable applications delivered over the

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Internet. This shift in approach substantially reduces the need for our customers to buy and support a broad range of IT infrastructure, and significantly reduces the cost and complexity relative to implementations and upgrades of on-premise software.

We have achieved significant growth and global scale in a relatively short period of time. Currently, we have more than 340 customers, including large, global companies such as Aviva International Holdings Inc., AIG, Inc., Flextronics International, Four Seasons Hotels, Georgetown University, Kimberly-Clark Corporation and Lenovo. Our largest deployment to date is to an organization with a global workforce of over 200,000 people, and our applications are available in 21 different languages.

Our company was founded in 2005, and currently we have more than 1,550 employees. We recently changed our fiscal year end from December 31 to January 31. For our fiscal years ended December 31, 2009, December 31, 2010 and January 31, 2012, our revenues were \$25.2 million, \$68.1 million, and \$134.4 million, respectively, representing year-over-year growth in revenues of 170% and 98% for our two most recent fiscal years. We incurred net losses of \$49.9 million, \$56.2 million and \$79.6 million for the fiscal years ended December 31, 2009, December 31, 2010 and January 31, 2012, respectively.

Industry Background

The Market for Enterprise Resource Management Software is Large and Highly Strategic

According to International Data Corporation (IDC),¹ the global market for enterprise resource management (ERM) software applications totaled \$39 billion in 2011. ERM software provides critical system-of-record data to enterprises and includes applications for financial accounting, HCM, procurement, financial performance management, order management, payroll accounting and enterprise asset management. The size and importance of this market is driven by the fact that financial accounting and HCM are central to the successful management of organizations, and HCM and financial management applications often constitute their most important software purchasing decisions.

Changes in the Business Environment, User Expectations and Technology are Driving a Disruptive Re-Platforming of the Enterprise Applications Market

Organizations operate in an increasingly fast-paced, complex and global environment and now require flexible and easy-to-use applications that can quickly adapt to their ever-changing requirements.

With the widespread adoption and use of consumer-oriented Internet applications such as Facebook, LinkedIn, and Amazon, and consumer-oriented mobile devices such as smartphones and tablets, today's generation of workers expects their organizations to embrace more accessible, intuitive and collaborative business applications. By providing synchronized data and analytics through a variety of devices in real-time, enterprises can increase their workforce productivity by facilitating collaboration and decision-making closer to the operational problem being solved.

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Fundamental advances in technology architectures have supported the rise of cloud computing that enables the delivery of software-as-a-service (SaaS). Today, mission critical applications can be delivered reliably, securely and cost-effectively to customers over the Internet without the need to purchase supporting hardware and software. As a result of the compelling economics, functionality and flexibility provided by SaaS applications, the annual growth rate of the SaaS market is expected to be significantly greater than the broader software market. IDC estimates that the SaaS market will grow at a compound annual growth rate of 24%, from \$23 billion in 2011 to \$67 billion in 2016².

¹ See (1) in Industry and Market Data.

² See (4) in Industry and Market Data.

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Legacy Enterprise Applications Provide Limited Business Context, and can be Inflexible and Expensive to Implement and Maintain

Many of the ERM applications deployed today are based on business processes and software architectures that were originally designed in the 1980s and 1990s. These legacy applications were not designed to capture the full range of contextual data related to transactions and business events that now exists in most enterprises. In addition, they historically require separate business intelligence solutions for reporting and analytics that are often based on outdated, unsynchronized information, add a new layer of IT cost and complexity, and require users to learn multiple systems.

The majority of legacy ERM software has been deployed on-premise, requiring substantial investments in IT infrastructure in order to implement, upgrade and maintain this software. Legacy ERM applications are typically based on rigid relational databases, with limited capacity to adapt to evolving business requirements. In addition, these legacy applications typically have user interfaces that pre-date the consumer Internet, involve lengthy upgrade processes, and require specialist knowledge and training to utilize the software's full functionality.

