

CINCINNATI BELL INC  
Form SC 13G  
October 25, 2012

---

---

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. \_\_\_\_\_)\*

Cincinnati Bell Inc.  
(Name of Issuer)

Common Stock, \$0.01 par value per share  
(Title of Class of Securities)

171871106  
(CUSIP Number)

October 25, 2012  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)  
 Rule 13d-1(c)  
 Rule 13d-1(d)

---

\*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 the disclosures provided in a prior cover page.

The information required in 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.  
171871106

SCHEDULE 13G

Page 2 of 8

1 NAME OF REPORTING PERSON OR  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Marcato Capital Management LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)   
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

NUMBER OF  
SHARES  
BENEFICIALLY

-0-

6 SHARED VOTING POWER

OWNED  
BY EACH  
REPORTING  
PERSON  
WITH

14,192,985

7 SOLE DISPOSITIVE POWER

-0-

8 SHARED DISPOSITIVE POWER

14,192,985

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

14,192,985

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN  
SHARES

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

7.19%

12 TYPE OF REPORTING PERSON

IA



CUSIP No.  
171871106

SCHEDULE 13G

Page 3 of 8

1 NAME OF REPORTING PERSON OR  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Richard T. McGuire III

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)   
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

5 SOLE VOTING POWER

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED  
BY EACH  
REPORTING  
PERSON  
WITH

-0-

6 SHARED VOTING POWER

14,192,985

7 SOLE DISPOSITIVE POWER

-0-

8 SHARED DISPOSITIVE POWER

14,192,985

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

14,192,985

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN  
SHARES

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

7.19%

12 TYPE OF REPORTING PERSON

IN



CUSIP No.  
171871106

SCHEDULE 13G

Page 4 of 8

Item 1. (a). Name of Issuer:

Cincinnati Bell Inc.

(b). Address of issuer's principal executive offices:

221 East Fourth Street  
Cincinnati, OH 45202

Item 2. (a). Name of person filing:

Marcato Capital Management LLC  
Richard T. McGuire III

(b). Address or principal business office or, if none, residence:

Marcato Capital Management LLC  
One Montgomery Street, Suite 3250  
San Francisco, CA 94104

Richard T. McGuire III  
c/o Marcato Capital Management LLC  
One Montgomery Street, Suite 3250  
San Francisco, CA 94104

(c). Citizenship:

Marcato Capital Management LLC: Delaware  
Richard T. McGuire III: United States of America

(d). Title of class of securities:

Common Stock, \$0.01 par value per share

(e). CUSIP No.:

171871106

CUSIP No.  
171871106

## SCHEDULE 13G

Page 5 of 8

Item 3. If This Statement is filed pursuant to §§.240.13d-1(b) or 240.13d-2(b), or (c), check whether the person filing is a

- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d)  Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
- (e)  An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
- (f)  An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
- (g)  A parent holding company or control person in accordance with §240.13d-1(b)(1)(ii)(G);
- (h)  A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C.1813);
- (i)  A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j)  A non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J);
- (k)  Group, in accordance with §240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J), please specify the type of institution:

Item 4. Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

Marcato Capital Management LLC: 14,192,985  
Richard T. McGuire III: 14,192,985

(b) Percent of class:

Marcato Capital Management LLC: 7.19%  
Richard T. McGuire III: 7.19%

(c) Number of shares as to which the person has:

Marcato Capital Management LLC

(i)	Sole power to vote or to direct the vote	-0-
(ii)	Shared power to vote or to direct the vote	14,192,985
(iii)	Sole power to dispose or to direct the disposition of	-0-
(iv)	Shared power to dispose or to direct the	14,192,985

disposition of

---

CUSIP No.  
171871106

## SCHEDULE 13G

Page 6 of 8

Richard T. McGuire III

(i)	Sole power to vote or to direct the vote	-0-
(ii)	Shared power to vote or to direct the vote	14,192,985
(iii)	Sole power to dispose or to direct the disposition of	-0-
(iv)	Shared power to dispose or to direct the disposition of	14,192,985

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following .

Item 6. Ownership of More Than Five Percent on Behalf of Another Person.

The Common Stock reported in this Schedule 13G is held in the accounts of various private funds, including Marcato, LP, Marcato II, LP and Marcato International Master Fund Ltd. As of October 24, 2012, Marcato International Master Fund Ltd. held 10,167,113 shares, or 5.15%, of the Issuer's outstanding Common Stock. None of these private funds other than Marcato International Master Fund Ltd. owns more than 5% of the Issuer's outstanding Common Stock. Marcato Capital Management LLC, in its capacity as the investment advisor to each of these private funds, has the exclusive power to direct the investment activities of such private funds. Richard T. McGuire III is the managing member of Marcato Capital Management LLC.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

Not Applicable.

Item 8. Identification and Classification of Members of the Group.

Not Applicable.

Item 9. Notice of Dissolution of Group.

Not Applicable.

Item 10. Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were

acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

---

CUSIP No.  
171871106

SCHEDULE 13G

Page 7 of 8

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: October 25, 2012

Marcato Capital Management LLC

By: /s/ Richard T. McGuire III  
Richard T. McGuire III  
Managing Member

Richard T. McGuire III

By: /s/ Richard T. McGuire III

---

CUSIP No.  
171871106

SCHEDULE 13G

Page 8 of 8

Exhibit A

AGREEMENT

Each of the undersigned hereby consents and agrees to this joint filing of the Schedule 13G for the Common stock of Cincinnati Bell Inc.

Dated: October 25, 2012

Marcato Capital Management LLC

By: /s/ Richard T. McGuire III  
Richard T. McGuire III  
Managing Member

Richard T. McGuire III

By: /s/ Richard T. McGuire III

---