

ROWAN COMPANIES INC
Form SC 13D/A
April 01, 2008

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

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No. 6)1

Rowan Companies, Inc.

(Name of Issuer)

Common Stock, par value \$0.125

(Title of Class of Securities)

779382100

(CUSIP Number)

STEVEN WOLOSKY, ESQ.
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP
Park Avenue Tower
65 East 55th Street
New York, New York 10022
(212) 451-2300

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

March 30, 2008

(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 " .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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).

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

STEEL PARTNERS II, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
GROUP (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
		10,518,234
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		10,518,234
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,518,234

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

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

9.4%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

STEEL PARTNERS II GP LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
 GROUP (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	7	SOLE VOTING POWER
SHARES		
BENEFICIALLY		10,518,234
OWNED BY	8	SHARED VOTING POWER
EACH		
REPORTING		- 0 -
PERSON WITH	9	SOLE DISPOSITIVE POWER
	10	10,518,234
		SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,518,234

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

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

9.4%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

STEEL PARTNERS II MASTER FUND L.P.

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

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		10,518,234
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		10,518,234
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,518,234

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

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

9.4%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

STEEL PARTNERS LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
GROUP (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
		10,518,234
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		10,518,234
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,518,234

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

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

9.4%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

WARREN G. LICHTENSTEIN

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
GROUP (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
		10,518,234
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		10,518,234
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,518,234

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

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

9.4%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

JOHN J. QUICKE

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

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		- 0 -
OWNED BY	8	SHARED VOTING POWER
EACH		
REPORTING		- 0 -
PERSON WITH	9	SOLE DISPOSITIVE POWER
	10	- 0 -
		SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

- 0 -

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

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

0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 779382100

1 NAME OF REPORTING PERSON

ROBERT H. KANNER

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

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
		- 0 -
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

- 0 -

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

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

0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 779382100

The following constitutes Amendment No. 6 to the Schedule 13D filed by the undersigned ("Amendment No. 6"). This Amendment No. 6 amends the Schedule 13D as specifically set forth.

Item 2. Identity and Background.

Item 2 is hereby amended to add the following:

In connection with the Settlement Agreement described and defined in Item 4, Steel Partners II is no longer seeking the election of Warren G. Lichtenstein, John J. Quicke and Robert H. Kanner as directors of the Issuer at its 2008 annual meeting of shareholders (the "2008 Annual Meeting"). As a result, Messrs. Quicke and Kanner terminated their obligations to act in concert with the other Reporting Persons with respect to the Issuer effective March 30, 2008. Accordingly, Messrs. Quicke and Kanner are no longer members of the Section 13(d) group and will cease to be Reporting Persons immediately after the filing of this statement. The remaining Reporting Persons will continue filing as a group statements on Schedule 13D with respect to their beneficial ownership of securities of the Issuer, to the extent required by applicable law.

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

Item 3 is hereby amended and restated to read as follows:

The aggregate purchase price of the 10,518,234 Shares owned by Steel Partners II is approximately \$397,272,761, including brokerage commissions. The Shares owned by Steel Partners II were acquired with partnership funds.

Steel Partners II effects purchases of securities primarily through margin accounts maintained for it with prime brokers, which may extend margin credit to it as and when required to open or carry positions in the margin accounts, subject to applicable federal margin regulations, stock exchange rules and the prime brokers' credit policies. In such instances, the positions held in the margin accounts are pledged as collateral security for the repayment of debit balances in the accounts.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On March 30, 2008, Steel Partners II entered into a settlement agreement with the Issuer (the "Settlement Agreement") pursuant to which Steel Partners II withdrew its nomination of Warren G. Lichtenstein, John J. Quicke and Robert H. Kanner for election as directors at the 2008 Annual Meeting of Stockholders of the Issuer. Steel Partners II also agreed that it will not engage in any solicitation of proxies with respect to the election of directors or any other matter to be voted on at the 2008 Annual Meeting of Stockholders or at any special meeting of the Issuer's stockholders held in lieu thereof.

Pursuant to the Settlement Agreement, the Issuer agreed to commit to pursue appropriate means to monetize its investment in its wholly-owned subsidiary, LeTourneau Technologies, Inc. ("LTI"), on or before December 31, 2008 (the "Monetization"). Such Monetization is to be achieved by any one of the following: (i) LTI becoming a separately traded public company, (ii) all or substantially all of LTI's assets being sold, (iii) a majority of LTI's outstanding capital stock being sold, (iv) a merger of LTI with another entity in exchange for equity and/or cash or (v) a similar transaction resulting in the Issuer independently receiving cash and/or stock proceeds in exchange for its interest in LTI. If the Monetization is not consummated on or before December 31, 2008, then, effective January 1, 2009, the Issuer agreed to increase the size of its Board of Directors by one director and fill such vacancy with a person to be designated by Steel Partners II (the "Steel Designee"). The Steel Designee shall either be Warren Lichtenstein or, if it

is not Mr. Lichtenstein, the Steel Designee must be approved in advance by the Issuer's Board of Directors, with such approval not to be unreasonably withheld. The Steel Designee shall serve in the class of directors next standing for election at the Issuer's 2011 Annual Meeting of Stockholders.

