

ABX Holdings, Inc.
Form SC 13D/A
February 07, 2008

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 2)*

ABX HOLDINGS, INC.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

00080S101

(CUSIP Number)

Red Mountain Capital Partners LLC

Attn: Willem Mesdag

10100 Santa Monica Boulevard, Suite 925

Edgar Filing: ABX Holdings, Inc. - Form SC 13D/A

Los Angeles, California 90067

Telephone (310) 432-0200

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

February 6, 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 that 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 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. 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).

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

Red Mountain Capital Partners LLC 73-1726370

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

(a) x

(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

Delaware

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 4,270,053 shares (See Item 5)

OWNED BY 8 SHARED VOTING POWER

EACH

REPORTING None (See Item 5)
9 SOLE DISPOSITIVE POWER

PERSON

WITH

4,270,053 shares (See Item 5)
10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,270,053 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)

6.8% (See Item 5)

14 TYPE OF REPORTING PERSON*

OO Limited Liability Company

* See Instructions

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

Red Mountain Capital Partners II, L.P. 20-4117535

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

(a) x

(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 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 SOLE VOTING POWER 1,929,069 shares (See Item 5) 8 SHARED VOTING POWER None (See Item 5) 9 SOLE DISPOSITIVE POWER 1,929,069 shares (See Item 5) 10 SHARED DISPOSITIVE POWER
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None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,929,069 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)

3.1% (See Item 5)

14 TYPE OF REPORTING PERSON*

PN Limited Partnership

* See Instructions

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

Red Mountain Capital Partners III, L.P. 20-5329858

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

(a) x

(b) ..

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, OO (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 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	2,340,984 shares (See Item 5) 8 SHARED VOTING POWER None (See Item 5) 9 SOLE DISPOSITIVE POWER 2,340,984 shares (See Item 5) 10 SHARED DISPOSITIVE POWER	7 SOLE VOTING POWER
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None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,340,984 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)

3.7% (See Item 5)

14 TYPE OF REPORTING PERSON*

PN Limited Partnership

* See Instructions

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

RMCP GP LLC 20-4442412

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

(a) x

(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

Delaware NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	4,270,053 shares (See Item 5) 8 SHARED VOTING POWER None (See Item 5) 9 SOLE DISPOSITIVE POWER 4,270,053 shares (See Item 5) 10 SHARED DISPOSITIVE POWER	7 SOLE VOTING POWER
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None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,270,053 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)

6.8% (See Item 5)

14 TYPE OF REPORTING PERSON*

OO Limited Liability Company

* See Instructions

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

Red Mountain Capital Management, Inc. 13-4057186

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

(a) ..

(b) x

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

Delaware NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 SOLE VOTING POWER 4,270,053 shares (See Item 5) 8 SHARED VOTING POWER None (See Item 5) 9 SOLE DISPOSITIVE POWER 4,270,053 shares (See Item 5) 10 SHARED DISPOSITIVE POWER
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None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,270,053 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)

6.8% (See Item 5)

14 TYPE OF REPORTING PERSON*

CO Corporation

* See Instructions

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

Willem Mesdag

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

U.S. Citizen

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 4,270,053 shares (See Item 5)

OWNED BY 8 SHARED VOTING POWER

EACH

REPORTING None (See Item 5)
9 SOLE DISPOSITIVE POWER

PERSON

WITH

4,270,053 shares (See Item 5)
10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,270,053 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)

6.8% (See Item 5)

