

NCR CORP
Form SC 13D
October 21, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D
UNDER THE SECURITIES EXCHANGE ACT OF 1934
(Amendment No. __)*

NCR Corporation
(Name of Issuer)

Common Stock, \$0.01 par value per share
(Title of Class of Securities)

62886E108
(CUSIP Number)

Neil S. Bhatia, Esq.
Marcato Capital Management LP
One Montgomery Street, Suite 3250
San Francisco, CA 94104
Telephone Number 415-796-6350
(Name, Address and Telephone Number of Person Authorized to Receive
Notices and Communications)

October 14, 2014
(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 Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.
x

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 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 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).

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1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Marcato 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 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
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

0

8 SHARED VOTING POWER

10,850,488

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

10,850,488

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,850,488

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

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

6.5%

14 TYPE OF REPORTING PERSON

IA

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1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Richard T. McGuire III

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 PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) or 2(e) ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

7 SOLE VOTING POWER

NUMBER OF
SHARES
BENEFICIALLY

0

8 SHARED VOTING POWER

OWNED BY
EACH

10,850,488

9 SOLE DISPOSITIVE POWER

PERSON
WITH

0

10 SHARED DISPOSITIVE POWER

10,850,488

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,850,488

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

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

6.5%

14 TYPE OF REPORTING PERSON

IN

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1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Marcato, L.P.

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 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
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

0

8 SHARED VOTING POWER

2,556,939

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

2,556,939

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,556,939

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

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

1.5%

14 TYPE OF REPORTING PERSON

PN

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1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Marcato II, L.P.

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 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
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

0

8 SHARED VOTING POWER

186,370

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

186,370

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

186,370

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

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

0.1%

14 TYPE OF REPORTING PERSON

PN

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1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Marcato International Master Fund, Ltd.

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 PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

7 SOLE VOTING POWER

NUMBER OF 0

SHARES
BENEFICIALLY

8 SHARED VOTING POWER

OWNED BY 8,107,179

EACH
REPORTING
PERSON
WITH

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

8,107,179

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

8,107,179

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

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

4.8%

14 TYPE OF REPORTING PERSON

OO

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Item 1. Security and Issuer.

The name of the issuer is NCR Corporation, a Maryland corporation (the "Issuer"). The address of the Issuer's principal executive offices is 3097 Satellite Boulevard, Duluth, GA 30096, United States of America. This Schedule 13D relates to the Issuer's Common Stock (the "Shares").

Item 2. Identity and Background.

(a), (f) This Schedule 13D is being filed by Marcato Capital Management LP, a Delaware limited partnership ("Marcato"), Richard T. McGuire III, a United States citizen, Marcato, L.P., a Delaware limited partnership, Marcato II, L.P., a Delaware limited partnership, and Marcato International Master Fund, Ltd., a Cayman Islands exempted company. Mr. McGuire is the managing partner of Marcato, the investment manager of Marcato, L.P., Marcato II, L.P. and Marcato International Master Fund, Ltd. Marcato, Mr. McGuire, Marcato, L.P., Marcato II, L.P. and Marcato International Master Fund, Ltd. are each a "Reporting Person" and are collectively referred to herein as the "Reporting Persons".

(b) The principal business address for each of the Reporting Persons is c/o Marcato Capital Management LP, One Montgomery Street, Suite 3250, San Francisco, CA 94104.

(c) Mr. McGuire is the managing partner of Marcato, an entity that serves as investment adviser of Marcato, L.P., Marcato II, L.P. and Marcato International Master Fund, Ltd.

(d) Mr. McGuire has not, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons have, during the last five years, 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.

Item 3. Source and Amount of Funds or Other Consideration.

The responses to Items 4, 5 and 6 of this Schedule 13D are hereby incorporated by reference.

The net investment costs (including commissions, if any) of the Shares directly owned by the private investment funds advised by Marcato is approximately \$308,243,198, including the net cost of Shares. The amounts paid were funded by working capital.

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Item 4.

Purpose of Transaction.

The responses to Items 3, 5 and 6 of this Schedule 13D are hereby incorporated by reference.

The Reporting Persons acquired the Shares over which they exercise beneficial ownership in the ordinary course of their investment activities. The Reporting Persons purchased the Shares based on the Reporting Persons' belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. The Reporting Persons may from time to time discuss the Issuer's business, strategies and other matters related to the Issuer with directors and officers of the Issuer, other shareholders or third parties in connection with the Reporting Persons' investment in the Issuer. These discussions may review options for enhancing shareholder value through various strategic alternatives or operational or management initiatives including, but not limited to, improving capital structure and/or capital allocation, strategic transactions, and general corporate strategies.

On October 14, 2014, Marcato proposed to the Issuer that, in light of Marcato's significant equity interest in the Issuer, Mr. McGuire be nominated to serve as a director on the Issuer's board of directors (the "Board"). Subsequently, on October 21, 2014, Marcato communicated to the Issuer that as a result of the Issuer's negative pre-announcement of Third Quarter 2014 earnings and lowering of full-year 2014 guidance, that the Issuer immediately take steps to effectuate Mr. McGuire's request of Board representation.