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The Issuer further agreed that if the Monetization is accomplished through an initial public offering or private sale of all or a portion of LTI's capital stock (a "Qualified Monetization"), the Issuer will repurchase at least \$400 million of its outstanding Shares. Any such repurchases of Shares shall be made pursuant to either or both of the following means: (i) an open market share repurchase program, or (ii) an equity self-tender offer, in either case on terms to be determined by the Issuer. The Issuer shall have 30 calendar days following the consummation of the Qualified Monetization to commence such open market repurchases (which shall be consummated within 60 days after commencement) and/or commence the equity self-tender offer, subject to certain exceptions.

The Issuer agreed to reimburse Steel Partners II for its reasonable, documented, out-of-pocket expenses incurred in connection with Steel Partners II's intended solicitation of proxies from the Issuer's stockholders at the 2008 Annual Meeting of Stockholders and the negotiation of the Settlement Agreement, in an aggregate amount not to exceed \$100,000.

The foregoing description of the Settlement Agreement is not complete and is qualified in its entirety by reference to its full text. A copy of the Settlement Agreement is filed as exhibit 99.1 hereto and is incorporated herein by reference.

Item 5. Interest in Securities of the Issuer.

Item 5(a) is hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 111,312,724 Shares outstanding, which is the total number of Shares outstanding as of February 26, 2008 as reported in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2007 filed with the Securities and Exchange Commission on February 29, 2008.

As of the close of business on March 28, 2008, Steel Partners II beneficially owned 10,518,234 Shares, constituting approximately 9.4% of the Shares outstanding. By virtue of their relationships with Steel Partners II discussed in further detail in Item 2, each of Steel GP LLC, Steel Master, Partners LLC and Warren G. Lichtenstein may be deemed to beneficially own the Shares owned by Steel Partners II.

Item 5(c) is hereby amended to add the following:

(c) Schedule A annexed hereto lists all transactions in securities of the Issuer by the Reporting Persons during the past sixty days. All of such transactions were effected in the open market.

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

Item 6 is hereby amended to add the following:

On March 30, 2008, Steel Partners II entered into the Settlement Agreement as discussed in further detail in Item 4.

CUSIP NO. 779382100

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following exhibit:

99.1 Settlement Agreement between Rowan Companies, Inc. and Steel Partners II, L.P., dated March 30, 2008

11

CUSIP NO. 779382100

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: March 31, 2008

STEEL PARTNERS II, L.P.

By: Steel Partners II GP LLC
General Partner

By: /s/ Lauren Isenman
Lauren Isenman
as Attorney-In-Fact for Warren G. Lichtenstein,
Managing Member

STEEL PARTNERS II GP LLC

By: /s/ Lauren Isenman
Lauren Isenman
as Attorney-In-Fact for Warren G. Lichtenstein,
Managing Member

STEEL PARTNERS II MASTER FUND L.P.

By: Steel Partners II GP LLC
General Partner

By: /s/ Lauren Isenman
Lauren Isenman
as Attorney-In-Fact for Warren G. Lichtenstein,
Managing Member

STEEL PARTNERS LLC

By: /s/ Lauren Isenman
Lauren Isenman
as Attorney-In-Fact for Warren G. Lichtenstein,
Manager

/s/ Lauren Isenman
LAUREN ISENMAN
as Attorney-In-Fact for Warren G. Lichtenstein

/s/ John J. Quicke
JOHN J. QUICKE

/s/ Robert H. Kanner
ROBERT H. KANNER

CUSIP NO. 779382100

SCHEDULE A

Transactions in Securities of the Issuer During the Past Sixty Days

Class of Security	Securities Purchased / (Sold)	Price (\$)	Date of Purchase / Sale
STEEL PARTNERS II, L.P.			
Common Stock	100,000	33.7660	01/30/08
Common Stock	26,721	33.8906	02/01/08
Common Stock	100,000	34.9876	02/04/08
Common Stock	93,000	33.2443	02/07/08
Short Put Option (\$37.50 Strike Price)	(200)	--	02/20/08
Short Put Option (\$37.50 Strike Price)	(500)	--	02/22/08
Covered Short Put Position (\$37.50 Strike Price)	700	0.2493	03/05/08

STEEL PARTNERS II GP LLC

None

STEEL PARTNERS II MASTER FUND L.P.

None

STEEL PARTNERS LLC

None

WARREN G. LICHTENSTEIN

None

JOHN J. QUICKE

None

ROBERT H. KANNER

None