

PRG-SCHULTZ INTERNATIONAL, INC.  
Form SC 13D  
July 17, 2009

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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SCHEDULE 13D\*  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
RULE 13d-2(a)

Under the Securities Exchange Act of 1934  
(Amendment No. ) (1)

PRG-Schultz International, Inc.

-----  
(Name of Issuer)

Common Stock, no par value per share

-----  
(Title of Class of Securities)

69357C503

-----  
(CUSIP Number)

Marc Weingarten, Esq.  
Schulte Roth & Zabel LLP  
919 Third Avenue  
New York, New York 10022  
(212) 756-2000

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

July 13, 2009

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(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), 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.

(Continued on following pages)

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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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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
  
JANA PARTNERS LLC

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 PROCEEDING IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
  
Delaware

7 SOLE VOTING POWER  
  
2,311,669

8 SHARED VOTING POWER  
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

9 SOLE DISPOSITIVE POWER  
  
2,311,669

10 SHARED DISPOSITIVE POWER  
  
-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON  
  
2,311,669

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

[ ]

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

10.5%

14 TYPE OF REPORTING PERSON\*

IA

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

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Item 1. Security and Issuer.

This statement on Schedule 13D relates to the shares ("Shares") of common stock, no par value, of PRG-Schultz International, Inc., a Georgia corporation (the "Issuer"). The principal executive office of the Issuer is located at 600 Galleria Parkway Suite 100, Atlanta, Georgia.

Item 2. Identity and Background.

(a) This statement is filed by JANA Partners LLC, a Delaware limited liability company (the "Reporting Person"). The Reporting Person is a private money management firm which holds the Shares of the Issuer in various accounts under its management and control. The principals of the Reporting Person are Barry Rosenstein and Gary Claar (the "Principals").

(b) The principal business address of the Reporting Person and the Principals is 767 Fifth Avenue, 8th Floor, New York, New York 10153.

(c) The principal business of the Reporting Person and the Principals is investing for accounts under their management.

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

(e) Neither the Reporting Person nor the Principals has, 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.

(f) The Reporting Person is a limited liability company organized in Delaware. The Principals are citizens of the United States of America.

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

The 2,311,669 Shares reported herein by the Reporting Person were acquired at an aggregate purchase price of approximately \$10.2 million. The Shares beneficially owned by the Reporting Person were acquired with investment

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funds in accounts under management.

### Item 4. Purpose of Transaction.

The Reporting Person initially reported its investment on a Schedule 13G filed on October 16, 2006, as amended by Amendment No. 1 filed on January 23, 2007, Amendment No. 2 filed on March 15, 2007, Amendment No. 3 filed on February 14, 2008 and Amendment No. 4 filed on February 17, 2009. The Reporting Person initially acquired the Shares for investment in the ordinary course of business because it believed the Shares were undervalued and represented an attractive investment opportunity. However, in light of the continued underperformance of the Shares, the Reporting Person recently conducted a review of the Issuer's performance and strategic position, and has determined that the Issuer should pursue all avenues to increasing shareholder value including a review of strategic alternatives. The Reporting Person is filing this Schedule 13D to reserve its right to take steps to bring about changes to increase shareholder value, which may include changes in the board composition, strategy and future plans of the Issuer as well as the pursuit of other plans or proposals that relate to or

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would result in any of the matters set forth in subparagraphs (a)-(j) of Item 4 of Schedule 13D, and to discuss such issues with the Issuer's directors, management, shareholders and other parties.

Except as set forth herein or as would occur upon completion of any of the actions discussed herein, including in any Exhibits hereto, the Reporting Person has no present plan or proposal that would relate to or result in any of the matters set forth in subparagraphs (a)-(j) of Item 4 of Schedule 13D. The Reporting Person intends to review its investment in the Issuer on a continuing basis and may engage in discussions with management, the board of directors, other shareholders of the Issuer and other relevant parties concerning the business, operations, management, strategy and future plans of the Issuer. Depending on various factors including, without limitation, the Issuer's financial position and strategic direction, the outcome of the discussions and actions referenced above, actions taken by the board of directors, price levels of the Shares, other investment opportunities available to the Reporting Person, conditions in the securities market and general economic and industry conditions, the Reporting Person may in the future take such actions with respect to its investment in the Issuer as it deems appropriate including, without limitation, purchasing additional Shares or selling some or all of its Shares, engaging in short selling of or any hedging or similar transactions with respect to the Shares and/or otherwise changing its intention with respect to any and all matters referred to in Item 4 of Schedule 13D.

### Item 5. Interest in Securities of the Company.

(a) The aggregate percentage of Shares reported to be beneficially owned by the Reporting Person is based upon 22,068,725 Shares outstanding, which is the total number of Shares outstanding as of April 30, 2009 as reported in the Issuer's Quarterly Report on Form 10-Q filed on May 7, 2009 for the period ended March 31, 2009.

As of the close of business on July 16, 2008, the Reporting Person may be deemed to beneficially own 2,311,669 Shares constituting approximately 10.5%

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of the Shares outstanding.

(b) The Reporting Person has sole voting and dispositive powers over the 2,311,669 Shares, which powers are exercised by the Principals.

(c) No transactions in the Shares have been effected by the Reporting Person during the past sixty days.

(d) No person (other than the Reporting Person) is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Shares.

(e) Not applicable.

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

None.

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Item 7. Material to be Filed as Exhibits.

None.

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SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: July 17, 2009

JANA PARTNERS LLC

By: /s/ Jennifer Fanjiang  
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Name: Jennifer Fanjiang  
Title: Deputy General Counsel