We believe that historically, the average lifespan of a legacy ERM application has been approximately 10-15 years. The last major modernization cycle occurred more than a decade ago, before the Year 2000 refresh of many enterprise applications. Over the next several years we anticipate the demand for new cloud-based ERM applications to increase substantially, particularly those that are highly functional, flexible, affordable and easy to use.

The Workday Solution

Our cloud-based applications for human capital management (including human resources, benefits and talent management), payroll, financial management, time tracking, procurement, and employee expense management offer the following key benefits:

Embracing Change. Our suite of cloud-based applications is designed for leading global enterprises seeking highly flexible software that allows them to embrace changes in their operating and regulatory environments. Our rapid innovation cycle and regular deployment of the latest capabilities to our customers ensures that users are always able to use the latest version of our software, which we currently update three times per year. Our global, unified system of record allows individual customers to configure and adapt our applications to meet their specific requirements, without compromising our ability to upgrade them to the latest release. For example, our users can quickly and easily change the business processes that underlie their Workday applications and can also increase the number of users in response to the organic growth of their business, acquisitions or different operating conditions.

Operating with the Complete Picture. Our applications provide our customers with significant visibility into their operations and enable real-time operational and financial insights. Our applications are designed to capture both the content and context of everyday business events without the technical complexity and rigidity associated with traditional relational databases. We integrate this rich source of business information with real-time analytics into the core functionality of our applications to enable better and faster decision-making.

Consumer Internet Experience. Our applications enable user experiences that are similar to those of leading consumer Internet sites. Our focus on an intuitive and simple user experience enables adoption of our applications by even novice users with minimal training. Our applications are designed for use by the entire workforce, including senior managers and non-HR and finance employees. This focus enables our customers to generate higher productivity and better business results through broad access to better, timely and more reliable information.

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Optimizing IT Resources. Our cloud-based model can result in significantly lower total costs when compared to legacy ERM software. With all of our customers operating on the same version of our software, our applications eliminate customized code and allow us to make regular updates to our software with minimal disruption. Our customers do not need to buy, install and maintain the complex IT infrastructure required to operate on-premise systems. Even though we deliver new features on a frequent basis, our customers control their rate of adoption of new features through configuration, without the need for significant investments in IT resources.

Our solutions are built on an innovative and highly adaptive foundation of modern technologies, including:

Multi-Tenant Architecture. Our multi-tenant architecture enables multiple customers to share the same version of our applications while securely partitioning their respective application data. Because customers utilize our IT resources and operational infrastructure, this framework significantly reduces the costs of implementation, upgrades, and support.

Object-Oriented Technology Framework. Our applications use objects to represent real-world entities such as employees, benefits, budgets, charts of accounts, and organizations. Using objects to model attributes and relationships increases our pace of innovation, enables actionable analytics that are part of our core transactional systems of record, and makes the system more easily adaptable to change.

In-Memory Data Management. Our use of in-memory processing brings data physically closer to the central processing units and into main memory, eliminating the need to run a disk-seek operation each time a data look-up is performed. This allows for rapid and efficient delivery of embedded business intelligence to facilitate actionable analytics and reporting.

Consumer User Interface (UI). We have built a flexible and modern UI platform that allows us to quickly embrace new UI technologies without needing to rewrite the underlying application logic. Currently, we support all major browsers, run natively on Apple's iOS with applications specifically designed for the iPad and iPhone, and support other mobile platforms such as Android, Windows Mobile and Symbian through our HTML5 client.

Configurable Processes. We offer a broad set of tools for configuring, managing, monitoring, and optimizing the business processes that organizations rely on to manage their business. We include over 270 pre-defined business process definitions to help accelerate deployments and provide a starting point for additional configuration.

Web Services-based Integration Platform. By offering an enterprise-class, embedded web services integration platform and toolset at no additional cost, we relieve customers of many of the burdens associated with legacy systems integration and greatly reduce the risk of implementation failures or delays. In addition to open, standards-based web services application programming interfaces, we provide a growing portfolio of pre-built, packaged integrations and connectors called Integration Cloud Connect.

