

OWENS ILLINOIS INC /DE/  
Form SC 13D/A  
December 17, 2014

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

**Amendment No. 2**

**Under the Securities Exchange Act of 1934**

OWENS-ILLINOIS, INC.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

690768403

(CUSIP Number)

with a copy to:

Alexander J. Roepers

Allen B. Levithan

Atlantic Investment Management, Inc. Lowenstein Sandler LLP

666 Fifth Avenue

1251 Avenue of the Americas

New York, New York 10103

New York, New York 10020

(212) 484-5050

(212) 262-6700

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

December 17, 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 that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), (f) or (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 13d-7(b) 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. 690768403

1. Names of Reporting Persons. I.R.S.  
Identification Nos. of above persons (entities  
only):

Atlantic  
Investment  
Management, Inc.

2. Check the Appropriate Box (a) [ ]  
if a Member of a Group (b) [ ]

3. SEC Use Only

4. Source of Funds (See Instructions):  
AF, OO

5. Check if Disclosure of Legal Proceedings Is  
Required Pursuant to Items 2(d) or 2(e):  
Not Applicable

6. Citizenship or Place of Organization:  
Delaware

Number of	7. Sole Voting	12,091,413*
	Power:	
Shares Beneficially	8. Shared Voting	0
	Power:	
Owned by		
Each Reporting	9. Sole Dispositive	12,091,413*
	Power:	
Person With	10. Shared Dispositive	0
	Power:	

11. Aggregate Amount Beneficially Owned by  
Each Reporting Person:

12,091,413\*

12. Check if the Aggregate Amount in Row (11)  
Excludes Certain Shares (See Instructions):

Not Applicable

13. Percent of Class Represented by Amount in  
Row (11):

7.3%\*

14. Type of Reporting Person (See Instructions):

IA

\*Includes: (i) 1,284,960 shares (0.78%) of the Issuer's Common Stock, par value \$0.01 per share ("Shares"), beneficially owned by AJR International Master Fund, Ltd., a British Virgin Islands company, (ii) 7,303,603 Shares (4.43%) beneficially owned by Cambrian Master Fund, Ltd., a British Virgin Islands company, (iii) 1,146,848 shares (0.70%) beneficially owned by Cambrian Global Master Fund, Ltd., a British Virgin Islands company, and (iv) 2,356,002 Shares (1.43%) held in one or more other accounts ("Other Accounts"). Atlantic Investment Management, Inc., serving as the investment advisor of the foregoing parties and the Other Accounts, has sole voting and sole dispositive power over all Shares beneficially owned by such parties or held in the Other Accounts. See Items 2 and 5 for additional details.

Item 1. Security and Issuer.

This statement relates to the common stock, par value \$0.01 per share (the “Shares”), of Owens-Illinois Inc. (the “Issuer”). The Issuer has principal executive offices located at One Michael Owens Way, Perrysburg, Ohio 43551-2999.

Item 2. Identity and Background.

(a) This statement is filed by Atlantic Investment Management, Inc., a Delaware corporation (the “Reporting Person”), with respect to 12,091,413 shares over which the Reporting Person has sole dispositive and voting power by reason of serving as the investment advisor to: (i) AJR International Master Fund, Ltd., a British Virgin Islands company (“AJR”); (ii) Cambrian Master Fund, Ltd., a British Virgin Islands company (“Cambrian Fund”); (iii) Cambrian Global Master Fund, Ltd., a British Virgin Islands company (“Cambrian Global Fund”), and (iv) one or more other accounts (“Other Accounts”).

(b) The business address of the Reporting Person and Mr. Alexander Roepers, the president, sole director and sole shareholder of the Reporting Person, is 666 Fifth Avenue, New York, New York 10103.

(c) The principal business of the Reporting Person is that of an investment advisor engaging in the purchase and sale of securities for investment with the objective of capital appreciation on behalf of AJR, Cambrian Fund, Cambrian Global Fund, and the Other Accounts. The principal occupation of Mr. Roepers is serving as the president and managing officer of the Reporting Person.

(d) Neither the Reporting Person nor Mr. Roepers has, during the past five (5) years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) Neither the Reporting Person nor Mr. Roepers has, during the past five (5) years, been a party to any civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is now 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. Roepers is a citizen of the United States.

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

The Shares purchased by the Reporting Person on behalf of AJR, Cambrian Fund, Cambrian Global Fund and the Other Accounts were purchased with the investment capital of such entities and accounts. The aggregate amount of funds used in making the purchases reported in this Amendment No. 2 to Schedule 13D was approximately \$316,126,304.

Item 4. Purpose of Transaction.

The Reporting Person acquired, on behalf of AJR, Cambrian Fund, Cambrian Global Fund, and the Other Accounts and continues to hold, the Shares reported in this Amendment No. 2 to Schedule 13D for investment purposes. The Reporting Person intends to evaluate the performance of the Shares as an investment in the ordinary course of business. The Reporting Person pursues an investment objective that seeks capital appreciation. In pursuing this investment objective, the Reporting Person analyzes the operations, capital structure and markets of companies in which the Reporting Person's clients invest, including the Issuer, on a continuous basis through analysis of documentation and discussions with knowledgeable industry and market observers and with representatives of such companies.

