

TIMKEN CO
Form 8-K
January 30, 2007

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K

Current Report Pursuant
to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 29, 2007**

THE TIMKEN COMPANY

(Exact Name of Registrant as Specified in its Charter)

Ohio

(State or Other Jurisdiction of
Incorporation)

1-1169

34-0577130

(Commission File Number)

(I.R.S. Employer Identification No.)

1835 Dueber Avenue, S.W.,
Canton, Ohio 44706-2798

(Address of Principal Executive
Offices) (Zip Code)

(330) 438-3000

(Registrant's Telephone Number,
Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

The Timken Company issued a press release on January 29, 2007, announcing revised earnings estimates for the 2006 fourth quarter and full year. A copy of the press release is attached as Exhibit 99.1 to this report and incorporated by this reference.

This information shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934 (the Exchange Act) or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference into a filing under the Securities Act of 1933, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Exhibits.

- 99.1 The Timken Company Press Release dated January 29, 2007, announcing revised earnings estimates for the 2006 fourth quarter and full year.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE TIMKEN COMPANY

By: /s/ William R. Burkhart
William R. Burkhart
Senior Vice President and General
Counsel

Date: January 29, 2007

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EXHIBIT INDEX

Exhibit Number	Description of Document	
99.1	The Timken Company Press Release dated January 29, 2007, announcing revised earnings estimates for the 2006 fourth quarter and full year.	4
	style="DISPLAY: inline; FONT-SIZE: 10pt; FONT-FAMILY: times new roman">- 0 -	
	SHARED VOTING POWER	8
544,739		
	SOLE DISPOSITIVE POWER	9
- 0 -		
	SHARED DISPOSITIVE POWER	10
544,739		
	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	11
544,739		
	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	12
o		
	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	13
Less than 1%		
	TYPE OF REPORTING PERSON	14
CO		
6		

CUSIP NO. 827057100

1 NAME OF REPORTING PERSON

DIALECTIC ANTITHESIS PARTNERS, LP

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
		- 0 -
	8	SHARED VOTING POWER
		2,172,935
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		2,172,935

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,172,935

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

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

2.3%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 827057100

1 NAME OF REPORTING PERSON

DIALECTIC ANTITHESIS OFFSHORE, LTD.

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

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		3,023,790
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		3,023,790

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,023,790

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

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

3.2%

14 TYPE OF REPORTING PERSON

CO

CUSIP NO. 827057100

1 NAME OF REPORTING PERSON

DIALECTIC CAPITAL MANAGEMENT, 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 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
		- 0 -
	8	SHARED VOTING POWER
		6,536,906
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		6,536,906

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,536,906

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

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

6.8%

14 TYPE OF REPORTING PERSON

IA, OO

CUSIP NO. 827057100

1 NAME OF REPORTING PERSON

JOHN FICHTHORN

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
	8	- 0 - SHARED VOTING POWER
	9	6,536,906 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		6,536,906

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,536,906

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

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

6.8%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 827057100

1 NAME OF REPORTING PERSON

LUKE FICHTHORN

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
	8	- 0 - SHARED VOTING POWER
	9	6,536,906 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		6,536,906

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,536,906

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

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

6.8%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 827057100

1 NAME OF REPORTING PERSON

LLOYD I. MILLER, III

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

PF-AF-OO

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	7	SOLE VOTING POWER
SHARES		
BENEFICIALLY		4,129,3041
OWNED BY	8	SHARED VOTING POWER
EACH		
REPORTING		2,527,7891
PERSON WITH	9	SOLE DISPOSITIVE POWER
	10	4,129,3041
		SHARED DISPOSITIVE POWER
		2,527,7891

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,657,0931

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

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

6.9%

14 TYPE OF REPORTING PERSON

IA, IN, OO

1 See Item 5.

CUSIP NO. 827057100

The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned other than Lloyd I. Miller, III (“Amendment No. 1”) and Amendment No. 4 (“Amendment No. 3”) to the Schedule 13D filed on behalf of Lloyd I. Miller, III, dated November 19, 2008 (the “Miller Statement”). Unless otherwise stated herein, the Miller Statement remains in full force and effect.

Item 2. Identity and Background.

