

SOTHEBYS
Form SC 13D
August 26, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No.)*

Sotheby's

(Name of Issuer)

Common stock, par value \$0.01 per share

(Title of Class of Securities)

835898107

(CUSIP Number)

Daniel S. Loeb

Third Point LLC

375 Park Avenue, 21st Floor

New York, NY 10152

(212) 715-3880

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

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August 15, 2013

(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 which is the subject of this Schedule 13D, and is filing this schedule because of Sections 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 Section 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 NAME OF REPORTING PERSONS

2 Third Point LLC
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) " (b) "

3 SEC USE ONLY

4 SOURCE OF FUNDS

5 AF
CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 ..
CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF

SHARES

0

BENEFICIALLY

8 SHARED VOTING POWER

OWNED BY

EACH

3,925,000 (see Item 5)

9 SOLE DISPOSITIVE POWER

REPORTING

PERSON

0

WITH

10 SHARED DISPOSITIVE POWER

3,925,000 (see Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

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12 3,925,000 (see Item 5)
CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 ..
PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14 5.7%
TYPE OF REPORTING PERSON

OO

CUSIP No. 835898107

1 NAME OF REPORTING PERSONS

2 Daniel S. Loeb
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) " (b) "

3 SEC USE ONLY

4 SOURCE OF FUNDS

5 AF
CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 ..
CITIZENSHIP OR PLACE OF ORGANIZATION

United States

7 SOLE VOTING POWER

NUMBER OF

SHARES

0

BENEFICIALLY

8 SHARED VOTING POWER

OWNED BY

EACH

3,925,000 (see Item 5)

9 SOLE DISPOSITIVE POWER

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14 5.7%
TYPE OF REPORTING PERSON

IN

Item 1. Security and Issuer

This Schedule 13D relates to the common stock, par value \$0.01 per share (the Common Stock) of Sotheby's, a Delaware corporation (the Issuer). The address of the Issuer's principal executive offices is 1334 York Avenue, New York, New York 10021.

Item 2. Identity and Background

(a) This Schedule 13D is being filed by Third Point LLC, a Delaware limited liability company (the Management Company), and Daniel S. Loeb (Mr. Loeb) and, together with the Management Company, the Reporting Persons.

(b) The principal business address of the Reporting Persons is 375 Park Avenue, 21st Floor, New York, New York 10152.

(c) The principal business of the Management Company is to serve as investment manager or adviser to a variety of hedge funds and managed accounts (such funds and accounts, collectively, the Funds), and to control the investing and trading in securities of the Funds. The principal occupation of Mr. Loeb is serving as Chief Executive Officer of the Management Company.

(d) (e) During the last five years, none of the Reporting Persons (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree, or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Mr. Loeb is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration

The Funds expended an aggregate of approximately \$156,716,025 of their own investment capital to acquire the shares of Common Stock held by them.

The Reporting Persons and Funds may effect purchases of shares of Common Stock through margin accounts maintained for them with brokers, which extend margin credit as and when required to open or carry positions in their margin accounts, subject to applicable federal margin regulations, stock exchange rules and such firms' credit policies. Positions in shares of Common Stock may be held in margin accounts and may be pledged as collateral security for the repayment of debit balances in such accounts. Such margin accounts may from time to time have debit balances. In addition, since other securities may be held in such margin accounts, it may not be possible to determine the amounts, if any, of margin used to purchase shares of Common Stock.

Item 4. Purpose of Transaction

The Reporting Persons originally acquired their shares of Common Stock subject to this Schedule 13D for investment purposes.

The Reporting Persons intend to engage in a dialogue with members of the Board or management of the Issuer or other representatives of the Issuer. The Reporting Persons may also engage in a dialogue and other communications regarding the Issuer with other stockholders of the Issuer, knowledgeable industry or market observers (including art market participants), or other persons. Any dialogue or communications with any of the foregoing persons may relate to potential changes of strategy and leadership at the Issuer and proposals that, if effected, may result in one or more of the events described in Item 4 of Schedule 13D. Except as set forth herein, the Reporting Persons have no present plans or proposals that relate to or would result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D.

The Reporting Persons intend to review their investment in the Issuer's shares of Common Stock on a continuing basis. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the shares, conditions in the securities markets and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, purchasing additional shares of Common Stock, selling some or all of their shares of Common Stock, or changing their intention with respect to any and all matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer

(a) As of 12:00 p.m., New York City time, on the date of this Schedule 13D, the Reporting Persons beneficially own an aggregate of 3,925,000 shares of Common Stock held by the Funds (the "Shares"). The Shares represent 5.7% of the Issuer's Common Stock outstanding. Percentages of the Common Stock outstanding reported in this Schedule 13D are calculated based upon the 68,337,055 shares of Common Stock outstanding as of July 31, 2013, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2013, filed by the Issuer with the Securities and Exchange Commission on August 6, 2013.

(b) Each of the Reporting Persons shares voting and dispositive power over the shares of Common Stock held directly by the Funds.

