

Edgar Filing: HEXCEL CORP /DE/ - Form SC 13D/A

HEXCEL CORP /DE/  
Form SC 13D/A  
October 23, 2007

SCHEDULE 13D/A  
(AMENDMENT NO. 2)

Under the Securities Exchange Act of 1934  
Hexcel Corporation

-----  
(Name of Company)

Common Stock

-----  
(Title of Class of Securities)  
(Ordinary Shares) CUSIP 428291108

-----  
(CUSIP Number of Class of Securities)

Oscar S. Schafer

-----  
O.S.S. Capital Management LP  
598 Madison Avenue  
New York, NY 10022  
(212) 756-8700

With a copy to:

Marc Weingarten, Esq.  
Schulte Roth & Zabel LLP  
919 Third Avenue  
New York, NY 10022  
(212) 756-2000

-----  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)  
October 22, 2007

-----  
(Date of Event which Requires  
Filing of this Schedule)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D/A, and is filing this schedule because of ss.ss.240.13D -1(e), 240.13D/A-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 ss.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

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Notes).

SCHEDULE 13D/A

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
O.S.S. Capital Management LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS\*  
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO  
ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware

7 SOLE VOTING POWER  
0

NUMBER OF  
SHARES  
BENEFICALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
5,285,900

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
5,285,900

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON  
5,285,900

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN SHARES\* [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)  
5.6% (see Item 5)

14 TYPE OF REPORTING PERSON\*  
PN

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
Oscar S. Schafer & Partners I LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO  
ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER

205,970

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

205,970

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

205,970

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN SHARES\* [ ]

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

0.22% (see Item 5)

14 TYPE OF REPORTING PERSON\*

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
Oscar S. Schafer & Partners II LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS\*  
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO  
ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware

7 SOLE VOTING POWER  
0

NUMBER OF  
SHARES  
BENEFICALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
2,325,586

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
2,325,586

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON  
2,325,586

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN SHARES\*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
2.46% (see Item 5)

14 TYPE OF REPORTING PERSON\*

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
O.S.S. Overseas Fund Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  [X]  
(b)  [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT  
TO ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

7 SOLE VOTING POWER

0

NUMBER OF 8 SHARED VOTING POWER

SHARES

BENEFICALLY 2,680,981

OWNED BY

EACH

REPORTING

PERSON WITH

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

2,680,981

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

2,680,981

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN SHARES\* [ ]

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

2.83% (see Item 5)

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14 TYPE OF REPORTING PERSON\*

CO

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1 NAME OF REPORTING PERSON  
 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
 O.S.S. Advisors LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  [X]  
 (b)  [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO  
 ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

0

NUMBER OF SHARES BENEFICALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

2,531,556

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

2,531,556

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

2,531,556

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW  
 (11) EXCLUDES CERTAIN SHARES\* [ ]

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

2.67% (see Item 5)

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14 TYPE OF REPORTING PERSON\*

OO

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
Schafer Brothers LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  [X]  
(b)  [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO  
ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER

5,285,900

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

5,285,900

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

5,285,900

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN SHARES\* [ ]

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

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5.6% (see Item 5)

14 TYPE OF REPORTING PERSON\*

OO

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
Oscar S. Schafer

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  [X]  
(b)  [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT  
TO ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

7 SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER

5,285,900

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

5,285,900

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

5,285,900

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\* [ ]

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

5.6% (see Item 5)

14 TYPE OF REPORTING PERSON\*

IN

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
Peter J. Grondin

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]  
(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT  
TO ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

7 SOLE VOTING POWER

0

NUMBER OF SHARES BENEFICALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

800

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

800

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\* [ ]

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

0.0% (see Item 5)  
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14 TYPE OF REPORTING PERSON\*

IN  
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ITEM 1. SECURITY AND ISSUER

Pursuant to Rule 13D-2 promulgated under the Act, this Schedule 13D/A (the "Amendment No. 2") amends the Schedule 13D filed on April 27, 2007 (Accession Number 0000902664-07-001570) (the "Original 13D"), as amended by Amendment No. 1 dated July 25, 2007 (Accession Number 0000902664-07-002352) ("Amendment No. 1").

This Amendment No. 2 is being filed by O.S.S. Capital Management LP ("Investment Manager"), Oscar S. Schafer & Partners I LP, Oscar S. Schafer & Partners II LP, O.S.S. Overseas Fund Ltd., O.S.S. Advisors LLC, Schafer Brothers LLC, Oscar S. Schafer and Peter J. Grondin. Amendment No. 2 relates to the ordinary shares ("Ordinary Shares") of Hexcel Corporation, a Delaware corporation (the "Company").

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

Item 3 of the Original 13D is amended and restated as follows:

The total amount of funds used by the Partnerships and OSS Overseas to purchase the securities of the Company as described herein was \$96 million, and was furnished from the investment capital of the Partnerships and OSS Overseas.

