

Edgar Filing: ACME COMMUNICATIONS INC - Form SC 13D

ACME COMMUNICATIONS INC  
Form SC 13D  
November 17, 2004

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)

Acme Communications, Inc.  
-----

(Name of Issuer)

Common Stock, Par Value \$0.01 Per Share  
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(Title of Class of Securities)

004631107  
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(CUSIP Number of Class of Securities)

Wynnefield Partners Small Cap Value, L.P.  
450 Seventh Avenue, Suite 509  
New York, New York 10123  
Attention: Mr. Nelson Obus  
-----

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

Copy to:

Shahe Sinanian, Esq.  
Greenberg Traurig, LLP  
200 Park Avenue  
New York, New York 10166  
(212) 801-9200

November 9, 2004  
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(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 if filing this Schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box  
[ ]

(continued on following pages)

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1 NAME OF REPORTING PERSONS  
Wynnefield Partners Small Cap Value L.P.

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 13-3688497

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
  
(a)   
(b)

---

3 SEC USE ONLY

---

4 SOURCE OF FUNDS\*  
  
WC (SEE ITEM 3)

---

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

---

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
  
DELAWARE

---

	7	SOLE VOTING POWER
NUMBER OF		298,600 shares (See Item 5)
SHARES		
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		-0- (See Item 5)
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		298,600 shares (See Item 5)
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		-0- (See Item 5)

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
  
298,600 shares (See Item 5)

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

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

1.9% (See Item 5)

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14 TYPE OF REPORTING PERSON\*

PN

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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAME OF REPORTING PERSONS

Wynnefield Small Cap Value Offshore Fund, Ltd.

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): Not Applicable

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

---

3 SEC USE ONLY

---

4 SOURCE OF FUNDS\*

WC (SEE ITEM 3)

---

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

---

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

---

7 SOLE VOTING POWER

NUMBER OF

208,500 shares (See Item 5)

SHARES

---

8 SHARED VOTING POWER

BENEFICIALLY

-0- (See Item 5)

OWNED BY

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EACH 9 SOLE DISPOSITIVE POWER  
REPORTING  
PERSON 208,500 shares (See Item 5)  
WITH 10 SHARED DISPOSITIVE POWER  
-0- (See Item 5)

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
208,500 shares (See Item 5)

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

---

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
1.3% (See Item 5)

---

14 TYPE OF REPORTING PERSON\*  
CO

---

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAME OF REPORTING PERSONS  
Wynnefield Partners Small Cap Value, L.P. I  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 13-3953291

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a)   
(b)

---

3 SEC USE ONLY

---

4 SOURCE OF FUNDS\*  
WC (SEE ITEM 3)

---

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

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6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

---

7 SOLE VOTING POWER

NUMBER OF

399,700 shares (See Item 5)

SHARES

BENEFICIALLY

---

8 SHARED VOTING POWER

-0- (See Item 5)

OWNED BY

EACH

---

9 SOLE DISPOSITIVE POWER

REPORTING

399,700 shares (See Item 5)

PERSON

WITH

---

10 SHARED DISPOSITIVE POWER

-0- (See Item 5)

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

399,700 shares (See Item 5)

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

---

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

2.5% (See Item 5)

---

14 TYPE OF REPORTING PERSON\*

PN

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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAME OF REPORTING PERSONS

Channel Partnership II, L.P.

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 22-3215653

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)   
(b)

---

3 SEC USE ONLY

---

4 SOURCE OF FUNDS\*  
WC (SEE ITEM 3)

---

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

---

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
NEW YORK

---

7 SOLE VOTING POWER  
NUMBER OF  
SHARES 5,000 shares (See Item 5)

---

8 SHARED VOTING POWER  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON -0- (See Item 5)

---

9 SOLE DISPOSITIVE POWER  
5,000 shares (See Item 5)

---

10 SHARED DISPOSITIVE POWER  
WITH -0- (See Item 5)

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
5,000 shares (See Item 5)

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

---

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
0.0% (See Item 5)

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14 TYPE OF REPORTING PERSON\*

PN

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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAME OF REPORTING PERSONS  
Wynnefield Capital Management LLC

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 13-4018186

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

---

3 SEC USE ONLY

---

4 SOURCE OF FUNDS\*

AF (SEE ITEM 3)

---

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

---

6 CITIZENSHIP OR PLACE OF ORGANIZATION

NEW YORK

---

7 SOLE VOTING POWER

NUMBER OF

698,300 shares (See Item 5)

SHARES

BENEFICIALLY

---

8 SHARED VOTING POWER

-0- (See Item 5)

OWNED BY

EACH

---

9 SOLE DISPOSITIVE POWER

REPORTING

698,300 shares (See Item 5)

PERSON

---

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WITH 10 SHARED DISPOSITIVE POWER  
-0- (See Item 5)

