

ESTEE LAUDER COMPANIES INC
Form SC 13D
June 03, 2010
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment)*

THE ESTÉE LAUDER COMPANIES INC.
(Name of Issuer)

CLASS A COMMON STOCK
PAR VALUE \$.01 PER SHARE
(Title of Class of Securities)

518439 10 4
(CUSIP Number)

JEFFREY N. SCHWARTZ, ESQ.
DAVIS POLK & WARDWELL LLP
450 LEXINGTON AVENUE
NEW YORK, NEW YORK 10017
(212) 450-4000
(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

May 25, 2010
(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. ☐

*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.

518439 10 4

1. Names of Reporting Persons.

Trust Under Article 2 of The Zinterhofer 2008 Descendants Trust Agreement

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) ☐

(b) ☒

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

☐

6. Citizenship or Place of Organization

New York

7.

Sole Voting Power

NUMBER OF SHARES
BENEFICIALLY
OWNED BY EACH
REPORTING PERSON
WITH

2,405,297 (SEE ITEM 5)

8.

Shared Voting Power

9.

Sole Dispositive Power

2,405,297 (SEE ITEM 5)

10.

Shared Dispositive Power

11. Aggregate Amount Beneficially Owned by Each Reporting Person

2,405,297

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

☐

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

1.9% (SEE ITEM 5)

14. Type of Reporting Person (See Instructions)

OO

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Item 1. Security and Issuer

The title and class of equity security to which this statement 13D relates is the Class A Common Stock, \$.01 par value per share ("Class A Common Stock"), of The Estée Lauder Companies Inc. (the "Issuer"). The principal executive office of Issuer is located at 767 Fifth Avenue, New York, New York 10153.

Item 2. Identity and Background

This Schedule 13D is being filed by the Trust (the "2008 Descendants Trust") Under Article 2 of The Zinterhofer 2008 Descendants Trust Agreement (the "Reporting Person").

The Reporting Person is an irrevocable trust created under an agreement dated December 24, 2008. The trustees of the Reporting Person are Aerin Lauder Zinterhofer and Jane Lauder (the "Trustees"). The principal business address of the Reporting Person is 767 Fifth Avenue, New York, New York 10153.

During the last five years none of the Reporting Person and the Trustees has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

During the last five years none of the Reporting Person and the Trustees have been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which it 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.

Both of the Trustees are citizens of the United States.

Item 3. Source and Amount of Funds or Other Consideration

On May 25, 2010, the Reporting Person acquired from the Aerin Lauder Zinterhofer 2000 Revocable Trust (the "ALZ 2000 Revocable Trust") in a private transaction, pursuant to the terms of a Transfer Agreement by and among Aerin Lauder Zinterhofer, the trustee of the ALZ 2000 Revocable Trust, the trustees of the 2008 Descendants Trust and the trustee of the ALZ 2008 GRAT (the "Transfer Agreement"), 2,405,297 shares of the Class B Common Stock, par value \$.01 per share, of the Issuer ("Class B Common Stock") and additional cash in exchange for a remainder interest in the Aerin Lauder Zinterhofer 2008 Grantor Retained Annuity Trust (the "ALZ 2008 GRAT") held by the Reporting Person (the "Share Transaction").

Item 4. Purpose of Transaction

The Share Transaction was for investment purposes. In compliance with the requirements of the Stockholders' Agreement (as defined in Item 6 below), in connection with the Share Transaction, the Trustees, in their capacity as trustees of the Reporting Person, became parties to the Stockholders' Agreement. By virtue of the Trustees, in their capacity as trustees of the Reporting Person, becoming a party to the Stockholders' Agreement, the Reporting Person and the Trustees may be deemed to have become a member of a group for purposes of Section 13 (d)(3) of the Securities Exchange Act of 1934.

The Reporting Person does not currently have any plans or proposals of the type set forth in paragraphs (a) through (j) of Item 4 of Schedule 13D. However, the Reporting Person reserves the right to change its plan at any time, as it deems appropriate, and accordingly the Reporting Person may acquire additional shares of Class B Common Stock in private transactions or additional shares of Class A Common Stock in open market transactions, in each case for investment purposes, and may dispose of shares of Class B Common Stock in private or open market transactions or

shares of Class A Common Stock (or Class B Common Stock, after conversion into Class A Common Stock) in private or open market transactions or otherwise. Any decision by the Reporting Person to purchase additional shares of Class A Common Stock or Class B Common Stock or to dispose of any such shares will take into account various factors, including general economic and stock market considerations.

Item 5. Interest in Securities of the Issuer

(a) The responses of the Reporting Person to Row (11) through (13) of the cover pages of this Statement are incorporated herein by reference. As of May 25, 2010, the Reporting Person beneficially owned 2,405,297 shares of Class A Common Stock via its holding of the same number of shares of Class B Common Stock.

Each share of Class B Common Stock is convertible at the option of the holder into one share of Class A Common Stock and is automatically converted into one share of Class A Common Stock upon transfer to a person who is not a Permitted Transferee, as that term is defined in the Issuer's Certificate of Incorporation. Assuming conversion of all such shares of Class B Common Stock beneficially owned by the Reporting Person, the Reporting Person would beneficially own 2,405,297 shares of Class A Common Stock, which would constitute 1.9% of the number of shares of Class A Common Stock outstanding (based on the number of shares of Class A Common Stock outstanding as of April 22, 2010, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2010).