14 TYPE OF REPORTING PERSON*

IN Individual

* See Instructions

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This Amendment No. 2 amends and supplements the Schedule 13D filed with the Securities and Exchange Commission (the SEC) on November 20, 2006, as amended by Amendment No. 1 thereto, filed with the SEC on September 24, 2007 (together, this Schedule 13D), by (i) Red Mountain Capital Partners LLC, a Delaware limited liability company (RMCP LLC), (ii) Red Mountain Capital Partners II, L.P., a Delaware limited partnership (RMCP II), (iii) Red Mountain Capital Partners III, L.P., a Delaware limited partnership (RMCP III), (iv) RMCP GP LLC, a Delaware limited liability company (RMCP GP), (v) Red Mountain Capital Management, Inc., a Delaware corporation (RMCM), and (vi) Willem Mesdag, a natural person and citizen of the United States of America, with respect to the common stock, par value \$0.01 per share (the Common Stock), of ABX Holdings, Inc, a Delaware corporation (ABX Holdings), formerly known as ABX Air, Inc. RMCP LLC, RMCP II, RMCP III and RMCP GP are sometimes collectively referred to herein as Red Mountain. Red Mountain, RMCM and Mr. Mesdag are sometimes collectively referred to herein as the Reporting Persons. The filing of any amendment to this Schedule 13D (including the filing of this Amendment No. 2) shall not be construed to be an admission by the Reporting Persons that a material change has occurred in the facts set forth in this Schedule 13D or that such amendment is required under Rule 13d-2 of the Securities Exchange Act of 1934, as amended (the Exchange Act).

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

Item 3 of this Schedule 13D is hereby amended to include the following information:

On December 19, 2007, RMCP II purchased 90,000 shares of Common Stock from RMCP III at a price of \$4.29 per share. The source of the funds used by RMCP II to purchase such shares was working capital of RMCP II.

On January 22, 2008, RMCP II purchased 100,000 shares of Common Stock on the open market at an average price of \$2.8435 per share. The source of the funds used by RMCP II to purchase such shares was working capital of RMCP II.

On January 23, 2008, RMCP II purchased 100,000 shares of Common Stock on the open market at an average price of \$2.8426 per share. The source of the funds used by RMCP II to purchase such shares was working capital of RMCP II.

On January 24, 2008, RMCP II purchased 16,412 shares of Common Stock on the open market at an average price of \$2.9964 per share. The source of the funds used by RMCP II to purchase such shares was working capital of RMCP II.

On January 25, 2008, RMCP II purchased 150,000 shares of Common Stock on the open market at an average price of \$3.0509 per share. The source of the funds used by RMCP II to purchase such shares was working capital of RMCP II.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Items 5(a) and 5(b) of this Schedule 13D are hereby amended and restated as follows:

- (a)-(b) RMCP II beneficially owns, in the aggregate, 1,929,069 shares of Common Stock, which represent approximately 3.1% of the outstanding Common Stock. ⁽¹⁾ RMCP II has the sole power

⁽¹⁾ All calculations of percentage ownership in this Schedule 13D are based on 62,678,856 shares of Common Stock estimated to be issued and outstanding on December 31, 2007, which is equal to the sum of (i) 58,678,856 shares of Common Stock issued and outstanding as of December 29, 2007, plus (ii) 4,000,000 shares of Common Stock issued on December 31, 2007, in each case, as reported on Form 8-K, which was filed by ABX Holdings with the SEC on January 7, 2008.

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to vote or direct the vote, and the sole power to dispose or direct the disposition, of all such 1,929,069 shares of Common Stock.

RMCP III beneficially owns, in the aggregate, 2,340,984 shares of Common Stock, which represent approximately 3.7% of the outstanding Common Stock. RMCP III has the sole power to vote or direct the vote, and the sole power to dispose or direct the disposition, of all such 2,340,984 shares of Common Stock.

The shares of Common Stock beneficially owned by RMCP II and RMCP III, when aggregated together, total 4,270,053 shares, which represent approximately 6.8% of the outstanding Common Stock.

Because each of RMCP GP, RMCP LLC, RMCM and Mr. Mesdag may be deemed to control RMCP II and RMCP III, each of RMCP GP, RMCP LLC, RMCM and Mr. Mesdag may be deemed to beneficially own, and to have the power to vote or direct the vote, or dispose or direct the disposition of, all of the Common Stock beneficially owned by RMCP II and RMCP III.

Other than shares of Common Stock beneficially owned by RMCP II or RMCP III, none of the Reporting Persons or J. Christopher Teets may be deemed to beneficially own any shares of Common Stock.

Each of RMCP LLC, RMCP II, RMCP III and RMCP GP affirms membership in a group with each other but disclaims membership in a group with RMCM or Mr. Mesdag. Each of RMCM and Mr. Mesdag disclaims membership in a group with any person.

