

J C PENNEY CO INC
Form SC 13D/A
January 25, 2011

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

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)***

J.C. Penney Company, Inc.
(Name of Issuer)
Common Stock
(Title of Class of Securities)
708160106
(CUSIP Number)

Roy J. Katzovicz, Esq.
Pershing Square Capital Management, L.P.
888 Seventh Avenue, 42nd Floor
New York, NY 10019
212-813-3700

With a Copy to:

Stephen Fraidin, Esq.
Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
212-446-4800

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

January 24, 2011

(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. o

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.

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).

* 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. 708160106

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NAMES OF REPORTING PERSONS

1

Pershing Square Capital Management, L.P.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Delaware

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

SHARES BENEFICIALLY 8

OWNED BY 39,075,771

SOLE DISPOSITIVE POWER

EACH REPORTING 9

PERSON 0
WITH SHARED DISPOSITIVE POWER
10
39,075,771

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
39,075,771

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)
b

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
16.5%(1)

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)
IA

(1) Calculated based on 236,596,234 shares of the Common Stock, 50 cents par value, of J.C. Penney Company, Inc., outstanding as of December 3, 2010, as reported in J.C. Penney Company, Inc.'s quarterly report on Form 10-Q for the quarterly period ended October 30, 2010.

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NAMES OF REPORTING PERSONS

1

PS Management GP, LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Delaware

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

SHARES BENEFICIALLY 8

OWNED BY 39,075,771

SOLE DISPOSITIVE POWER

EACH REPORTING 9

PERSON 0

WITH SHARED DISPOSITIVE POWER
10
39,075,771

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
39,075,771

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)
b

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
16.5%(2)

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)
OO

(2) Calculated based on 236,596,234 shares of the Common Stock, 50 cents par value, of J.C. Penney Company, Inc., outstanding as of December 3, 2010, as reported in J.C. Penney Company, Inc. s quarterly report on Form 10-Q for the quarterly period ended October 30, 2010.

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NAMES OF REPORTING PERSONS

1

Pershing Square GP, LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Delaware

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY 8

16,985,050

SOLE DISPOSITIVE POWER

EACH REPORTING 9

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

16,985,050

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

16,985,050

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

b

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

7.2%(3)

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IA

(3) Calculated based on 236,596,234 shares of the Common Stock, 50 cents par value, of J.C. Penney Company, Inc., outstanding as of December 3, 2010, as reported in J.C. Penney Company, Inc.'s quarterly report on Form 10-Q for the quarterly period ended October 30, 2010.

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NAMES OF REPORTING PERSONS

1

William A. Ackman

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

United States

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY 8

39,075,771

SOLE DISPOSITIVE POWER

EACH REPORTING 9

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

39,075,771

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

39,075,771

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

b

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

16.5%(4)

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

(4) Calculated based on 236,596,234 shares of the Common Stock, 50 cents par value, of J.C. Penney Company, Inc., outstanding as of December 3, 2010, as reported in J.C. Penney Company, Inc.'s quarterly report on Form 10-Q for the quarterly period ended October 30, 2010.

ITEM 1. SECURITY AND ISSUER

This amendment No. 1 to Schedule 13D (the 13D Amendment No. 1) amends and supplements the statement on Schedule 13D (the Original Schedule 13D, as amended and supplemented by the 13D Amendment No. 1, the Schedule 13D), filed on October 8, 2010, by Pershing Square Capital Management, L.P., a Delaware limited partnership (Pershing Square); PS Management GP, LLC, a Delaware limited liability company (PS Management); Pershing Square GP, LLC, a Delaware limited liability company (Pershing Square GP); and William A. Ackman, a citizen of the United States of America (together with Pershing Square, PS Management and Pershing Square GP , the Reporting Persons), relating to the common stock, par value \$0.50 per share (the Common Stock), of J.C. Penney Company, Inc., a Delaware corporation (the Issuer). The principal executive offices of the Issuer are located at: 6501 Legacy Drive, Plano, Texas 75024-3698.

Except as set forth herein, the Schedule 13D is unmodified.

As of January 24, 2011, as reflected in this Amendment No. 1 the Reporting Persons beneficially owned an aggregate of 39,075,771 shares of Common Stock (which include 4,156,700 shares of Common Stock underlying listed American-style call options), representing approximately 16.5% of the outstanding shares of Common Stock of the Issuer. The Reporting Persons also have additional economic exposure to approximately 602,600 notional shares of Common Stock under certain cash-settled total return swaps (Swaps), bringing their total aggregate economic exposure to 39,678,371 shares of Common Stock, representing approximately 16.8% of the outstanding shares of Common Stock of the Issuer.

ITEM 4. PURPOSE OF TRANSACTION

Item 4 of the Schedule 13D is hereby amended and supplemented by adding the following information:

On January 24, 2011, the Issuer announced that its board of directors (the Board) agreed to name William A. Ackman, Chief Executive Officer of Pershing Square and managing member of each of PS Management and Pershing Square GP, and Steven Roth, chairman of the board of Vornado Realty Trust, as directors. The Issuer announced that William A. Ackman and Steven Roth are expected to be elected by February 22, 2011. The Issuer also announced that the Board expects to appoint an additional director in the near future.

SIGNATURES

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

Date: January 25, 2011

**PERSHING SQUARE CAPITAL
MANAGEMENT, L.P.**

By: PS Management GP, LLC,
its General Partner

By: /s/ William A. Ackman
William A. Ackman
Managing Member

PS MANAGEMENT GP, LLC

By: /s/ William A. Ackman
William A. Ackman
Managing Member

PERSHING SQUARE GP, LLC

By: /s/ William A. Ackman
William A. Ackman
Managing Member

/s/ William A. Ackman
WILLIAM A. ACKMAN