

ROWAN COMPANIES INC  
Form SC 13D/A  
February 09, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. 13)1

Rowan Companies, Inc.  
(Name of Issuer)

Common Stock, par value \$0.125  
(Title of Class of Securities)

779382100

(CUSIP Number)

STEVEN WOLOSKY, ESQ.  
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
(212) 451-2300

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

February 5, 2009  
(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 §§ 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 § 240.13d-7 for other parties to whom copies are to be sent.

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1 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).

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CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

STEEL PARTNERS 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 ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		9,878,219
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		9,878,219
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9,878,219

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

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

8.7%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

STEEL PARTNERS II MASTER FUND L.P.

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 ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		9,878,219
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		9,878,219
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9,878,219

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

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

8.7%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

STEEL PARTNERS LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF	7	SOLE VOTING POWER
SHARES		
BENEFICIALLY		9,878,219
OWNED BY	8	SHARED VOTING POWER
EACH		
REPORTING		- 0 -
PERSON WITH	9	SOLE DISPOSITIVE POWER
	10	9,878,219
		SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9,878,219

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

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

8.7%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

WEBFINANCIAL L.P.

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 ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		9,878,219
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		9,878,219
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9,878,219

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

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

8.7%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

WARREN G. LICHTENSTEIN

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 ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		9,878,219
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		9,878,219
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9,878,219

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

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

8.7%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

JOHN J. QUICKE

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES	7	SOLE VOTING POWER
BENEFICIALLY		- 0 - *
OWNED BY	8	SHARED VOTING POWER
EACH		- 0 -
REPORTING	9	SOLE DISPOSITIVE POWER
PERSON WITH		- 0 - *
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

- 0 - \*

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

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

0% \*

14 TYPE OF REPORTING PERSON

IN

\* See Item 5

7



CUSIP NO. 779382100

The following constitutes Amendment No. 13 to the Schedule 13D filed by the undersigned (“Amendment No. 13”). This Amendment No. 13 amends the Schedule 13D as specifically set forth.

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

Item 3 is hereby amended and restated to read as follows:

The aggregate purchase price of the 9,878,219 Shares owned by Steel Partners II is approximately \$270,885,713, including brokerage commissions. The Shares owned by Steel Partners II were acquired with partnership funds.

Steel Partners II effects purchases of securities primarily through margin accounts maintained for it with prime brokers, which may extend margin credit to it as and when required to open or carry positions in the margin accounts, subject to applicable federal margin regulations, stock exchange rules and the prime brokers’ credit policies. In such instances, the positions held in the margin accounts are pledged as collateral security for the repayment of debit balances in the accounts.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On February 5, 2009, the Issuer and Steel Partners II entered into a letter agreement (the “Settlement Agreement”), pursuant to which Steel Partners II has agreed not to seek to nominate any candidates to stand for election to the Board of Directors of the Issuer (the “Board”) or engage in the solicitation of proxies with respect to the election or removal of directors or any other matter to be voted on at the Issuer’s 2009 Annual Meeting of Stockholders (the “2009 Annual Meeting”). The Issuer has agreed to nominate a Steel Partners II designee for election to Class III of the Board for election at the 2009 Annual Meeting and to recommend the election and solicit proxies for the election of the Steel Partners II designee and three other nominees to be chosen by the Board. Immediately before such election, the Board will increase the size of the Board from 11 members to 12 members. Until after the Issuer’s 2010 Annual Meeting of Stockholders, the Board will not increase the size of the Board in excess of 12 members and will not take any action that would cause the number of directors comprising Class I of the Board to change from 4 members. The parties agreed that either the Steel Partners II designee or John Quicke, a current director, will serve on the Audit Committee of the Board and the other will serve on the Compensation Committee of the Board, effective promptly following the 2009 Annual Meeting.

Additionally, the Issuer will reimburse Steel Partners II for its reasonable, documented, out-of-pocket expenses incurred in connection with Steel Partners II’s intended nomination of directors and solicitation of proxies from the Issuer’s stockholders at the 2009 Annual Meeting and the negotiation of the Settlement Agreement, in an aggregate amount not to exceed \$25,000.

