

AGILYSYS INC
Form SC 13D
July 01, 2008

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)**

(Amendment No.)*

Agilysys, Inc.

(Name of Issuer)

Common Stock, without par value

(Title of Class of Securities)

00847J105

(CUSIP Number)

Eric S. Wagner, Esq.

Kleinberg, Kaplan, Wolff & Cohen, P.C.

551 Fifth Avenue, New York, New York 10176

(212) 986-6000

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

June 25, 2008

(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 which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box ☒.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7(b) for other parties to whom copies are to be sent.

*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 disclosures provided in a prior cover page.

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The information required on 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).

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

MAK Capital One L.L.C.

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

(a) ☒ X

(b) ☐ O

3. SEC USE ONLY

4. SOURCE OF FUNDS*

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐ O

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

4,047,281

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

4,047,281

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH
REPORTING PERSON

4,047,281

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

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

17.2%

14. TYPE OF REPORTING PERSON*

OO

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

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

Michael A. Kaufman

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

(a) ☒ X

(b) ☐ O

3. SEC USE ONLY

4. SOURCE OF FUNDS*

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐ O

6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

4,047,281

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

4,047,281

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH
REPORTING PERSON

4,047,281

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

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

17.2%

14. TYPE OF REPORTING PERSON*

IN

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

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

MAK Capital Fund LP

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

(a) ☒ X

(b) ☐ O

3. SEC USE ONLY

4. SOURCE OF FUNDS*

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐ O

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Bermuda

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

2,274,995

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

2,274,995

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH
REPORTING PERSON

2,274,995

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

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

9.7%

14. TYPE OF REPORTING PERSON*

PN

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

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

Paloma International L.P.

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

(a) ☒ X

(b) ☐ O

3. SEC USE ONLY

4. SOURCE OF FUNDS*

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐ O

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

1,772,286

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

1,772,286

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH
REPORTING PERSON

1,772,286

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

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

7.5%

14. TYPE OF REPORTING PERSON*

PN

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

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

S. Donald Sussman

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

(a) ☒ X

(b) ☐ O

3. SEC USE ONLY

4. SOURCE OF FUNDS*

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐ O

6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

1,772,286

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

1,772,286

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH
REPORTING PERSON

1,772,286

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

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

7.5%

14. TYPE OF REPORTING PERSON*

IN

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The Reporting Persons (as defined below) had previously reported their holdings in the Schedule 13G originally filed on November 19, 2007, as subsequently amended.

ITEM 1. Security and Issuer.

This statement relates to the shares of common stock, without par value ("Common Stock") of Agilysys, Inc. (the "Issuer"). The Issuer's principal executive office is located at 2255 Glades Road, Suite 301E, Boca Raton, Florida 33431.

ITEM 2. Identity and Background.

(a)-(c) and (f)

The names of the persons filing this statement on Schedule 13D are: MAK Capital One L.L.C., a Delaware limited liability company ("MAK Capital"), MAK Capital Fund LP, a Bermuda limited partnership ("MAK Fund"), Michael A. Kaufman, a United States citizen ("Mr. Kaufman"), Paloma International L.P., a Delaware limited partnership ("Paloma"), and S. Donald Sussman, a United States citizen ("Mr. Sussman," and collectively, the "Reporting Persons").

MAK GP LLC, a Delaware limited liability company, is the general partner of MAK Fund. Mr. Kaufman is the controlling person of MAK GP LLC ("MAK GP"). Paloma Partners Company L.L.C., a Delaware limited liability company ("PPC") and Trust Asset Management LLP, a Delaware limited liability partnership ("TAM"), are the general partners of Paloma. Mr. Sussman is the controlling person of TAM.

The principal business address for MAK Fund is c/o Dundee Leeds Management Services Ltd., 129 Front Street, Hamilton, HM 12, Bermuda.

The principal business address for each of MAK Capital, MAK GP and Mr. Kaufman is 590 Madison Avenue, 9th Floor, New York, New York 10022.

The principal business address for each of Paloma and PPC is Two American Lane, Greenwich, Connecticut 06836-2571.