Included in the total securities beneficially owned by the Investment Manager, SB LLC and Mr. Schafer were 73,363 Ordinary Shares which were held for the benefit of a third party in a separately managed account (the "Managed Account") over which the Investment Manager had investment discretion.

Mr. Grondin has investment discretion over 800 Ordinary Shares purchased for his personal account.

ITEM 4. PURPOSE OF TRANSACTION.

Item 4 of the Original 13D is being amended to add the following:

The Investment Manager contacted the Company on October 22, 2007 to suggest several candidates for consideration by the Company for appointment or election to the Board of Directors.

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ITEM 5. INTEREST IN SECURITIES OF THE COMPANY.

Item 5 of the Original 13D is being amended and restated as follows:

(a), (b) The following table sets forth the aggregate number and percentage of the outstanding Ordinary Shares beneficially owned by each of the Reporting Persons named in Item 2, as of the date hereof. The percentage of the outstanding Ordinary Shares beneficially owned is based on the 94,647,000 Ordinary Shares (based on calculations made in accordance with Rule 13D-3(d)). The table also sets forth the number of Ordinary Shares with respect to which each Reporting Person has the sole power to vote or to direct the vote, shared power to vote or to direct the vote, sole power to dispose or to direct the disposition, or shared power to dispose or to direct the disposition, in each case as of the date hereof.

Reporting Person	Aggregate Number of Ordinary Shares Beneficially Owned	Approximate Percentage	Number of Ordinary Shares: Sole Power to Vote or to Dispose	Number of Ordinary Shares: Shared Power to Vote or to Dispose
Investment Manager	5,285,900	5.6%	0	5,285,900
OSS I	205,970	.22%	0	205,970
OSS II	2,325,586	2.46%	0	2,325,586
OSS Overseas	2,680,981	2.83%	0	2,680,981
General Partner	2,531,556	2.67%	0	2,531,556
SB LLC	5,285,900	5.6%	0	5,285,900
Mr. Schafer	5,285,900	5.6%	0	5,285,900
Managed Account	73,363	.1%	0	73,363
Mr. Grondin	800	0%	800	0

The purchase of the Ordinary Shares were effected in the open market. The Investment Manager, the General Partner, SB LLC, Mr. Schafer and Mr. Grondin expressly declare that this filing shall not be construed as an admission that any of them is, for the purposes of sections 13(d) or 13(g) of the Act, the beneficial owner of any securities covered by this filing.

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(c) Except for the transactions set forth below, during the last sixty days the Reporting Persons have effected no transactions with respect to the Ordinary Shares.

Reporting Person	Date	Buy or Sell	Number of Ordinary Shares	Price Per Share
OSS I	10/17/2007	Buy	9,896	\$22.10
OSS I	10/22/2007	Buy	2,413	\$20.60
OSS I	10/22/2007	Buy	990	\$20.23
OSS II	10/17/2007	Buy	111,667	\$22.10
OSS II	10/22/2007	Buy	151,058	\$20.60
OSS II	10/22/2007	Buy	11,167	\$20.23
OSS Overseas	10/17/2007	Buy	128,437	\$22.10
OSS Overseas	10/22/2007	Buy	46,529	\$20.60
OSS Overseas	10/22/2007	Buy	12,843	\$20.23

(d) (i) The limited partners and the General Partner of the Partnerships, (ii) the shareholders and the advisor of OSS Overseas and (iii) the third party which has beneficial ownership over the Managed Account have the right to participate in the receipt of dividends from, and the proceeds from the sale of, the securities held for the Partnerships and OSS Overseas, respectively.

(e) Not applicable.

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SIGNATURES

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

Dated: October 23, 2007

OSCAR S. SCHAFFER

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By:/S/ OSCAR S. SCHAFER

-----  
Oscar S. Schafer, individually

O.S.S. CAPITAL MANAGEMENT LP By: Schafer Brothers LLC, as General Partner

By:/S/ OSCAR S. SCHAFER

-----  
Name: Oscar S. Schafer  
Title: Senior Managing Member

OSCAR S. SCHAFER & PARTNERS I LP  
By: O.S.S. Advisors LLC, as General Partner

By:/S/ OSCAR S. SCHAFER

-----  
Name: Oscar S. Schafer  
Title: Senior Managing Member

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OSCAR S. SCHAFER & PARTNERS II LP  
By: O.S.S. Advisors LLC, as General Partner

By:/S/ OSCAR S. SCHAFER

-----  
Name: Oscar S. Schafer  
Title: Senior Managing Member

O.S.S. OVERSEAS FUND LTD.

By:/S/ OSCAR S. SCHAFER

-----  
Name: Oscar S. Schafer  
Title: Director

O.S.S. ADVISORS LLC

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By:/S/ OSCAR S. SCHAFER

-----  
Name: Oscar S. Schafer  
Title: Senior Managing Member

SCHAFER BROTHERS LLC

By:/S/ OSCAR S. SCHAFER

-----  
Name: Oscar S. Schafer  
Title: Senior Managing Member

PETER J. GRONDIN

By:/S/ PETER J. GRONDIN

-----  
Peter J. Grondin, individually