

EPICOR SOFTWARE CORP  
Form SC14D9C  
April 06, 2011

# **SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

## **SCHEDULE 14D-9**

**Solicitation/Recommendation Statement under Section 14(d)(4) of the  
Securities Exchange Act of 1934**

**EPICOR SOFTWARE CORPORATION**

**(Name of Subject Company)**

**EPICOR SOFTWARE CORPORATION**

**(Name of Person(s) Filing Statement)**

**Common Stock, par value \$0.001 per share**

**(Title of Class of Securities)**

**29426L108**

**(CUSIP Number of Class of Securities)**

**L. George Klaus**

**Chief Executive Officer**

**Epicor Software Corporation**

**18200 Von Karman Avenue, Suite 1000**

**Irvine, California**

**(949) 585-4000**

**(Name, address and telephone number of person authorized to receive notices and communications on behalf  
of the person(s) filing statement)**

*With copies to:*

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Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Apax Partners  
proposed acquisition of  
Epicor and Activant  
April 4, 2011

#### Forward Looking Statements

This presentation contains certain statements which constitute forward-looking statements under the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements regarding expected completion of the transaction, revenues, market share, business model, sales pipelines and opportunities, competitive advantage and other statements that are forward-looking statements are based on currently available competitive, financial and economic data together with management's views and assumptions regarding future events and business performance as of the time the statements are made and are subject to risks and uncertainties that may materially affect the results of operations of the combined entity, which may differ materially from those expressed or implied in the forward-looking statements. Such risks and uncertainties include, but are not limited to, the following: the timely completion of the transaction; the satisfaction of the conditions to Apax's acquisition of Activant, changes in the demand for our products, particularly in light of competitive offerings; the timely availability and market acceptance of new products and upgrades; the impact of competitive products and pricing; the discovery of undetected software errors; changes in the financial condition of our customers and Epicor's future ability to continue to develop and expand its product and service offerings to address emerging business demand and technological trends; and other factors discussed in Epicor's annual report on Form 10-K for the year ended December 31, 2010.

with the SEC. As a result of these factors the business or prospects expected by the Company as part of this announcement may be affected. In reliance on the information provided herein, Epicor undertakes no obligation to revise or update publicly any forward-looking statements.

#### Additional Information and Where to Find It

The tender offer for the outstanding shares of Epicor Software Corporation described herein has not yet commenced. This communication is for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell any securities of Epicor Software Corporation by Eagle Parent, Inc. (an affiliate of Apax Partners) or otherwise. Any offers to purchase or solicitations of offers to sell securities of Epicor Software Corporation to the Tender Offer Statement on Schedule TO (including the offer to purchase, the letter of transmittal and other documents related to the tender offer) will be filed with the U.S. Securities and Exchange Commission ( "SEC" ) by Eagle Parent, Inc. and Eagle Merger Sub, Inc., a wholly owned subsidiary of Eagle Parent. In addition, Epicor Software Corporation will file with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9 with respect to the tender offer. Epicor Software Corporation's stockholders are advised to read these documents, any amendments to these documents and any other documents relating to the tender offer that are filed with the SEC carefully and in their entirety prior to making any decision with respect to the tender offer because they contain important information, including the terms and conditions of the offer.

This communication may be deemed to be solicitation material in respect of the proposed acquisition of Epicor by Eagle Parent, Inc. In connection with the proposed acquisition, Epicor intends to file relevant materials with the SEC, including Epicor's proxy statement in preliminary form. Epicor's stockholders are strongly advised to read all relevant documents filed with the SEC, including Epicor's definitive proxy statement, because they will contain important information about the proposed transaction.

Epicor Software Corporation's stockholders may obtain copies of these documents (when they become available) for free at the SEC's website or from Epicor's Investor Relations Department at (949) 585-EPIC or [dswright@epicor.com](mailto:dswright@epicor.com).