The principal business address for each of Mr. Sussman and TAM is 6100 Red Hook Quarters, Suites C1-C6, St. Thomas, US Virgin Islands 00802-1348.

The principal business of each of MAK Fund and Paloma is a private investment fund.

The principal business of each of Mr. Kaufman and Mr. Sussman is providing investment management services.

The principal business of each of MAK GP and TAM is providing investment management services. The principal business of PPC is providing administrative services.

(d) During the last five years, none of the persons or entities listed above in this Item 2 has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the last five years, none of the persons or entities listed above in this Item 2 has been 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.

The Reporting Persons acquired the shares of Common Stock reported herein at an aggregate cost of \$58,087,091. The funds used to purchase the shares of Common Stock were obtained from the general working capital of MAK Fund and Paloma, as applicable, which may at any given time include funds borrowed in the ordinary course in their margin accounts.

ITEM 4. Purpose of Transaction.

All of the shares of Common Stock reported herein as being beneficially owned by the Reporting Persons were acquired for investment purposes.

On June 25, 2008, R. Andrew Cueva, an employee of MAK Capital, was appointed to the Issuer's board of directors (the "Board") to serve as a Class B director of the Issuer, effective immediately. Mr. Cueva replaced Curtis J. Crawford as a member of the Company's Board. Dr. Crawford resigned from the Board effective June 25, 2008. Mr. Cueva will serve the balance of Dr. Crawford's current term, which will expire at the Issuer's annual meeting of shareholders in 2008. Mr. Cueva will serve on the Issuer's special committee, a committee of independent directors established to oversee a review of the Company's strategic alternatives. For more information on the appointment of Mr. Cueva to the Board, please see the Form 8-K filed by Issuer on June 26, 2008, which is publicly available at www.sec.gov.

Except as set forth herein, none of the Reporting Persons or, to their knowledge, any of the other persons identified in response to Item 2, has any plans or proposals that related to or would result in any of the transactions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

ITEM 5. Interest in Securities of the Issuer.

(a) The Reporting Persons beneficially own:

The Reporting Persons collectively beneficially own 4,047,281 shares of Common Stock representing 17.2% percent of the outstanding shares of Common Stock. The 17.2% ownership calculation was based on the 23,527,077 shares of Common Stock outstanding as of January 24, 2008 as reported in the Form 10-Q filed by the Issuer with the Securities and Exchange Commission on February 7, 2008.

MAK Fund individually owns 2,274,995 shares of Common Stock representing 9.7% of the outstanding shares of Common Stock.

Paloma individually owns 1,772,286 shares of Common Stock representing 7.5% of the outstanding shares of Common Stock. Paloma holds its shares of Common Stock through its subsidiary, Sunrise Partners Limited Partnership, a Delaware limited partnership.

(b) MAK Capital, MAK Fund and Mr. Kaufman have shared power to vote or direct the vote of the 2,274,995 shares of Common Stock owned by MAK Fund.

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Paloma, Mr. Sussman, MAK Capital and Mr. Kaufman have shared power to vote or direct the vote of the 1,772,286 shares of Common Stock owned by Paloma.

MAK Capital, MAK Fund and Mr. Kaufman have shared power to dispose or direct the disposition of the 2,274,995 shares of Common Stock owned by MAK Fund.

Paloma, Mr. Sussman, MAK Capital and Mr. Kaufman have shared power to dispose or direct the disposition of the 1,772,286 shares of Common Stock owned by Paloma.

(c) A list of the transactions in the Issuer's Common Stock that were effected by the Reporting Persons during the past sixty days is attached hereto as Exhibit B.

(d) Not applicable.

(e) Not applicable.

ITEM 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Not applicable.

ITEM 7. Material to be Filed as Exhibits.

Exhibit A –Joint Filing Agreement

Exhibit B – List of the transactions in the Issuer's Common Stock that were effected by the Reporting Persons during the past sixty days

Exhibit C – Power of Attorney

SIGNATURES

After reasonable inquiry and to the best of its knowledge and belief, the undersigned each certifies that the information with respect to it set forth in this statement is true, complete and correct.

Dated: July 1, 2008

MAK CAPITAL ONE L.L.C.

