

AeroGrow International, Inc.
 Form 3
 May 02, 2013

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

| | | | | |
|---|---------|--------------------------------------|---|--|
| 1. Name and Address of Reporting Person * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| SMG Growing Media, Inc. | | (Month/Day/Year) | AeroGrow International, Inc. [AERO.OB] | |
| (Last) | (First) | (Middle) | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| | | | | |
| 14111 SCOTTSLAWN ROAD | | | (Check all applicable) | |
| (Street) | | | <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) | |
| MARYSVILLE, OH 43041 | | | 6. Individual or Joint/Group Filing(Check Applicable Line) | |
| (City) | (State) | (Zip) | <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| No securities owned | 0 | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) or Indirect | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|---|--|--|---|
| | Date Exercisable Expiration Date | Title Amount or Number of | | | |

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| | | | | Shares | | (I) (Instr. 5) | |
|--|------------|------------|---------------|--------|--------|-------------------|---|
| Series B Convertible Preferred Stock | Â (1) | Â (1) | Common Shares | (2) | \$ (2) | D | Â |
| Warrant for the Purchase of Common Stock | 04/22/2016 | 04/22/2021 | Common Shares | (3) | \$ (4) | D | Â |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SMG Growing Media, Inc. 14111 SCOTTSLAWN ROAD MARYSVILLE, OH 43041 | Â | Â X | Â | Â |
| SCOTTS MIRACLE-GRO CO 14111 SCOTTSLAWN ROAD MARYSVILLE, OH 43041 | Â | Â X | Â | Â |

Signatures

Kathy L. Uttley as attorney-in-fact for SMG Growing Media, Inc. 05/02/2013
 **Signature of Reporting Person Date

Kathy L. Uttley as attorney-in-fact for The Scotts Miracle-Gro Company 05/02/2013
 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The Series B Convertible Preferred Stock is convertible at any time, at the holder's election, and has no expiration date.
 SMG Growing Media, Inc. purchased 2,649,007 shares of Series B Convertible Preferred Stock on April 22, 2013. Each share of Series B Convertible Preferred Stock is convertible into the number of shares of AeroGrow International, Inc. (the "Company") Common Stock equal to the conversion rate, which initially is 1:1, under the Certificate of Designations of Series B Convertible Preferred Stock, subject to adjustment as provided therein.
- (2) The Warrant entitles SMG Growing Media, Inc. to purchase a number of shares of the Company's Common Stock that, on a fully diluted basis, constitute 80% of the Company's outstanding capital stock (when added to all other shares of Common Stock then owned by SMG Growing Media, Inc.), as calculated as of the date or dates of exercise.
 The exercise price of the Warrant is equal to the quotient obtained by dividing: (a) an amount equal to (i) 1.34 times the trailing twelve months Adjusted Net Sales (as defined in the Warrant) of the Company, plus (ii) the aggregate exercise price of outstanding in-the-money options and warrants (excluding the Warrant) based on the market price of the Common Stock as of the business day immediately preceding the date of exercise ("In-The-Money Derivative Securities"), minus (iii) Debt Outstanding (as defined in the Warrant) of the Company, plus (iv) cash and cash equivalents, by (b) the total shares of capital stock of the Company outstanding on a Common Stock equivalent basis, including outstanding In-The-Money Derivative Securities.

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Remarks:
 These securities are owned directly by SMG Growing Media, Inc., which is a wholly-owned subsidiary.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, See Instruction 6 for procedure.

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