

AUTOMATIC DATA PROCESSING INC  
Form DFAN14A  
October 02, 2017

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

**SCHEDULE 14A**

**(Rule 14a-101)**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting material Pursuant to §240.14a-12

**Automatic Data Processing, Inc.**

**(Name of Registrant as Specified In Its Charter)**

**William A. Ackman**

**Veronica M. Hagen**





Pershing Square Capital Management, L.P. and certain affiliates ( Pershing Square ) posted a video to their YouTube page relating to Automatic Data Processing, Inc. (the Company ) and www.ADPascending.com. A transcript of the video is below:

How We Know Opportunity Exists at ADP

WILLIAM ACKMAN: Hi I m Bill Ackman, the CEO of Pershing Square Capital Management. We re a major shareholder of ADP. We ve invested \$2.3 billion in the company, and we ve done so because we think ADP is a great company, but one that can be substantially improved. How do we know this? Well, one of the ways we know this is that ADP has sold a couple businesses in recent years, and those businesses have done remarkably well after they were sold. A good example is Solera, a business that ADP sold about 10 years ago, and over the next 5 years the management was able to double margins in that company. Another good example, and a more recent one, is a company called CDK, this was known as Dealer Services inside ADP. It was spun off to shareholders, many shareholders sold. They sold to shareholders who bought a stake in the business, a couple of activist investors, they bought a stake, they sat down with the board, they made a case that CDK could have much larger margins based on comparisons with direct competitors to CDK. The board was interested, took the shareholders seriously, in fact, ultimately invited them to join the board of directors of the company, and they worked with these shareholders to improve the profitability of the business. And CDK over the last 3 years has taken margins from 16% to 26%, that means that the profits of the business are up more than 60%. The stock price over the same period is up over 100%. They were able to do so without risk to the customers, obviously without risk to the shareholders, the business continued to pay a dividend and shareholders have been amply rewarded. We d like to have the same opportunity to do the same thing at ADP. We can do so if you support us in joining the board of directors of the company. We ve proposed 3 directors, myself, I m representing a major shareholder, and two experienced executives who have experience in cost control, efficiency, actually, payroll industry experience. Paul Unruh coming from Bechtel where he was Vice Chairman, but also CFO and treasurer, and Ronee Hagan, an experienced CEO, backed by private equity, very successful entrepreneur running businesses that require enormous attention to cost control. We look forward to receiving your support. Please vote the gold proxy card. The meeting is November 7th. You will be receiving, if you have not already done so, a packet from us with the details and a gold proxy card or information form that you can use to vote for our candidates. Really appreciate your support and I look forward to updating you over the course of the next several weeks. Thank you very much.

Pershing Square posted the following material to [www.ADPascending.com](http://www.ADPascending.com):





Pershing Square sent the following e-mail to certain subscribers of [www.ADPascending.com](http://www.ADPascending.com):





Pershing Square posted the following material to their Facebook page relating to the Company:







Pershing Square posted the following material to their Twitter page relating to the Company:













Pershing Square has placed the following advertisement on YouTube and may use such advertisement on various social media channels:





Support Pershing Square's Nominees for ADP's Transformation

WILLIAM ACKMAN: In recent years ADP has sold two businesses, one in a spin-off, one in a sale. After the sale, those businesses have dramatically improved their profitability. We'd like the same opportunity to do so at ADP. We need your support to join the board of the company. Please vote the GOLD card. Thank you very much.