Security and Audit. We endeavor to adhere to the highest security standards. We voluntarily obtain third party examinations relating to security and data privacy. From the physical security of our data center operations, to network and application level-security, to safeguarding our customers' sensitive data, we believe we provide best-in-class infrastructure, policies and procedures. We deliver configurable, user-level access control policies as well as a comprehensive, always-on auditing service that captures and documents changes to both data elements and business processes.

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Our Strategy for Growth

Our strategy for growth reflects our mission to build the next generation of business enterprise software delivered as a service. Key elements of our strategy include:

Expand our Customer Base. We believe that there is a substantial opportunity for us to continue to increase the size of our enterprise customer base across a broad range of industries given the relatively high level of business process commonality for the applications we provide. Due to the age and inherent limitations of legacy software applications, as well as continuous changes in regulatory and compliance requirements, we expect there to be a wave of pending upgrade cycles of many legacy ERM applications over the next few years. We will continue to invest aggressively in our direct and indirect sales and marketing capabilities to continue to acquire new customers.

Maintain our Innovation Leadership by Strengthening and Extending our Suite of Applications. Our customers' ability to deploy new applications and new application functionality rapidly and cost-effectively has been central to the results we have achieved to date. We intend to continue extending the functionality and range of our applications in the future. In the near-term, we expect that our research and development investments will continue to be highly focused on our financial management application. Over the longer-term, we intend to increase our investment in the development of new applications that address additional market opportunities, including analytics applications and other applications designed for specific industry and functional vertical applications. By collaborating with our customers and implementation partners in these efforts, we intend to enable our customers to increase their performance capabilities through rapid and cost-effective deployments of our applications.

Expand Internationally. We believe that there is a significant opportunity for our cloud-based applications outside of the United States. Given our modern, cloud-based architecture, our knowledge of global requirements, and the highly scalable nature of our applications, we believe our applications are particularly well suited to large, dynamic enterprises with complex, global operations. Our applications are also well suited to organizations with operations in emerging markets that have not previously been able to justify investments in ERM software. We plan to expand our sales capability internationally by expanding our direct sales force and by collaborating with strategic partners around the world.

Deepen our Relationship with our Existing Customer Base. We believe that our customers will increase their usage of existing applications and increase the number of applications they choose to buy if they are satisfied with our applications and services. As we extend and strengthen the functionality of our applications, we will continue to invest in initiatives to increase the depth of application adoption and maintain our high levels of customer satisfaction. We believe there is also a significant opportunity for us to extend the breadth of applications deployed by our existing customers, particularly our Financial Management application, which has been selected by approximately 10% of our customers to date.

Further Develop our Partner Ecosystem. We have established a strong set of relationships with other organizations in our ecosystem to deliver best-in-class applications to our customers. These technology and services partners enable us to increase the speed of deployment and functionality of our cloud-based applications and offer a wider range of integrated services to our customers. We intend to support our partners in the growth of their Workday practices, as well as increase the number of partners who work with our customers. We will also continue to invest in and support the growth of Workday's integration platform that allows third parties and customers to integrate their Workday applications, technology partner applications, and their own custom applications.

Leverage our Unique Culture. We believe that building and maintaining a remarkable culture benefits our customers and employees, who together form the Workday Community. Engaged and loyal employees provide high levels of customer satisfaction, leading to greater adoption of our applications and recommendations to potential customers. We believe that this culture is the foundation for the successful execution of our strategy and, as a result, is a critical requirement for our growth agenda.

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Selected Risks Associated With Our Business

Our business is subject to numerous risks described in the section entitled "Risk Factors" and elsewhere in this prospectus. You should carefully consider these risks before making an investment. Some of these risks include:

We have a history of cumulative losses and we do not expect to be profitable for the foreseeable future.