The Issuer will cease to have any obligations under the Settlement Agreement and Steel Partners II will cause the Steel Partners II designee to resign as a director if, at any time, Steel Partners II and certain of its affiliates cease at any time to beneficially own and have an economic interest in or representing, in the aggregate at least 5% of the total Shares then outstanding.

The foregoing description of the Settlement Agreement is not complete and is qualified in its entirety by reference to its full text. A copy of the Settlement Agreement is filed as exhibit 99.1 hereto and is incorporated herein by reference.



CUSIP NO. 779382100

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 113,003,698 Shares outstanding, which is the total number of Shares outstanding as of October 31, 2008 as reported in the Issuer's quarterly report on Form 10-Q for the quarter ended September 30, 2008, filed with the Securities and Exchange Commission on November 7, 2008.

As of the close of business on February 6, 2009, Steel Partners II beneficially owned 9,878,219 Shares, constituting approximately 8.7% of the Shares outstanding. By virtue of their relationships with Steel Partners II discussed in further detail in Item 2, each of Steel Master, Partners LLC, Web L.P. and Warren G. Lichtenstein may be deemed to beneficially own the Shares owned by Steel Partners II.

John J. Quicke, as a member of a "group" with the other Reporting Persons for purposes of Rule 13d-5(b)(1) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), may be deemed to beneficially own the Shares owned by Steel Partners II.

(b) Each of the Reporting Persons may be deemed to have the sole power to vote and dispose of the Shares reported in this Schedule 13D owned directly by Steel Partners II.

(c) Schedule A annexed hereto lists all transactions in the Shares by the Reporting Persons since the filing of Amendment No. 12 to the Schedule 13D. All of such transactions were effected in the open market, unless otherwise indicated.

(d) No person other than the Reporting Persons 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.

The filing of this Schedule 13D shall not be construed as an admission that the Reporting Persons are, for purposes of Section 13(d) of the Exchange Act, the beneficial owners of any securities covered by this Schedule 13D.

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

Item 6 is hereby amended to add the following:

On February 5, 2009, Steel Partners II entered into the Settlement Agreement as discussed in further detail in Item 4.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following exhibit:

99.1 Letter agreement between Rowan Companies, Inc. and Steel Partners II, L.P., dated February 5, 2009.

CUSIP NO. 779382100

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: February 9, 2009

STEEL PARTNERS II, L.P.

By: Steel Partners II GP LLC  
General Partner

By: /s/ Sanford Antignas  
Sanford Antignas  
as Attorney-In-Fact for Warren G. Lichtenstein,  
Managing Member

STEEL PARTNERS II MASTER FUND L.P.

By: Steel Partners II GP LLC  
General Partner

By: /s/ Sanford Antignas  
Sanford Antignas  
as Attorney-In-Fact for Warren G. Lichtenstein,  
Managing Member

STEEL PARTNERS LLC

By: /s/ Sanford Antignas  
Sanford Antignas  
as Attorney-In-Fact for Warren G.  
Lichtenstein,  
Manager

WEBFINANCIAL L.P.

By: Steel Partners II GP LLC  
General Partner

By: /s/ Sanford Antignas  
Sanford Antignas  
as Attorney-In-Fact for Warren G.  
Lichtenstein,  
Managing Member

/s/ Sanford Antignas

SANFORD ANTIGNAS  
as Attorney-In-Fact for Warren G. Lichtenstein

/s/ John J. Quicke  
JOHN J. QUICKE

CUSIP NO. 779382100

## SCHEDULE A

Transactions in the Securities of the Issuer Since the Filing of Amendment No. 12 to the Schedule 13D

Class of Security	Securities Purchased / (Sold)	Price (\$)	Date of Purchase / Sale
STEEL PARTNERS II, L.P.			
Common Stock	(9,250)	14.0221	01/26/09
Common Stock	(9,250)	14.0221	01/26/09
Common Stock	(92,068)	14.0238	01/28/09
Common Stock	(92,068)	14.0238	01/28/09

## STEEL PARTNERS II MASTER FUND L.P.

None

## STEEL PARTNERS LLC

None

## WEBFINANCIAL L.P.

None

## WARREN G. LICHTENSTEIN

None

## JOHN J. QUICKE

None