Each share of Class A Common Stock entitles the holder to one vote on each matter submitted to a vote of the Issuer's stockholders, and each share of Class B Common Stock entitles the holder to ten votes on each such matter, including the election of directors of the Issuer. Assuming no conversion of any of the outstanding shares of Class B Common Stock, the 2,405,297 shares of Class B Common Stock beneficially owned by the Reporting Person constitute 2.7% of the aggregate voting power of the Issuer (based on the number of shares of Class A Common Stock and Class B Common Stock outstanding as of April 22, 2010, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2010).

(b) The responses of the Reporting Person to (i) Rows (7) through (10) of the cover pages of this Statement and (ii) Item 5(a) hereof are incorporated herein by reference. The Trustees, as co-trustees of the Reporting Person, share voting and dispositive power with respect to the 2,405,297 shares of Class B Common Stock owned by the Reporting Person.

(c) The Reporting Person has not had any other transactions in the Class A Common Stock that were effected during the past sixty days.

(d) The Reporting Person has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the 2,405,297 shares of Class B Common Stock owned by the Reporting Person.

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

The information set forth in Items 2, 4 and 5 hereof is incorporated by reference herein.

Effective as of May 25, 2010, in connection with the Share Transaction, the Trustees, in their capacity as trustees of the Reporting Person, became a party to a stockholders' agreement (the "Stockholders' Agreement"), dated November 22, 1995, as amended, among the parties listed on Exhibit 9 attached hereto. The Stockholders' Agreement contains certain limitations on the transfer of shares of Class A Common Stock. Each stockholder who is a party to the Stockholders' Agreement has agreed to grant to the other parties a right of first offer to purchase shares of Class A Common Stock of the stockholder in the event that the stockholder intends to sell to a person (or group of persons) who is not a Lauder Family Member, as defined therein, except in certain circumstances, such as sales in a widely distributed underwritten public offering or sales made in compliance with Rule 144.

Item 7. Material to be Filed as Exhibits

Exhibit 1: Stockholders' Agreement, dated November 22, 1995 (filed as Exhibit 10.1 to the Issuer's Annual Report on Form 10-K for the fiscal year ended June 30, 2003).**

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Exhibit 2: Amendment No. 1 to Stockholders' Agreement (filed as Exhibit 10.1 to the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 1996).**

Exhibit 3: Amendment No. 2 to Stockholders' Agreement (filed as Exhibit 10.2 to the Issuer's Quarterly Report on Form 10-Q for the quarter ended December 31, 1996).**

Exhibit 4: Amendment No. 3 to Stockholders' Agreement (filed as Exhibit 10.2 to the Issuer's Quarterly Report on Form 10-Q for the quarter ended March 31, 1997 (the "FY 1997 Q3 10-Q")).**

Exhibit 5: Amendment No. 4 to Stockholders' Agreement (filed as Exhibit 10.1d to the Issuer's Annual Report on Form 10-K for the fiscal year ended June 30, 2000).**

Exhibit 6: Amendment No. 5 to Stockholders' Agreement (filed as Exhibit 10.1e to the Issuer's Annual Report on Form 10-K for the fiscal year ended June 30, 2002).**

Exhibit 7: Amendment No. 6 to Stockholders' Agreement (filed as Exhibit 10.2 to the Issuer's Quarterly Report on Form 10-Q for the quarter ended December 31, 2004).**

Exhibit 8: Amendment No. 7 to the Stockholders' Agreement (filed as Exhibit 10.7 to the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009). **

Exhibit 9: List of Parties to the Stockholders' Agreement*

Exhibit 10: Registration Rights Agreement, dated November 22, 1995 (filed as Exhibit 10.2 to the Issuer's Annual Report on Form 10-K for the fiscal year ended June 30, 2003).**

Exhibit 11: First Amendment to Registration Rights Agreement (filed as Exhibit 10.3 to the Issuer's Annual Report on Form 10-K for the fiscal year ended June 30, 1996).**

Exhibit 12: Second Amendment to Registration Rights Agreement (filed as Exhibit 10.1 to the FY 1997 Q3 10-Q).**

Exhibit 13: Third Amendment to Registration Rights Agreement (filed as Exhibit 10.2c to the Issuer's Annual Report on Form 10-K for the fiscal year ended June 30, 2001).**

Exhibit 14: Fourth Amendment to Registration Rights Agreement (filed as Exhibit 10.2 to the Issuer's Quarterly Report on Form 10-Q for the quarter ended December 31, 2003).**

Exhibit 15: Power of Attorney*

Exhibit 16: Transfer Agreement*

* Filed herewith

** Incorporated herein by reference

SIGNATURE

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

Dated: June 3, 2010

THE TRUST UNDER ARTICLE 2 OF
THE
ZINTERHOFER 2008 DESCENDANTS
TRUST
AGREEMENT

By: /s/ Aerin Lauder Zinterhofer
Name: Aerin Lauder
Zinterhofer
Title: Trustee and not in
her individual
capacity

By: /s/ Catherine Schmidt
Name: Jane Lauder, by
Catherine Schmidt,
attorney-in-fact
Title: Trustee and not in her
individual capacity

EXHIBIT INDEX

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