

CHURCH & DWIGHT CO INC /DE/

Form 4

August 16, 2013

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
Number: 3235-0287
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Craigie James

(Last) (First) (Middle)

PRINCETON SOUTH
CORPORATE PARK, 500
CHARLES EWING BOULEVARD

(Street)

EWING, NJ 08628

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol

CHURCH & DWIGHT CO INC
/DE/ [CHD]

3. Date of Earliest Transaction
(Month/Day/Year)
08/15/2013

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify
below) Chairman and CEO

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of
information contained in this form are not
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displays a currently valid OMB control
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SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)
Phantom Stock	(1)	08/15/2013		A	31.0739	08/08/1988(2) 08/08/1988(2)	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Craigie James PRINCETON SOUTH CORPORATE PARK 500 CHARLES EWING BOULEVARD EWING, NJ 08628	X		Chairman and CEO	

Signatures

/s/ Andrew C. Forsell, attorney-in-fact for James R. Craigie 08/16/2013

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The phantom stock shares convert to common stock on a 1-for-1 basis.

(2) The phantom stock shares were acquired under the Church & Dwight Co., Inc. Deferred Compensation Plan and are to be settled in cash at such time as prescribed by the Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. formance vs. analyst estimates. For complete detail see p. 50 of reference in footnote

No. 1⁶ Computer Company results outlined in McKinsey Quarterly, Why Mergers Fail, 2001 Number 4. (Name of actual company disguised in article). In early 2001, HP retained McKinsey & Co. to assist in HP's evaluation of strategic alternatives and potential acquisition candidates including Compaq⁷ Sun 10Q, 10K, Sun 1/18/02 earnings press release. Represents 12 month period ending 12/31, (FY ends 6/30)⁸ HP 11/14/01 earnings press release. Represents 12 month period ending 10/31 (excluding restructuring and merger-related costs)⁹ Apple FY2001 10K. Represents 12 month period ending 9/29¹⁰ Compaq earnings press release 1/16/02. Represents 12 month period ending 12/31 (excluding restructuring and merger-related costs)¹¹ Morgan Stanley, Gateway: Better Margin Structure, Lower Rev Run Rate, 1/8/02, page 3¹² FFL/Parthenon assumption based on historical experience of tech companies, revenue loss in services, and high fixed cost assumptions post planned cost synergies¹³ Amendment No. 2 to HP S-4, 1/14/02, p. 53 ...weighted average contribution margin of 12%...

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¹ McKinsey Quarterly, "Why Mergers Fail," 2001, Number 4. In early 2001, HP retained McKinsey & Co. to assist in HP's evaluation of strategic alternatives and potential acquisition candidates including Compaq

¹ Based on First Call estimates as of August 31, 2001

² Based on
First Call
estimates as
of
January 18,
2002³ See
page 15 of
this
presentation

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¹ An index of comparable companies missed earnings by 2% and 46% in 2000 and 2001 respectively. This index is comprised of companies used by Goldman in performing its Selected Companies Analysis in connection with rendering its fairness opinion to HP relating to HP's proposed merger with Compaq and includes AAPL, CSC, DELL, EDS, EMC, GTW, IBM, NTAP, SUNW, excludes ACN and KCIN as they were not publicly traded on January 1, 2001. Index is weighted by shares outstanding. Numbers are calendarized for each quarter, especially relevant for companies with odd fiscal years (HP, DELL).

¹ Based on assumptions similar to management's outlined on page 30 of HP's Position on Compaq Merger, 12/19/01. Present values, except for core dilution and cost to achieve savings, calculated as of January 21, 2002 based on a 20x forward price-earnings multiple applied to net earnings impact in calendar year 2004. Assumes 26% marginal tax rate

² Assumes net pre-tax cost savings in calendar year 2004 of \$2.0 billion based on \$2.5 billion in cost savings and \$0.5 billion in lost profit on lost revenues. Lost profit calculation assumes \$84.0 billion in revenue in calendar year 2004 before revenue losses, 4.9% revenue loss, 12% contribution margin.³ Represents the value of the core dilution of the transaction before the realization of cost savings at HP's current 2002 calendar year price-earnings multiple of 23.7x. Calendar 2002 pro forma earnings before cost savings calculated based on First Call consensus earnings estimates of \$0.89 and \$1.27 for HP for fiscal years 2002 and 2003, respectively, and \$0.25 for Compaq for its fiscal 2002. Under management's present value methodology, the core dilution has a value of \$3.36

per share based
on calendar 2004
earnings
estimates.⁴ Realistic
case based on
\$1.3 billion
restructuring
charge established
in connection
with Compaq's
acquisition of
DEC in 1998,
which also
involved
approximately
15,000 layoffs,
and the
\$635 million in
retention bonuses
announced by
management in
the proposed
HP/Compaq
merger.
Downside case
based on 50%
premium to
realistic case
(11.4% of
transaction
value).
Compaq/DEC
restructuring
charge as a
percentage of
transaction value
was 13.5%.
Excludes the
impact of new
employment
agreements with
Ms. Fiorna and
Mr. Capellas.
Assumes cash is
paid out ratably
over the first six
months following
closing.⁵ Realistic
case based on
BofA,
Hewlett-Packard:
Management
Turns up the
Heat, 12/19/01
base case of
87.8% of
management
estimate realized
in 2003
(\$1.8 billion
assumed vs.
management

estimates of
\$2.1 billion).
Downside based
on BofA
downside case
75.6% of
management
estimate realized
in 2003 (\$1.6
billion assumed
vs. management
estimates of
\$2.1 billion).⁶ Realistic
case based on
historical
experience of tech
companies,
revenue loss in
services, and
higher fixed cost
assumptions post
planned cost
synergies. See
analysis presented
on p. 21-26.
Downside case
based on discount
to Compaq/DEC
transaction.⁷ Realistic
case assumption
based on
historical
experience of tech
companies,
revenue loss in
services.
Downside case
based on discount
to McKinsey
computer
company example
(see Revenue
Loss Benchmarks
on p. 12).