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
698,300 shares (See Item 5)

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

---

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
4.4% (See Item 5)

---

14 TYPE OF REPORTING PERSON\*  
OO (Limited Liability Company)

---

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAME OF REPORTING PERSONS  
Wynnefield Capital, Inc.  
  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): N/A

---

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a)   
(b)

---

3 SEC USE ONLY

---

4 SOURCE OF FUNDS\*  
AF (SEE ITEM 3)

---

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

---

6 CITIZENSHIP OR PLACE OF ORGANIZATION



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CAYMAN ISLANDS

---

	7	SOLE VOTING POWER
NUMBER OF		208,500 shares (See Item 5)
SHARES		
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		-0- (See Item 5)
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		208,500 shares (See Item 5)
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		-0- (See Item 5)

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
208,500 shares (See Item 5)

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

---

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
1.3% (See Item 5)

---

14 TYPE OF REPORTING PERSON\*  
CO

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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAME OF REPORTING PERSONS  
Nelson Obus

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)   
(b)

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3 SEC USE ONLY

---

4 SOURCE OF FUNDS\*

AF (SEE ITEM 3)

---

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

---

6 CITIZENSHIP OR PLACE OF ORGANIZATION

UNITED STATES OF AMERICA

---

7 SOLE VOTING POWER

NUMBER OF

5,000 shares (See Item 5)

SHARES

BENEFICIALLY

---

8 SHARED VOTING POWER

-0- (See Item 5)

OWNED BY

EACH

---

9 SOLE DISPOSITIVE POWER

REPORTING

5,000 shares (See Item 5)

PERSON

WITH

---

10 SHARED DISPOSITIVE POWER

-0- (See Item 5)

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,000 shares (See Item 5)

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

---

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

0.0% (See Item 5)

---

14 TYPE OF REPORTING PERSON\*

IN

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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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## ITEM 1. SECURITY AND ISSUER

This Schedule 13D relates to shares of the common stock, \$0.01 par value per share (the "Common Stock"), of Acme Communications, Inc., a Delaware corporation (the "Issuer"). The address of the principal executive offices of the Issuer is 2101 E. Fourth Street, Suite 202A, Santa Ana, California 92705.

## ITEM 2. IDENTITY AND BACKGROUND

(a), (b), (c) and (f). This Schedule 13D is filed by Wynnefield Partners Small Cap Value, L.P. ("Partnership"), Wynnefield Small Cap Value Offshore Fund, Ltd. ("Fund"), Wynnefield Partners Small Cap Value L.P. I ("Partnership-I"), Channel Partnership II, L.P. ("Channel"), Wynnefield Capital Management, LLC ("WCM"), Wynnefield Capital, Inc. ("WCI"), which are each separate and distinct entities with different beneficial owners (whether designated as limited partners or stockholders), and Mr. Nelson Obus, an individual ("Mr. Obus").

WCM, a New York limited liability company, is the general partner of the Partnership and Partnership-I, private investment companies organized as limited partnerships under the laws of the State of Delaware. Mr. Obus and Joshua Landes are the managing members of WCM and the principal executive officers of WCI, the investment manager of the Fund, a private investment company organized under the laws of the Cayman Islands. Mr. Obus is the general partner of Channel. Mr. Obus and Mr. Landes are citizens of the United States of America.

The business address of Mr. Obus, Mr. Landes and each of the entities in the Wynnefield Group is 450 Seventh Avenue, Suite 509, New York, New York 10123.

(d) and (e). During the last five years, neither Mr. Obus, Mr. Landes, nor any of the entities comprising the Wynnefield Group has been (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors), or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

## ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

Each of the Wynnefield Group entities made their most recent purchases of shares of Common Stock, separately from each other, for the consideration shown in the following table:

Name	Date of Purchase	Number of Shares	Consideration Paid
Partnership*	November 9, 2004	37,000	\$222,000
Partnership-I*	November 9, 2004	47,000	\$282,000
Fund**	November 9, 2004	27,800	\$166,800
Channel***	March 21, 2003	5,000	\$32,250

\* WCM has an indirect beneficial ownership interest in these shares of Common Stock.

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\*\* WCI has an indirect beneficial ownership interest in these shares of Common Stock.

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\*\*\* Mr. Obus has an indirect beneficial ownership interest in these shares of Common Stock.

Such shares of Common Stock were paid for from the working capital of each entity in the Wynnefield Group who directly beneficially owns Common Stock. Each entity in the Wynnefield Group maintains a separate investment fund, consisting of capital contributions from their respective partners and investors and capital appreciation derived therefrom for the principal purpose of buying and selling securities (including financial and money market instruments) and interests in domestic and foreign securities, including, without limitation, convertible securities, stock index futures contracts, options, puts and calls on stock and warrants.