We have a limited operating history, which makes it difficult to predict our future operating results.

The markets in which we participate are intensely competitive, and if we do not compete effectively our operating results could be adversely affected.

We have experienced rapid growth in recent periods. If we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high levels of service or adequately address competitive challenges.

If the market for enterprise cloud computing develops more slowly than we expect, our business could be adversely affected.

To date, we have derived a substantial majority of our subscription revenues from our HCM application. Our efforts to increase use of our HCM application and our other applications may not succeed, and may reduce our revenue growth rate.

If we are not able to provide successful enhancements, new features and modifications, our business could be adversely affected.

If our security measures are breached or unauthorized access to customer data is otherwise obtained, our applications may be perceived as not being secure, customers may reduce the use of or stop using our applications and we may incur significant liabilities.

Large customers often demand more configuration and integration services, or customized features and functions that we do not offer, which could adversely affect our business and operating results.

Because we recognize subscription revenues over the term of the contract, downturns or upturns in new sales will not be immediately reflected in our operating results and may be difficult to discern.

Corporate Information

We were incorporated in March 2005 as North Tahoe Power Tools, Inc., a Nevada corporation. In July 2005, we changed our name to Workday, Inc. and in June 2012 we reincorporated in Delaware. Unless expressly indicated or the context requires otherwise, the terms "Workday," "company," "we," "us," and "our" in this prospectus refer to Workday, Inc., a Delaware corporation, and, where appropriate, its wholly-owned subsidiaries. Our principal executive offices are located at 6230 Stoneridge Mall Road, Pleasanton, California 94588, and our telephone number is (877) WORKDAY. Our website address is www.workday.com. The information on, or that can be accessed through, our website is not part of

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this prospectus. We recently changed the end of our fiscal year from December 31 to January 31 for financial reporting purposes. Workday is our registered trademark in the United States, the European Community and Canada, and the Workday logo, Workday Object Management Server and all of our product names are our trademarks. Other trademarks, service marks, or trade names appearing in this prospectus are the property of their respective owners.

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THE OFFERING

Class A common stock offered by us	22,750,000 shares
Class A common stock to be outstanding after our initial public offering	22,750,000 shares
Class B common stock to be outstanding after our initial public offering	137,540,031 shares
Total Class A and Class B common stock to be outstanding after our initial public offering	160,290,031 shares

Over-allotment option of Class A common stock offered by us 3,412,500 shares

Use of proceeds We estimate that our net proceeds from the sale of the Class A common stock that we are offering will be approximately \$525.6 million, assuming an initial public offering price of \$25.00 per share, which is the midpoint of the price range on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The principal purposes of this offering are to increase our financial flexibility, increase our visibility in the marketplace and create a public market for our Class A common stock. We intend to use the net proceeds to us from our initial public offering for working capital and other general corporate purposes. In addition, we may use a portion of the net proceeds from our initial public offering for acquisitions of complementary businesses, technologies, or other assets. However, we do not have agreements or commitments relating to any specific material acquisitions at this time. See Use of Proceeds.

Voting rights Shares of Class A common stock are entitled to one vote per share.

Shares of Class B common stock are entitled to ten votes per share.

Holders of our Class A common stock and Class B common stock will generally vote together as a single class, unless otherwise required by law or our certificate of incorporation. Mr. Duffield and Mr. Bhusri, our co-founders and co-CEOs, and their affiliates, who after our initial public offering will hold approximately 67% of the voting power of our outstanding capital stock, will have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of

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our directors and the approval of any change in control transaction.
See Principal Stockholders and Description of Capital Stock.