¹ See footnotes on page 16 for bases of assumptions

¹ HP Position on Compaq Merger, 12/19/01, p. 27

² In the
Aftermath of the
Compaq Deal, SG
Cowen
Perspectives,
10/10/01 only
firm to provide a
comprehensive
segment breakout.
CPQ Deal will
Produce a
Stronger
Competitor...But,
UBS Warburg,
10/29/01 states
that The history
of server
combinations
indicates that
35% or more
erosion to the
acquired customer
base can be
expected, which
translates into a
19% loss of
Enterprise
revenues for the
combined
company.³ For
complete detail
on sources, see
page 49 of the
Report to the
Trustees of the
William R.
Hewlett
Revocable Trust
on the Proposed
Merger of
Hewlett-Packard
filed with the
SEC under
Schedule 14A on
11/16/2001⁴ Party
to Walter Hewlett
Proxy
solicitation⁵ Representing
Compaq in
Proposed
HP/Compaq
Merger⁶ Reference
note 3, p. 50

¹ HP 425 Filing, 12/19/01, p. 44

² UBS Warburg
Alpha Customer
Study,

Hewlett-Packard:
It's About
Revenues,
12/13/01

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¹ Sun 10Q, 10K, Sun 1/18/02 earnings press release. Represents 12 month period ending 12/31, (FY ends 6/30)

² HP 11/14/01 earnings press release.

Represents 12 month period ending 10/31 (excluding restructuring and merger-related costs)³ Apple FY2001 10K.

Represents 12 month period ending 9/29⁴ Compaq earnings press release 1/16/02.

Represents 12 month period ending 12/31 (excluding restructuring and merger-related costs)⁵ Morgan Stanley,

Gateway: Better Margin Structure, Lower Rev Run Rate, 1/8/02, p. 3⁶ FFL/Parthenon assumption based on historical experience of tech companies, revenue loss in services, and higher fixed cost assumptions post planned cost

synergies⁷ Amendment No. 2 to HP form S-4, 01/14/02, page 53 ...weighted

average
contribution
margin of
12%...⁸ Represents
Post-deal 1999
performance
vs. analyst
estimates. See
p. 12

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¹ UBS Warburg, Hewlett-Packard: It's About Revenues, 12/13/01. Survey found that 90% of Compaq Alpha customers would consider another vendor if HP plans to migrate them. This is in contrast to HP's representation that revenue losses would come from lower margin products (HP 425 Filing, 12/19/01, p. 44)

² HP 425
Filing,
12/19/01,
p. 45³ SG
Cowen, In
the
Aftermath
of the
Compaq
Deal,
10/10/01,
p. 6

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¹ HP 425 Filing, 12/19/01, p. 27, footnote (2)

² For
sources, see
page 12 of
this
presentation

page 24

¹ HP 425 Filing, 12/19/01, p. 19.

² Profit
Contribution
= Operating
Income +
Fixed Costs;
therefore,
Profit
Contribution
Operating
Income =
Fixed Costs.
Total fixed
costs defined
as fixed
operating
expenses
plus fixed
COGS³ One
time costs as
step costs

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¹ Based on weighted average operating margin of 6.1% on lost revenues and weighted average gross margin of 20.7% on lost revenues. Operating margin calculated from Management's segment operating margin statements on p. 19 of HP 425 filing, 12/19/01. Revenue loss estimates by segment from SG Cowen, 10/10/01, "Hewlett Packard, In the Aftermath of the Compaq Deal," p. 9, and UBS Warburg, 10/29/01, "CPQ Deal Will Produce a Stronger Competitor But....," p. 1, as described on page 20 of this presentation. Gross margin calculated from Management's statement of 11% for Access (p. 27, p. 45, in 425 filing, 12/19/01) and uses SG Cowen's FY03 gross margin of 35.6% for IT Infrastructure and 28% for Services, as they are the only firm to provide a segment breakout for FY03. Though management has not specified the gross margins for these segments, we assume that SG Cowen has been guided by management to arrive at reasonable Enterprise and Services gross margin estimates. These gross margins by segment are weighted to arrive at weighted average gross margin for lost revenues using the methodology described above.

² HP 425 Filing, 12/19/01, p. 27, footnote (2).³ Weighted average fixed costs as a percentage of COGS for lost sales in Access, Enterprise and Services. We assume Access has the lowest fixed costs as a percentage of COGS; Enterprise has several percentage points more fixed costs as a percentage of COGS than Access; Services has substantially higher fixed costs as a percentage of COGS since the majority of Services costs are in salaries of professionals, which are more fixed than manufacturing costs

¹ One time costs as step costs

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