### ITEM 4. PURPOSES OF TRANSACTION.

The members of the Wynnefield Group acquired the shares of Common Stock reported in Item 5 below for investment purposes, with no intention of changing or influencing control of the Issuer or as a participant in any transaction having that purpose or effect. They intend to monitor the Issuer's financial condition, business, operations and prospects, the market price for the shares of Common Stock, conditions in the securities markets generally, general economic conditions, conditions affecting the Issuer's operations and evaluate the responses of its management to the needs of the holders of the Common Stock. From time-to-time, the Wynnefield Group may meet with the Issuer's management and may recommend to the Issuer's management various strategies for increasing shareholders' value.

The Wynnefield Group reserves the right to change its plans and intentions at any time as it deems appropriate. In particular, the Wynnefield Group may purchase shares of Common Stock, or may sell or otherwise dispose of all or a portion of the shares of Common Stock, in public and private transactions and/or may enter into negotiated derivative transactions to hedge the market risk of some or all positions in, or to obtain greater exposure to, the shares of the Common Stock. Any such transactions may be effected at any time or from time to time, subject to any applicable limitations imposed on the sale of shares of the Common Stock by the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended (the "Exchange Act") and applicable state securities or "blue sky" laws.

Depending on factors deemed relevant by the Wynnefield Group, including but not limited to changes in the Company's business, governance or financial situation, the Wynnefield Group reserves the right to formulate other plans and/or make proposals, and take such actions with respect to its investment in the Company, including any or all of the actions set forth in this response to Item 4 and any other actions as the Wynnefield Group, or any of them, may determine.

Except as set forth above, no member of the Wynnefield Group has any present plans or intentions that would result in or relate to any of the transactions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

### ITEM 5. INTERESTS IN SECURITIES OF THE ISSUER.

(a) - (c) As of November 9, 2004, the Wynnefield Group beneficially owned in the

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aggregate, 911,800 shares of Common Stock, constituting approximately 5.7% of the outstanding shares of Common Stock (the percentage of shares owned being based upon 16,772,415 shares outstanding (including 752,652 which are held in treasury) on November 8, 2004, as set forth in the Company's most recent report on Form 10-Q for the quarterly period ended September 30, 2004 filed with the Commission on November 9, 2004). The following table sets forth certain information with respect to shares of Common Stock beneficially owned directly by the Wynnefield Group members listed:

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NAME	NUMBER OF SHARES	APPROXIMATE PERCENTAGE OF OUTSTANDING SHARES
Partnership *	298,600	1.9 %
Partnership-I *	399,700	2.5 %
Fund **	208,500	1.3 %
Channel***	5,000	0%

\* WCM has an indirect beneficial ownership interest in these shares of Common Stock.

\*\* WCI has an indirect beneficial ownership interest in these shares of Common Stock.

\*\*\* Mr. Obus has an indirect beneficial ownership interest in these shares of Common Stock.

WCM is the sole general partner of the Partnership and Partnership-I and, accordingly, may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 promulgated pursuant to the Exchange Act of the shares of Common Stock that the Partnership and Partnership-I beneficially own. WCM, as the sole general partner of the Partnership and Partnership-I, has the sole power to direct the voting and disposition of the shares of Common Stock that the Partnership and Partnership-I beneficially own.

Messrs. Obus and Landes are the co-managing members of WCM and, accordingly, each of Messrs. Obus and Landes may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 promulgated pursuant to the Exchange Act) of the shares of Common Stock that WCM may be deemed to beneficially own. Each of Messrs. Obus and Landes, as a co-managing member of WCM, shares with the other the power to direct the voting and disposition of the shares of Common Stock that WCM may be deemed to beneficially own.

WCI is the sole investment manager of the Fund and, accordingly, may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 promulgated pursuant to the Exchange Act) of the shares of Common Stock that the Fund beneficially owns. WCI, as the sole investment manager of the Fund, has the sole power to direct the voting and disposition of the shares of Common Stock that the Fund beneficially owns.

Messrs. Obus and Landes are the principal executive officers of WCI and, accordingly, each of Messrs. Obus and Landes may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 promulgated pursuant to the Exchange Act) of the shares of Common Stock that WCI may be deemed to beneficially own. Each of Messrs. Obus and Landes, as a principal executive officer of WCI, shares with the other the power to direct the voting and disposition of the shares of Common Stock that WCI may be deemed to beneficially own.

Mr. Obus is the general partner of Channel and, accordingly, may be

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deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 promulgated pursuant to the Exchange Act) of the shares of Common Stock that Channel beneficially owns. Mr. Obus, as the general partner of Channel, has the sole power to direct the voting and disposition of the shares of Common Stock that Channel beneficially owns.