The filing of this Schedule 13D shall not be construed as an admission that any Reporting Person is the beneficial owner of any of the shares of Common Stock that such Reporting Person may be deemed to beneficially own. Without limiting the foregoing sentence, each of RMCM and Mr. Mesdag disclaims beneficial ownership of all shares of Common Stock reported in this Schedule 13D. In addition, the filing of this Schedule 13D shall not be construed as an admission that any partner, member, director, officer or affiliate of any Reporting Person is the beneficial owner of any of the shares of Common Stock that such partner, member, director, officer or affiliate may be deemed to beneficially own. Without limiting the foregoing sentence, Mr. Teets disclaims beneficial ownership of all shares of Common Stock reported in this Schedule 13D.

Item 5(c) of this Schedule 13D is hereby amended to add the following information:

- (c) The information set forth above in Item 3 is hereby incorporated by reference in response to this Item 5(c).

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

Item 6 of this Schedule 13D is hereby amended to include the following information:

RMCP LLC and ABX Holdings entered into a confidentiality and standstill agreement (the Confidentiality and Standstill Agreement) on February 6, 2008, pursuant to which ABX Holdings will provide RMCP LLC with certain information about ABX Holdings on a confidential basis. The Confidentiality and Standstill Agreement contains standstill provisions that prohibit the Reporting Persons from taking certain actions without ABX Holdings' prior written consent during the period beginning on the date of the Confidentiality and Standstill Agreement and ending on the earlier of December 31, 2008 or the termination of the Confidentiality and Standstill Agreement. Such prohibited actions include (a) acquiring in excess of 14.9% of the issued and outstanding Common Stock, (b) soliciting proxies with respect to any voting securities of ABX Holdings, (c) seeking the nomination of any person to the board of directors of

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ABX Holdings, (d) submitting a proposal for any extraordinary transaction involving ABX Holdings, or (e) otherwise seeking to control or influence the management, board of directors or policies of ABX Holdings.

The foregoing description of the Confidentiality and Standstill Agreement is a summary only and is qualified in its entirety by reference to the full text of the Confidentiality and Standstill Agreement, which is filed as Exhibit 3 to this Schedule 13D and is hereby incorporated herein by reference.

ITEM 7. MATERIALS TO BE FILED AS EXHIBITS.

Item 7 of this Schedule 13D is hereby amended to add the following information:

Exhibit No.	Description of Exhibit
3	Confidentiality and Standstill Agreement, dated as of February 6, 2008, by and among ABX Holdings and RMCP LLC (filed herewith).

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: February 7, 2008

RED MOUNTAIN CAPITAL PARTNERS LLC

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RED MOUNTAIN CAPITAL PARTNERS II, L.P.

By: RMCP GP LLC, its general partner

/s/ Willem Mesdag
By: Willem Mesdag

Title: Authorized Signatory

RED MOUNTAIN CAPITAL PARTNERS III, L.P.

By: RMCP GP LLC, its general partner

/s/ Willem Mesdag
By: Willem Mesdag

Title: Authorized Signatory

RMCP GP LLC

/s/ Willem Mesdag
By: Willem Mesdag

Title: Authorized Signatory

RED MOUNTAIN CAPITAL MANAGEMENT, INC.

/s/ Willem Mesdag
By: Willem Mesdag
Title: President

WILLEM MESDAG

/s/ Willem Mesdag

Exhibit No.	Description of Exhibit
1	Joint Filing Agreement, dated as of November 20, 2006, by and among the Reporting Persons (incorporated by reference to Exhibit 1 to the Schedule 13D filed by the Reporting Persons with the SEC on November 20, 2006).
2	Letter, dated as of September 24, 2007, by Red Mountain to the board of directors of ABX Air (incorporated by reference to Exhibit 2 to the Amendment No. 1 to this Schedule 13D filed by the Reporting Persons with the SEC on September 24, 2007).
3	Confidentiality and Standstill Agreement, dated as of February 6, 2008, by and among ABX Holdings and RMCP LLC (filed herewith).