

PROGRESS SOFTWARE CORP /MA  
Form DFAN14A  
April 23, 2012

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

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

(Amendment No. )

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 Under Rule 14a-12

PROGRESS SOFTWARE CORPORATION  
(Name of Registrant as Specified in Its Charter)

STARBOARD VALUE AND OPPORTUNITY MASTER FUND LTD  
STARBOARD VALUE AND OPPORTUNITY S LLC  
STARBOARD VALUE LP  
STARBOARD VALUE GP LLC  
STARBOARD PRINCIPAL CO LP  
STARBOARD PRINCIPAL CO GP LLC  
JEFFREY C. SMITH  
MARK R. MITCHELL  
PETER A. FELD  
DALE L. FULLER  
EDWARD TERINO

(Name of Persons(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
  - .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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.. Fee paid previously with preliminary materials:

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.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

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(1) Amount previously paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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Starboard Value LP (“Starboard Value LP”), together with the other participants named herein, has made a definitive filing with the Securities and Exchange Commission of a proxy statement and accompanying WHITE proxy card to be used to solicit votes for the election of a slate of director nominees at the 2012 annual meeting of shareholders of Progress Software Corporation, a Massachusetts corporation.

On April 23, 2012, Starboard Value LP issued the following press release:

**Starboard Files Definitive Proxy Materials To Elect Three Highly Qualified Nominees To The Board Of Directors Of Progress Software At Upcoming Annual Meeting**

**Urges Shareholders to Vote FOR Starboard’s Nominees on the WHITE Proxy Card Today**

NEW YORK, April 23, 2012 – Starboard Value LP (together with its affiliates, “Starboard”), one of the largest shareholders of Progress Software Corporation (“Progress” or the “Company”) (NASDAQ:PRGS) with current ownership of approximately 5.2% of the outstanding shares, today announced that it has filed definitive proxy materials with the SEC in connection with the upcoming 2012 Annual Meeting.

Starboard is urging shareholders to elect its three highly qualified nominees, Dale L. Fuller, Jeffrey C. Smith and Edward Terino, in place of incumbent directors Michael L. Mark, David A. Krall, and Ram Gupta.

Starboard’s definitive proxy materials are available for viewing on the SEC’s website at <http://tinyurl.com/starboardproxy>. In its materials, Starboard stated its belief that Progress is deeply undervalued due to the Company’s deteriorating operating performance, persistent and increasing losses in the Company’s Enterprise Business Solutions (EBS) business, declining revenue growth over the past two quarters, and conglomerate structure of three unrelated business units with disparate profitability and growth prospects.

Specifically, Starboard has grown increasingly concerned with the deteriorating trends in the Company’s EBS segment. During the first quarter, EBS segment revenue declined 16.8%, yet operating expenses increased 17.2%, resulting in operating losses widening from -\$6.8 million in the first quarter of 2011, to -\$20.7 million in the recent quarter. On the current annualized run rate, the EBS business will lose over \$80 million in 2012. The EBS segment has already generated total losses of approximately \$147 million over the past three years, and given the recent declines in revenue, it does not appear to be improving.

Starboard further noted that Progress has committed to disclosing a revised strategic plan by the end of this month. Though Starboard will reserve judgment until it has had an opportunity to review the revised strategic plan, Starboard continues to believe that the best way to enhance value for shareholders is to separate the Company’s three unrelated businesses while immediately addressing the significant operating losses in the EBS segment.

Starboard stated its belief that significant change to the Board is warranted given the serious issues facing the Company and that its nominees are highly qualified to serve on the Board. If elected, Starboard’s nominees would work constructively with the other members of the Board to review the Company’s operating cost structure and disparate operating businesses, and identify opportunities to address the substantial valuation discrepancy between the intrinsic value of these businesses and the current enterprise value of the Company.

Starboard also continues to be open-minded about a mutually agreeable resolution with the Company to avoid the necessity of a proxy contest. However, to date, the Company has been unwilling to engage with Starboard to commence discussions regarding a constructive solution to the pending proxy contest.

Finally, Starboard urged all shareholders to vote FOR Starboard's nominees on the WHITE proxy card today. For assistance in voting your shares, please contact Okapi Partners at (855) 208-8903.

#### About Starboard Value LP

Starboard Value LP is a New York-based investment adviser with a focused and differentiated fundamental approach to investing in publicly traded U.S. small cap companies. Starboard invests in deeply undervalued small cap companies and actively engages with management teams and boards of directors to identify and execute on opportunities to unlock value for the benefit of all shareholders.

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#### Okapi Partners

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