Beneficial ownership of shares of Common Stock shown on the cover pages of and set forth elsewhere in this 13D for each of the members of the Wynnefield Group assumes that they have not formed a group for purposes of Section 13(d)(3) under the Exchange Act, and Rule 13d-5(b)(1) promulgated thereunder. If the members of the Wynnefield Group were deemed to have formed a group for purposes of Section 13(d)(3) and Rule 13d-5(b)(1), the group would be deemed to own beneficially (and may be deemed to have shared voting and dispositive power over) 911,800 shares of Common Stock, constituting approximately 5.7 % of the outstanding shares (including 752,652 which are held in treasury) of Common Stock (the percentage of shares owned being based upon 16,772,415 shares

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outstanding on November 8, 2004 as set forth in the Issuer's most recent report on Form 10-Q for the quarterly period ended September 30, 2004 filed with the Commission on November 9, 2004).

The filing of this Schedule 13D and the inclusion of information herein with respect to Messrs. Obus and Landes, shall not be considered an admission that any of such persons, for the purpose of Section 13(d) of the Exchange Act, are the beneficial owners of any shares in which such persons do not have a pecuniary interest.

To the best knowledge of the Wynnefield Group, except as described herein, none of the Wynnefield Group, any person in control (ultimately or otherwise) of the Wynnefield Group, any general partner, executive officer or director thereof, as applicable, beneficially owns any shares of Common Stock, and except as set forth in the table below, there have been no transactions in shares of Common Stock effected during the past 60 days by the Wynnefield Group, any person in control of the Wynnefield Group (ultimately or otherwise), or any general partner, executive officer or director thereof, as applicable; provided, however, certain investment banking affiliates of the Wynnefield Group may beneficially own shares of Common Stock, including shares that may be held in discretionary or advisory accounts with the Wynnefield Group; and the Wynnefield Group, directly or in connection with such discretionary or advisory accounts, may acquire, hold, vote or dispose of Common Stock, including transactions that may have occurred in the past 60 days.

The Wynnefield Group has made purchases of shares of Common Stock during the past 60 days as follows:

Name	Date	Number of Shares	Price Per Share
----	----	-----	-----
Partnership	October 29, 2004	3,500	\$5.70
Partnership	November 3, 2004	33,000	\$6.00
Partnership	November 9, 2004	37,000	\$6.00
Partnership - I	October 29, 2004	4,000	\$5.70
Partnership - I	November 3, 2004	42,000	\$6.00
Partnership - I	November 9, 2004	47,000	\$6.00
Fund	October 29, 2004	2,500	\$5.70
Fund	November 3, 2004	25,000	\$6.00
Fund	November 9, 2004	27,800	\$6.00

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(d) No person, other than each of the members of the Wynnefield Group referred to as the direct beneficial owner of the shares of Common Stock set forth in this response to Item 5, has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such shares of Common Stock.

(e) Not applicable.

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ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

Each of the members of the Wynnefield Group is a party to a Joint Filing Agreement, dated as of November 17, 2004 (the "13D Joint Filing Agreement"), pursuant to which the parties agreed to jointly file this 13D and any and all amendments and supplements thereto with the Commission. The 13D Joint Filing Agreement is filed herewith as Exhibit 1 and is incorporated in this response to Item 6 in its entirety.

Except for the agreement described above, to the best knowledge of the Wynnefield Group, there are no contracts, arrangements, understandings or relationships (legal or otherwise) between the Wynnefield Group, and any other person, with respect to any securities of the Issuer, including, but not limited to, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option agreements, puts or calls, guarantees of profits, divisions of profits or loss, or the giving or withholding or proxies.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

Exhibit 1 Joint Filing Agreement, dated as of November 17, 2004, among the Partnership, Partnership-I, Fund, WCM, WCI, Channel and Mr. Obus.

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SIGNATURE

After reasonable inquiry and to the best of their knowledge and belief, the undersigned certify that the information set forth in this Schedule 13D is true, complete and correct.

Dated: November 17, 2004

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P.

By: Wynnefield Capital Management, LLC,  
General Partner

By: /s/ Nelson Obus

-----  
Nelson Obus, Co-Managing Member

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I

By: Wynnefield Capital Management, LLC,  
General Partner

By: /s/ Nelson Obus

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-----  
Nelson Obus, Co-Managing Member

WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.

By: Wynnefield Capital, Inc.

By: /s/ Nelson Obus

-----  
Nelson Obus, President

WYNNEFIELD CAPITAL MANAGEMENT, LLC

By: /s/ Nelson Obus

-----  
Nelson Obus, Co-Managing Member

WYNNEFIELD CAPITAL, INC.

By: /s/ Nelson Obus

-----  
Nelson Obus, President

CHANNEL PARTNERSHIP II, L.P.

By: /s/ Nelson Obus

-----  
Nelson Obus, General Partner

/s/ Nelson Obus

-----  
Nelson Obus, Individually