#### Participants in the Solicitation

Epicor and its directors and executive officers, may be deemed to be participants in the solicitation of proxies from the holders of Epicor Software Corporation's securities in respect of the proposed transaction. Information about the directors and executive officers of Epicor is set forth in the proxy statement for the Special Meeting of Stockholders, which was filed with the SEC on April 26, 2010. Investors may obtain additional information regarding the proposed transaction by reading the definitive proxy statement regarding the acquisition when it becomes available.

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### Proposed Transaction Summary

Apax has entered into definitive agreements to acquire Epicor Software Corporation and Activant Solutions, Inc.

Transaction valued at \$2B

Combined company post merger

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Delivering Value

We are extremely excited to be bringing together two of the premier enterprise software companies to create a global market leader.

Apax Partners

April 4, 2011

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About Apax

Partners

A leading global private equity advisory firm

\$40B of funds under advice and management

Typically invests in companies with a value of between \$1B-\$5B

Invests in large companies across 5 global growth sectors:

Tech & Telecom

Media

Retail & Consumer

Healthcare

Financial & Business Services

300+ employees, 12 Global offices

Epicor

Software Corporation ©

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Software Corporation.

Focused on Growth

Apax

Partners buy stakes in

large companies that have strong, established market positions and the potential to expand.

Focused on Growth

Focused on Growth

Apax

Partners buy stakes in

large companies that have strong, established market

positions and the potential to  
expand.

Two Premier ERP Companies

Founded

Founded

1984

1972

Ownership

Ownership

Public

Private

Employees

Employees

2,600

1,600

Offices

Offices

50 (Global)

11 (US/UK)

Revenues (2010)

Revenues (2010)

(2010)

\$454M\*

\$372M

EBITDA (2010)

EBITDA (2010)

(2010)

)

\$74M\*

\$114M

Customers

Customers

20,000

13,000

Market Focus

Market Focus

Midmarket to Enterprise

Small to Midmarket

Go-to-Market

Direct / Partner

Direct

Industries

Industries

Manufacturing

Wholesale

and

and

Distribution

Distribution

Verticals

Verticals

Retail (Soft Goods)

Retail (Hard Goods)

Hospitality & Services

Catalog Content & Services

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\* Proforma includes full year of Spectrum HCM

Epicor Target Industries  
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Manufacturing  
Manufacturing  
Hospitality &  
Hospitality &  
Entertainment  
Entertainment  
Services  
Services  
Industrial Machinery  
Fabricated Metals  
Electronics

Instruments & Controls  
Medical Devices  
Automotive  
Aerospace & Defense  
Furniture & Fixtures  
Primary Metals  
Print and Packaging  
Rubber & Plastics  
Specialty Retailing  
General Merchandising  
Apparel & Footwear  
Sporting Goods  
Gifts & Novelty  
Souvenir, News  
Hobby, Toy, Games  
Luggage & Leather  
Office Supplies  
Pet Supplies  
Cosmetics, Beauty Supply  
Jewelry  
Department Stores  
Specialty Retail  
Specialty Retail  
Soft Goods  
Soft Goods  
Distribution  
Distribution  
Consumer Goods  
Pharmaceutical  
3PL & Logistics Services  
Value-add Distribution  
Hospitality (Food)  
Hospitality (Property)  
Hotels & Lodging  
Resorts & Gaming  
Sports & Entertainment  
Professional Services  
Financial Services  
Non-Profit  
ISV & IT Services  
Healthcare / Aged Care