(c) Set forth on Schedule I hereto are all transactions in the securities of the Issuer effected during the past sixty days by the Reporting Persons, inclusive of any transactions effected through 12:00 p.m., New York City time, on August 26, 2013.

(d) Other than the Funds that directly hold the securities of the Issuer, and except as set forth in this Item 5, no other person is known to have the right to receive, or the power to direct the receipt of, dividends from or proceeds from the sale, of the Shares.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Pursuant to Rule 13d-1(k) promulgated under the Exchange Act, the Reporting Persons have entered into a Joint Filing Agreement, a copy of which is filed with this Schedule 13D as Exhibit 99.1, with respect to the joint filing of this Schedule 13D and any amendment or amendments thereto.

The Funds may, from time to time, enter into and dispose of cash-settled equity swap, stock-settled equity swap, option or other derivative transactions with one or more counterparties that are based upon the value of shares of Common Stock, which transactions may be significant in amount. The profit, loss and/or return on such contracts may be wholly or partially dependent on the market value of the shares of Common Stock.

Certain of the Funds have entered into swaps with respect to the Shares. Under the terms of the swaps, (i) the relevant Fund will be obligated to pay to the counterparty any negative price performance of the specified notional number of Shares subject to the swaps as of the expiration date of such swaps, plus interest rates set forth in the applicable contracts, and (ii) the counterparty will be obligated to pay the relevant Fund any positive price performance of the specified notional number of Shares subject to the swaps as of the expiration date of the swaps. Any dividends received by the counterparty on such notional Shares during the term of the swaps will be paid to the relevant Funds. The swaps do not give the Reporting Persons direct or indirect voting, investment or dispositive control over any securities of the Issuer and do not require the counterparty thereto to acquire, hold, vote or dispose of any securities of the Issuer. Accordingly, the Reporting Persons disclaim any beneficial ownership of any shares that may be referenced in the swap contracts or shares or other securities or financial instruments that may be held from time to time by any counterparty to the contracts. The number of shares of Common Stock specified in such swaps as of 12:00 p.m., New York City time, on the date of this Schedule 13D is 2,324,100.

As of 12:00 p.m., New York City time, on the date of this Schedule 13D, the Funds have sold American-style put options referencing an aggregate of 4,131,000 shares of Common Stock at an exercise price between \$44.00 per share and \$45.00 per share, which expire between September 2013 and October 2013.

Other than as described herein, there are no contracts, arrangements, understandings or relationships (legal or otherwise) between the Reporting Persons and any other person with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits

Exhibit Number	Description of Exhibits
99.1	Joint Filing Agreement, dated as of August 26, 2013.
99.2	Power of Attorney granted by Daniel S. Loeb in favor of James P. Gallagher, William Song and Joshua L. Targoff, dated February 9, 2011, that was previously filed with the SEC on February 11, 2011 as exhibit 99.2 to the Schedule 13G filed by Third Point LLC and Daniel S. Loeb with respect to Citadel Broadcasting Corporation and is incorporated herein by reference.

SIGNATURE

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

THIRD POINT LLC

Date: August 26, 2013

By: Daniel S. Loeb, Chief Executive Officer

By: /s/ William Song

Name: William Song
Title: Attorney-in-Fact

DANIEL S. LOEB

Date: August 26, 2013

By: /s/ William Song

Name: William Song
Title: Attorney-in-Fact

SCHEDULE I

This Schedule sets forth information with respect to each purchase and sale of Shares which was effectuated by a Reporting Person during the past sixty days, inclusive of any transactions effected through 12:00 p.m., New York City time, on August 26, 2013. Unless otherwise indicated, all transactions were effectuated in the open market through a broker.

Date of Transaction	Number of Shares	
	Purchased (Sold)	Price per Share
6/26/2013	50,000	37.79
6/26/2013	25,000	37.64
6/26/2013	50,000	37.48
7/8/2013	100,000	39.95
7/9/2013	50,000	40.04
7/10/2013	15,700	40.09
7/10/2013	56,200	40.10
7/11/2013	53,100	41.00
7/12/2013	25,000	41.00
7/15/2013	27,000	41.00
7/16/2013	52,500	40.75
7/17/2013	6,500	40.25
7/23/2013	114,000	42.08
7/30/2013	100,000	43.24
7/31/2013	10,000	44.30
8/2/2013	40,000	44.68
8/2/2013	50,000	44.76
8/6/2013	200,000	44.71
8/15/2013	100,000	44.70
8/15/2013	(75,000)*	44.73
8/15/2013	75,000*	44.73
8/16/2013	225,000	44.94
8/19/2013	50,000	44.54
8/21/2013	(500,000)	45.00
8/21/2013	(125,000)	44.93
8/21/2013	900,000	44.92
8/22/2013	(270,000)	45.36
8/22/2013	30,200	45.00
8/22/2013	105,000	45.08
8/23/2013	9,800	45.76

* Rebalancing trade.

INDEX TO EXHIBITS

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