Item 2 is hereby amended to add the following:

Any disclosures made herein with respect to persons or entities other than the Reporting Persons are made on information and belief. By virtue of that certain Voting Agreement, dated as of February 19, 2010, by and between the Reporting Persons and Sun Acquisition Holdings LLC (“Sun Acquisition”), which is owned by one or more funds and accounts affiliated with Cerberus Capital Management, L.P. (“Cerberus”), the Reporting Persons may be deemed to be a “group” with Stephen Feinberg, who, according to a statement on Schedule 13D filed with the Securities and Exchange Commission on January 7, 2010 (the “Feinberg 13D”), has the sole power to vote and the sole power to direct the disposition of all securities of the Issuer beneficially owned by Cerberus. The Voting Agreement is more fully described below in Items 4 and 6 and attached as Exhibit 99.1 hereto. As a result, the Reporting Persons may be deemed to beneficially own 10,762,583 Shares that the Feinberg 13D reports Mr. Feinberg may be deemed to beneficially own by virtue of a binding term sheet entered into between Cerberus and Bing Yeh, the Chairman and Chief Executive Officer of the Issuer, pursuant to which Cerberus may be deemed to have certain shared power to vote and shared power to direct the disposition of 10,762,583 Shares beneficially owned by Mr. Yeh. Neither the filing of this Schedule 13D nor any of its contents shall be deemed to constitute an admission by any Reporting Person or any other person that he or it is the beneficial owner of any of the Shares referred to herein for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, or for any other purpose, and such beneficial ownership is expressly disclaimed.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On February 2, 2010, the Issuer entered into a definitive merger agreement with Microchip Technology Incorporated (“Microchip”), pursuant to which Microchip agreed to acquire all of the Issuer’s outstanding Shares for \$2.85 per Share in cash (the “Proposed Microchip Merger”). The Reporting Persons had reviewed the preliminary proxy statement filed with the SEC in connection with the Proposed Microchip Merger and did not believe the proposed \$2.85 per Share offer price provides adequate value to the Issuer’s shareholders. The Reporting Persons believe that an acquisition proposal that offers the Issuer’s shareholders an option of electing to receive either (i) higher per Share cash consideration than the Proposed Microchip Merger or (ii) a combination of per Share cash consideration and retained equity in the post-acquisition entity not only provides greater consideration for those shareholders seeking to cash out, but also permits other shareholders the opportunity to participate in the post-acquisition growth potential from any future restructuring or value-enhancing activities that may be undertaken by the acquiror.

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Cerberus discussed with the Reporting Persons a potential acquisition of the Issuer through a transaction structure that would provide shareholders the option of electing to receive (i) \$3.00 in cash per Share, or (ii) \$2.95 in cash per Share and retained equity through a dividend equal to \$2.62 in cash per Common Share and a Common Share with an estimated initial per share value of \$0.33 (the “Cerberus Proposal”). Specifically, the Cerberus Proposal would consist of: (i) the Issuer selling to Sun Acquisition 45,000 shares of new convertible participating preferred stock (the “Purchase”) representing, as of the closing of the Purchase, 58% of the outstanding Shares on an as converted fully diluted basis, pursuant to a securities purchase agreement (the “Purchase Agreement”) to be entered into by Sun Acquisition and the Issuer, (ii) Cerberus providing a new \$75 million credit facility, consisting of a \$50 million term loan and a \$25 million subordinated loan (the “Credit Facility”), to the Issuer, (iii) the Issuer using the proceeds from the Purchase and funds available under the Credit Facility to provide existing common stockholders with a cash dividend of \$2.62 per Share, and (iv) Cerberus thereafter commencing a tender offer for any and all outstanding Shares at a price of \$0.38 per Share, whereby any Shares not tendered would remain outstanding.

The Reporting Persons believe the Cerberus Proposal constitutes a “superior proposal” under the terms of the definitive merger agreement between the Issuer and Microchip. As a condition and inducement to submitting the Cerberus Proposal to the Issuer, Sun Acquisition required the Reporting Persons to enter into the Voting Agreement, which was entered into by the Reporting Persons and Sun Acquisition on February 19, 2010, and a copy of which is filed as Exhibit 99.1 hereto and is incorporated herein by reference. Defined terms used but not defined herein have the meanings set forth in the Voting Agreement. Pursuant to the terms of the Voting Agreement, the Reporting Persons agreed, among other things, to vote an aggregate of 13,644,264 Shares beneficially owned in the aggregate by the Reporting Persons (the “Existing Shares”) (i) in favor of the Purchase and the Purchase Agreement, and (ii) against any alternative acquisition proposal, any change in a majority of the persons who constitute the Issuer’s board of directors, any action or agreement that would result in a breach in any respect of any covenant, representation, or warranty or any obligation or agreement of the Issuer under the Voting Agreement or the Purchase Agreement, or which could reasonably be expected to impede, interfere with, materially delay, materially postpone or materially adversely affect the closing of the transactions contemplated by the Purchase Agreement.