The Reporting Persons intend to review their respective investment in the Issuer on a continuing basis and may from time to time and at any time in the future depending on various factors, including, without limitation, the outcome of any discussions referenced above, the Issuer's financial position and strategic direction, actions taken by the board, price levels of the Shares, other investment opportunities available to the Reporting Persons, conditions in the securities market and general economic and industry conditions, take such actions with respect to the investment in the Issuer as they deem appropriate, including: (i) acquiring additional Shares and/or other equity, debt, notes, other securities, or derivative or other instruments that are based upon or relate to the value of the Shares or the Issuer (collectively, "Securities") of the Issuer in the open market or otherwise; (ii) disposing of any or all of their Securities in the open market or otherwise; (iii) engaging in any hedging or similar transactions with respect to the Securities; or (iv) proposing or considering one or more of the actions described in subsections (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

As of the date hereof, (i) Marcato and Mr. McGuire may be deemed to be the beneficial owners of 10,850,488 Shares (the "Marcato Shares"), constituting 6.5% of the Shares, (ii) Marcato, L.P. may be deemed to be the beneficial owner of 2,556,939 Shares, constituting 1.5% of the Shares, (iii) Marcato II, L.P. may be deemed to be the beneficial owner of 186,370 Shares, constituting 0.1% of the Shares and (iii) Marcato International Master Fund, Ltd. may be deemed to be the beneficial owner of 8,107,179 Shares, constituting 4.8% of the Shares, each based upon 168,100,000 Shares outstanding as of July 15, 2014, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014.

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) 2,556,939 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) 186,370 Shares. 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) 8,107,179 Shares. Marcato, as the investment adviser 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 the 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.

The transactions by the Reporting Persons in the securities of the Issuer during the past sixty days are set forth in Exhibit B.

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.

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

The responses to Items 3, 4 and 5 of this Schedule 13D are hereby incorporated by reference.

Except for the arrangements described herein, to the best knowledge of the Reporting Persons, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among the persons named in Item 2 and between such persons and any other person with respect to any securities of the Issuer, including but not limited to, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

Item 7. Material to be Filed as Exhibits.

Exhibit A: Joint Filing Agreement

Exhibit B: Schedule of Transactions in Shares

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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.

Dated: October 21, 2014

Marcato Capital Management LP*
By: Marcato Holdings LLC, its General Partner

By: /s/ Richard T. McGuire III
Richard T. McGuire III,
Authorized Person

/s/ Richard T. McGuire III*
Richard T. McGuire III

Marcato, L.P.

By: MCM General Partner LLC, its
General Partner

By: /s/ Richard T. McGuire III
Richard T. McGuire III,
Authorized Person

Marcato II, L.P.

By: MCM General Partner LLC, its
General Partner

By: /s/ Richard T. McGuire III
Richard T. McGuire III,
Authorized Person

Marcato International Master Fund, Ltd.

By: /s/ Richard T. McGuire III

Richard T. McGuire III, Director

*This reporting person disclaims beneficial ownership of these reported securities except to the extent of its pecuniary interest therein, and this report shall not be deemed an admission that any such person is the beneficial owner of these securities for purposes of Section 16 of the U.S. Securities Exchange Act of 1934, as amended, or for any other purpose.

Joint Filing Agreement

The undersigned hereby agree to jointly prepare and file with regulatory authorities this Schedule 13D and any future amendments thereto reporting each of the undersigned's ownership of securities of the Issuer named herein, and hereby affirm that such Schedule 13D is being filed on behalf of each of the undersigned pursuant to and in accordance with the provisions of Rule 13d-1(k) under the Securities Exchange Act of 1934. The undersigned acknowledge that each shall be responsible for the timely filing of such amendments, and for the completeness and accuracy of the information concerning him or it contained therein, but shall not be responsible for the completeness and accuracy of the information concerning the other, except to the extent that he or it knows or has reason to believe that such information is inaccurate.

Dated: October 21, 2014

Marcato Capital Management LP
By: Marcato Holdings LLC, its General Partner

By: /s/ Richard T. McGuire III
Richard T. McGuire III,
Authorized Person

/s/ Richard T. McGuire III
Richard T. McGuire III

Marcato, L.P.

By: MCM General Partner LLC, its
General Partner

By: /s/ Richard T. McGuire III
Richard T. McGuire III,
Authorized Person

Marcato II, L.P.

By: MCM General Partner LLC, its
General Partner

By: /s/ Richard T. McGuire III
Richard T. McGuire III,
Authorized Person

Marcato International Master Fund, Ltd.

By: /s/ Richard T. McGuire III
Richard T. McGuire III, Director

Schedule of Transactions in Shares

The following tables set forth all transactions with respect to Shares effected in the last sixty days by the Reporting Persons, inclusive of any transactions effected through 4:00 p.m., New York City time, on October 20, 2014. Transactions marked with (*) are portfolio rebalancing transactions. The tables include commissions paid in per share prices.

Marcato, L.P., Marcato and Richard T. McGuire III

Transaction Date	Transaction	Security	Shares/Options Bought (Sold)	Unit Cost
10/1/2014	Buy	Common Stock*	39,214	33.41

Marcato II, L.P., Marcato and Richard T. McGuire III

Transaction Date	Transaction	Security	Shares/Options Bought (Sold)	Unit Cost
10/1/2014	Sell	Common Stock*	(1,604)	33.41

Marcato International Master Fund, Ltd., Marcato and Richard T. McGuire III

Transaction Date	Transaction	Security	Shares/Options Bought (Sold)	Unit Cost
10/1/2014	Sell	Common Stock*	(37,610)	33.41