The Reporting Person will continuously assess the Issuer's business, financial condition, results of operations and prospects, general economic conditions, the securities markets in general and those for the Shares in particular, other developments and other investment opportunities. Depending on such assessments, the Reporting Person may acquire additional Shares or may determine to sell or otherwise dispose of all or some of the Shares presently held by AJR, Cambrian Fund, Cambrian Global Fund, and the Other Accounts in the open market or in private transactions. Such actions will depend upon a variety of factors, including, without limitation, current and anticipated future trading prices for the Shares, the financial condition, results of operations and prospects of the Issuer, alternative investment opportunities, general economic, financial market and industry conditions and other factors that the Reporting Person may deem material to its investment decision.

The Reporting Person and their representatives have, from time to time, engaged in, and expect to continue to engage in, discussions with members of management and the board of directors of the Issuer (the "Board"), other current or prospective shareholders, industry analysts, existing or potential strategic partners or competitors, investment and financing professionals and other third parties regarding a variety of matters relating to the Issuer, which may include, among other things, the Issuer's business, management, capital structure and allocation, corporate governance, Board composition and strategic alternatives and direction, and may take other steps seeking to bring about changes to increase shareholder value.

Except as set forth above, the Reporting Person has no present plans or proposals which relate to or would result in any of the transactions required to be described in Item 4 of this Amendment No. 2 to Schedule 13D.

Item 4 is hereby supplemented with the addition of the following:

On December 17, 2014, the Reporting Person sent a letter (the "Letter") to Mr. Peter Hellman, Lead Director of the Issuer, urging the Board to (i) announce the early retirement and succession plan for the CEO, (ii) separate the roles of chairman and CEO, (iii) implement an \$0.08 per share quarterly dividend, (iv) move to mark-to-market pension accounting, which should increase earnings per share by at least \$0.50 and (v) re-initiates a \$3.50+ EPS target as soon as possible.

The foregoing summary of the Letter is qualified in its entirety by reference to the full text of the Letter, a copy of which is attached as Exhibit 1 to this Schedule 13D and is incorporated by reference herein.

Item 5. Interest in Securities of the Issuer.

(a) Based upon the information contained in the Issuer's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on October 29, 2014, there were issued and outstanding 164,909,767 Shares as of September 30, 2014.

(b) The Reporting Person does not directly own any Shares. The Reporting Person has entered into an investment advisory agreement with each of AJR, Cambrian Fund, Cambrian Global Fund and the Other Accounts pursuant to which the Reporting Person has investment authority with respect to the securities held by such entities or in such accounts. Such power includes the power to dispose of and the power to vote the Shares. By reason of the provisions of Rule 13d-3 of the Securities Exchange Act of 1934, as amended, the Reporting Person is deemed to be the beneficial owner of the Shares held by such entities and accounts. Accordingly, the Reporting Person is deemed the



beneficial owner of 12,091,413 Shares, or 7.3% of the outstanding Shares.

(c) The following table details the transactions by the Reporting Person, on behalf of AJR, Cambrian Fund, Cambrian Global Fund, and the Other Accounts in Shares during the past sixty (60):

<u>Date</u>	<u>Quantity</u>	<u>Price</u>	<u>Type of Transaction</u>
10/20/2014	(9,685)	\$25.0767	Open Market Sale
10/29/2014	450,000	\$23.9418	Open Market Purchase
10/30/2014	50,000	\$23.7394	Open Market Purchase
10/31/2014	30,000	\$25.7620	Open Market Purchase
11/03/2014	58,504	\$25.8495	Open Market Purchase
11/05/2014	25,809	\$35.5663	Open Market Purchase
11/20/2014	85,000	\$25.5096	Open Market Purchase
12/03/2014	(31,000)	\$26.2027	Open Market Sale
12/04/2014	(30,000)	\$26.3000	Open Market Sale
12/05/2014	(30,000)	\$26.4005	Open Market Sale
12/08/2014	(60,000)	\$26.0617	Open Market Sale
12/15/2014	50,000	\$24.4737	Open Market Purchase
12/16/2014	214,946	\$24.1982	Open Market Purchase
12/17/2014	135,700	\$23.9245	Open Market Purchase

Except for the transactions listed above, neither the Reporting Person, any entity for which the Reporting Person serves as investment advisor, nor any person or entity controlled by the Reporting Person, nor Mr. Roepers (including Mr. Roepers' immediate family members) has traded Shares during the past sixty (60) days.

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

Not Applicable.

Item 7. Material to be filed as exhibits.

Not Applicable.

SIGNATURE

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

December 17, 2014

ATLANTIC INVESTMENT  
MANAGEMENT, INC.

By: /s/ Alexander J. Roepers  
Alexander J. Roepers, President

**Attention: Intentional misstatements or omissions of fact constitute  
Federal criminal violations (See 18 U.S.C. 1001).**