Also, pursuant to the terms of the Voting Agreement, the Reporting Persons agreed not to (i) solicit, initiate, encourage or take, directly or indirectly, any other action designed to facilitate any alternative acquisition proposal or participate in any discussions or negotiations regarding any alternative acquisition proposal, (ii) offer for sale, sell, transfer, tender, pledge, encumber, assign or otherwise dispose of, or enter into any contract, option or other arrangement or understanding with respect to, or consent to the offer for sale, sale, transfer, tender, pledge, encumbrance, assignment or other disposition of, the Existing Shares subject to the Voting Agreement (though the Reporting Persons are not prohibited under the Voting Agreement from selling, or transferring any or all of their Shares or any interest therein to another Reporting Person or its Affiliates, or to any Affiliates of such Reporting Person), (iii) grant any proxy or power of attorney, or deposit the Existing Shares subject to the Voting Agreement into a voting trust or enter into a voting agreement or arrangement with respect to the Existing Shares subject to the Voting Agreement, or (iv) take any other action that would make any representation or warranty of the Reporting Persons contained in the Voting Agreement untrue or incorrect in any material respect or have the effect of preventing the Reporting Persons from performing its obligations under the Voting Agreement.

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Existing Shares do not include (i) the Shares held by Trust A-4 and reported by Mr. Miller on Schedule 13D (the “A-4 Shares”) or (ii) 409,876 shares held by investment advisory clients of Riley Investment Management LLC. Pursuant to the Voting Agreement, Mr. Miller agreed to take commercially reasonable efforts, consistent with his duties and responsibilities as an investment advisor and otherwise consistent with applicable law, to recommend to the trustee that the trustee vote the A-4 Shares in accordance with the Voting Agreement.

The obligations of the Reporting Persons set forth in the Voting Agreement terminate upon the first to occur of the closing of the transactions contemplated by the Purchase Agreement or the termination of the Voting Agreement pursuant to its terms. The Voting Agreement terminates upon the earlier of (a) the six month anniversary of the date of the Voting Agreement, (b) the closing of the transactions contemplated by the Purchase Agreement, and (c) the date on which either (i) Sun Acquisition notifies the Reporting Persons in writing that it has withdrawn from pursuing any merger, consolidation, business combination, or other similar transaction involving the Issuer or (ii) two business days following the date of receipt by Sun Acquisition of written notice from the Reporting Persons claiming that Sun Acquisition has withdrawn from pursuing any merger, consolidation, business combination, or other similar transaction involving the Issuer, provided that the Voting Agreement shall not terminate if prior to the expiration of the two business day period Sun Acquisition provides written notice to the Reporting Persons disputing the Reporting Persons’ claim that it has so withdrawn and evidence that Sun Acquisition has not withdrawn.

The foregoing description of the Voting Agreement is not complete and is qualified in its entirety by reference to its full text.

As of the date of the filing of this Schedule with the SEC, neither Sun Acquisition nor any of its affiliates is a party to any agreement with the Issuer providing for such a transaction and no such transaction has been approved or recommended by the Board of Directors of the Issuer.

Item 5. Interest in Securities of the Issuer.

The first paragraph of Item 5 is hereby amended and restated as follows:

The aggregate percentage of Shares reported owned by each person named herein is based upon 95,854,157 Shares outstanding as of February 2, 2010, which is the total number of Shares outstanding as reported in the Issuer’s Preliminary Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on February 17, 2010.

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 19, 2010, Sun Acquisition and the Reporting Persons entered into the Voting Agreement as discussed in further detail in Item 4. The foregoing description of the Voting Agreement is not complete and is qualified in its entirety by reference to its full text.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to include the following exhibit:

Exhibit 99.1 Voting Agreement, dated as of February 19, 2010, between Sun Acquisition Holdings, LLC and Lloyd I. Miller, III, Riley Investment Management LLC, Bryant R. Riley, Dialectic Capital Partners LP, Dialectic Offshore, Ltd., Dialectic Antithesis Partners, LP, Dialectic

Antithesis Offshore, Ltd., Dialectic Capital Management, LLC, John Fichthorn and Luke Fichthorn.

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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 23, 2010

RILEY INVESTMENT MANAGEMENT LLC

By: /s/ Bryant R. Riley
Name: Bryant R. Riley
Title: Managing Member

/s/ Bryant R. Riley
BRYANT R. RILEY

DIALECTIC CAPITAL PARTNERS LP

By: Dialectic Capital, LLC, its general partner
By: /s/ John Fichthorn
Name: John Fichthorn
Title: Managing Member

DIALECTIC OFFSHORE, LTD.

By: /s/ John Fichthorn
Name: John Fichthorn
Title: Director

DIALECTIC ANTITHESIS PARTNERS, LP

By: Dialectic Capital, LLC, its general partner
By: /s/ John Fichthorn
Name: John Fichthorn
Title: Managing Member

DIALECTIC ANTITHESIS OFFSHORE, LTD.

By: /s/ John Fichthorn
Name: John Fichthorn
Title: Director

CUSIP NO. 827057100

DIALECTIC CAPITAL MANAGEMENT, LLC

By: /s/ John Fichthorn
Name: John Fichthorn
Title: Managing Member

/s/ John Fichthorn
JOHN FICHTHORN

/s/ Luke Fichthorn
LUKE FICHTHORN

/s/ Lloyd I. Miller, III
LLOYD I. MILLER, III