New York Stock Exchange symbol

WDAY

The number of shares of Class A and Class B common stock to be outstanding after our initial public offering gives effect to the issuance and sale of 22,750,000 shares of Class A common stock in this offering and is based on no shares of our Class A common stock and 137,540,031 shares of our Class B common stock outstanding as of July 31, 2012, and excludes:

30,499,933 shares of Class B common stock issuable upon the exercise of options outstanding as of July 31, 2012, with a weighted-average exercise price of approximately \$2.17 per share;

1,103,350 shares of Class B common stock issuable upon exercise of options granted between August 1, 2012 and September 30, 2012, with a weighted average exercise price of \$9.26 per share;

90,000 shares of restricted Class B common stock granted between August 1, 2012 and September 30, 2012, all of which are subject to a lapsing forfeiture provision;

1,350,000 shares of Class B common stock issuable upon the exercise of warrants outstanding as of July 31, 2012, with a weighted average exercise price of \$7.33 per share;

500,000 shares of Class B common stock that we issued in August 2012 to the Workday Foundation; and

42,515,050 shares of our common stock which are reserved for future issuance under our equity compensation plans, consisting of 25,000,000 shares of Class A common stock that will be reserved for issuance under our 2012 Equity Incentive Plan, 15,515,050 shares of Class B common stock reserved for issuance under our 2005 Stock Plan as of July 31, 2012, and 2,000,000 shares of Class A common stock reserved for issuance under our 2012 Employee Stock Purchase Plan. On the date of this prospectus, any remaining shares available for issuance under our 2005 Stock Plan will be added to the shares reserved under our 2012 Equity Incentive Plan and we will cease granting awards under the 2005 Stock Plan. Our 2012 Equity Incentive Plan and 2012 Employee Stock Purchase Plan also provide for automatic annual increases in the number of shares reserved thereunder, as more fully described in Executive Compensation Employee Benefit Plans.

Unless expressly indicated or the context requires otherwise, all information in this prospectus assumes:

the conversion of all outstanding shares of our preferred stock into an aggregate of 97,976,089 shares of Class B common stock immediately prior to the closing of this offering;

no exercise by the underwriters of their right to purchase up to an additional 3,412,500 shares of Class A common stock to cover over-allotments;

the amendment to our certificate of incorporation in September 2012 that redesignated our then- outstanding common stock as Class B common stock and created a new class of Class A common stock to be offered and sold in this offering; and

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the filing of our restated certificate of incorporation and the effectiveness of our restated bylaws in connection with our initial public offering.

The information in this preliminary prospectus is not complete and is subject to change. No person should rely on the information contained in this document for any purpose other than participating in our proposed initial public offering, and only the preliminary prospectus dated October 9, 2012 is authorized by us to be used in connection with our proposed initial public offering. The preliminary prospectus will only be distributed by us and the underwriters named herein and no other person has been authorized by us to use this document to offer or sell any of our securities.

Table of Contents**SUMMARY CONSOLIDATED FINANCIAL DATA**

The following table summarizes our consolidated financial data. We have derived the summary consolidated statements of operations data for the years ended December 31, 2009 and 2010, the one-month period ended January 31, 2011 and the year ended January 31, 2012 from our audited consolidated financial statements included elsewhere in this prospectus. We have derived the unaudited consolidated statements of operations data for the six months ended July 31, 2011 and July 31, 2012 and the unaudited consolidated balance sheet data as of July 31, 2012 from our unaudited financial statements that are included elsewhere in this prospectus. Our unaudited consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements and, in the opinion of management, reflect all adjustments, which consist only of normal recurring adjustments, necessary for the fair presentation of those unaudited consolidated financial statements. Our historical results are not necessarily indicative of our results in any future period. We changed the end of our fiscal year from December 31 to January 31, effective for our fiscal year ended January 31, 2012 and as a result, we also present certain summary consolidated financial information for the one month transition period ended January 31, 2011. The summary of our consolidated financial data set forth below should be read together with our consolidated financial statements and the related notes, as well as the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations, included elsewhere in this prospectus.

		One Month Ended Jan. 31, 2011	Year Ended Jan. 31, 2012	Six Months Ended July 31,
2009	Year Ended December 31, 2010			