By: /s/ Michael A. Kaufman

Michael A. Kaufman,

Managing Member

MAK CAPITAL FUND LP

By: MAK GP LLC, general partner

By: /s/ Michael A. Kaufman

Michael A. Kaufman,

Managing Member

/s/ Michael A. Kaufman

Michael A. Kaufman

PALOMA INTERNATIONAL L.P.

By: Paloma Partners Company L.L.C., general partner

By: /s/ Michael J. Berner

Michael J. Berner,

Vice President

S. DONALD SUSSMAN

By: /s/ Michael J. Berner

Michael J. Berner,

Attorney-in-Fact

EXHIBIT A

JOINT FILING AGREEMENT

The undersigned hereby agree that the statement on Schedule 13D with respect to the Common Stock of Agilysys, Inc. dated as of July 1, 2008 is, and any further amendments thereto signed by each of the undersigned shall be, filed on behalf of each of the undersigned pursuant to and in accordance with the provisions of Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended.

Dated: July 1, 2008

MAK CAPITAL ONE L.L.C.

By: /s/ Michael A. Kaufman

Michael A. Kaufman,

Managing Member

MAK CAPITAL FUND LP

By: MAK GP LLC, general partner

By: /s/ Michael A. Kaufman

Michael A. Kaufman,

Managing Member

/s/ Michael A. Kaufman

Michael A. Kaufman

PALOMA INTERNATIONAL L.P.

By: Paloma Partners Company L.L.C., general partner

By: /s/ Michael J. Berner

Michael J. Berner,

Vice President

S. DONALD SUSSMAN

By: /s/ Michael J. Berner

Michael J. Berner,

Attorney-in-Fact

EXHIBIT B

TRANSACTIONS DURING THE PAST 60 DAYS

The following transactions were effected by MAK Capital Fund LP during the past sixty (60) days:

<u>Date</u>	<u>Security</u>	Amount of Shs. <u>Bought (Sold)</u>	Approx. Price per Share (excl. of <u>commissions</u>)
04/28/08	Common	35,000	\$10.55
04/29/08	Common	27,000	\$10.80
04/30/08	Common	74,010	\$10.89
05/01/08	Common	30,085	\$11.28
05/02/08	Common	39,791	\$11.14
05/29/08	Common	75,897	\$10.15
05/29/08	Common	20,000	\$10.27
05/30/08	Common	66,400	\$10.25
06/02/08	Common	94,207	\$10.09

The above transactions were effected on the open market.

EXHIBIT C

POWER OF ATTORNEY

The undersigned hereby makes, constitutes and appoints each of Michael J. Berner and Douglas W. Ambrose as the undersigned's true and lawful authorized representative, attorney-in-fact and agent, each with the power individually to execute for and on behalf of the undersigned and to file with and deliver to the United States Securities and Exchange Commission and any other authority or party required or entitled to receive the same: (a) any Forms 3, 4 and 5, and any amendments thereto, in accordance with Section 16(a) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and the rules promulgated thereunder; and (b) any Schedule 13D or Schedule 13G, and any amendments thereto, on behalf of the undersigned in accordance with Section 13 of the 1934 Act and the rules promulgated thereunder.

The undersigned also hereby grants to each such attorney-in-fact the full power and authority to do and perform all and every act and thing whatsoever requisite, necessary and proper to be done in the exercise of any of the rights and powers herein granted, hereby ratifying and confirming all that such attorney-in-fact shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that each of the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, is not assuming any of the undersigned's responsibilities to comply with Section 16 or Section 13 or any other provision of the 1934 Act or the rules promulgated thereunder.

This Power of Attorney shall remain in full force and effect until earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of May 9, 2006.

/s/ S. Donald Sussman

S. Donald Sussman

ACKNOWLEDGEMENT IN NEW YORK STATE

STATE OF CONNECTICUT, COUNTY OF FAIRFIELD ss.:

On May 9, 2006, before me, the undersigned personally appeared, S. Donald Sussman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

/s/ Diane R. Erickson

Diane R. Erickson, Notary Public

(signature and office of

individual taking acknowledgement