Complementary Alignment with Activant

Manufacturing

Manufacturing

Hospitality &

Hospitality &

Entertainment

Entertainment

Services

Services

Industrial Machinery

Fabricated Metals

Electronics

Instruments & Controls

Medical Devices

Automotive  
Aerospace & Defense  
Furniture & Fixtures  
Primary Metals  
Print and Packaging  
Rubber & Plastics  
Hospitality (Food)  
Hospitality (Property)  
Hotels & Lodging  
Resorts & Gaming  
Sports & Entertainment  
Professional Services  
Financial Services  
Non-Profit  
ISV & IT Services  
Healthcare / Aged Care  
Specialty Retailing  
General Merchandising  
Apparel & Footwear  
Sporting Goods  
Gifts & Novelty  
Souvenir, News  
Hobby, Toy, Games  
Luggage & Leather  
Office Supplies  
Pet Supplies  
Cosmetics, Beauty Supply  
Jewelry  
Department Stores  
Specialty Retail  
Specialty Retail  
Soft Goods  
Soft Goods  
Epicor Software Corporation ©  
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Distribution  
Distribution  
Consumer Goods  
Pharmaceutical  
3PL & Logistics Services  
Value-add Distribution  
Fasteners  
Electrical  
HVAC  
Industrial  
Medical  
Janitorial  
Packaging  
Plumbing  
Tile

Paper  
Fluid Power  
General  
Hardware Stores  
Lawn & Garden  
Specialty Retail  
Farm / Agricultural  
Lumber  
Home Centers  
Automotive Aftermarket  
Large Lumber Operations  
Large Auto Operations  
Pharmacy  
Specialty Retail  
Specialty Retail  
Hard Goods  
Hard Goods  
Wholesale  
Wholesale  
Distribution  
Distribution

Epicor Global ERP and Retail  
Enabling the Extended Value Chain  
Design  
Design  
Produce  
Produce  
Distribute  
Distribute  
Sell  
Sell  
Service  
Service  
Procure  
Procure

Product-centric

Process-centric

People-centric

Global Software Solutions

Local Business Experience

Business to

Business (B2B)

Business to

Consumer (B2C)

Corporate

Manufacturer

Consumer

Warehouse

Retail Store

Distributor

Supplier

Value Chain

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Epicor's Focus  
Design  
Design  
Produce  
Produce  
Distribute  
Distribute  
Sell  
Sell  
Service  
Service  
Procure  
Procure  
Business to  
Business (B2B)  
Business to  
Consumer (B2C)

Value Chain

Soft Goods

Hard Goods

-

Aligned with Activant's Focus

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Product-centric

Process-centric

People-centric

Corporate

Manufacturer

Consumer

Warehouse

Retail Store

Distributor

Supplier

The New Opportunity with Apax Partners  
6th

Largest Global ERP Provider\*

~\$825M Revenue

~30,000 Customers

~4,000 Employees

Global Coverage

End-to-end Industry Solutions

Manufacture Distribute Sell Service

Technology Leadership Based on Microsoft

Positioned as a Visionary\*\*

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\* Source: IDC August 2010 Vendor Shares Ranking

\*\* Source: Magic Quadrant for ERP for Product-Centric Midmarket Companies, Gartner

Next Steps

Transaction projected to close in calendar Q2 contingent on

Apax simultaneously completing acquisition of Activant

Successful tender offer or receipt of Epicor shareholder approval

Antitrust (HSR) clearance

Expiration of Epicor Go Shop period (May 5, 2011)

Completion of marketing period for buyer financing

Satisfaction of other closing conditions

Until the transaction is complete Epicor and Activant must operate as completely separate companies

Due to regulatory requirements, until the acquisition is completed, none of the parties can discuss go forward management, organization, product and technology strategies, etc.

Until then, it is business as usual. But  
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We Agree

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Both Epicor and Activant's customers will benefit from the combined entity's increased scale, solutions portfolio and expanded service offerings.

We look forward to partnering with the management team and to providing the resources and support that can accelerate the growth and expansion of the business and the value it creates globally.

Jason Wright, Partner

Apax Partners is Acquiring Epicor and Activant  
Merger  
Merger  
\$40B funds under management  
Epicor Software Corporation ©  
2011 Epicor Software Corporation.  
Revenue: \$454M\*  
Revenue: \$372M  
Transaction valued at over \$2B