

FRIEDMANS INC
Form SC 13D/A
March 09, 2005

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| <p style="text-align: center;">UNITED STATES</p> <p style="text-align: center;">SECURITIES AND EXCHANGE COMMISSION</p> <p style="text-align: center;">Washington, D.C. 20549</p> | <p style="text-align: center;">OMB APPROVAL</p> <p>OMB Number: 3235-0145</p> <p>Expires: December 31, 2005</p> <p>Estimated average burden hours per response 11</p> |
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SCHEDULE 13D

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

Friedman's Inc.

(Name of Issuer)

Class A Common Stock

(Title of Class of Securities)

358438109

(CUSIP Number)

Ellyn Roberts, Esq.
Shartsis, Friese & Ginsburg LLP
One Maritime Plaza, 18th Floor
San Francisco, CA 94111

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

February 16, 2005

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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 is filing this schedule because of sections 240.13d-1(e), 240.13d-1(f) or 140.13d-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 section 240.13d-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 the disclosures provided in a prior cover page.

The information required in 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).

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Yacktman Asset Management Co.

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) _____

—

3. SEC Use Only

4. Source of Funds (See Instructions) AF

—

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

—

6. Citizenship or Place of Organization Illinois

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| | |
|----------------|--------------------------------------|
| Number of | 7. Sole Voting Power H |
| Shares | 8. Shared Voting Power 025,000 |
| Beneficially | 9. Sole Dispositive Power H |
| Owned by | 10. Shared Dispositive Power 860,600 |
| Each Reporting | |
| Person With | |

11. Aggregate Amount Beneficially Owned by Each Reporting Person 860,600

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11)L.3

—

14. Type of Reporting Person (See Instructions)

—

IA

CO

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Donald Arthur Yacktman

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) _____

—

3. SEC Use Only _

4. Source of Funds (See Instructions) AF

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

6. Citizenship or Place of Organization U.S.A.

| | |
|--|--------------------------------------|
| Number of Shares Beneficially Owned by Each Reporting Person With | 7. Sole Voting Power H |
| | 8. Shared Voting Power 025,000 |
| | 9. Sole Dispositive Power H |
| | 10. Shared Dispositive Power 860,600 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person 860,600

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

13. Percent of Class Represented by Amount in Row (11)L.3

14. Type of Reporting Person (See Instructions)

IN

HC

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Stephen Andrew Yacktman

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) X

(b) _____

—

3. SEC Use Only _

4. Source of Funds (See Instructions) AF

—

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

—

6. Citizenship or Place of Organization U.S.A.

| | |
|--|--------------------------------------|
| Number of Shares Beneficially Owned by Each Reporting Person With | 7. Sole Voting Power H |
| | 8. Shared Voting Power 025,000 |
| | 9. Sole Dispositive Power H |
| | 10. Shared Dispositive Power 860,600 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person 860,600

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11)L.3

—

14. Type of Reporting Person (See Instructions)

—

IN

HC

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Regis Management Company, LLC

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) _____

—

3. SEC Use Only _____

4. Source of Funds (See Instructions) AF

—

5. Check 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 H |
| | 8. Shared Voting Power K00,000 |
| | 9. Sole Dispositive Power H |
| | 10. Shared Dispositive Power K00,000 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person K00,000

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11)I.4

—

14. Type of Reporting Person (See Instructions)

—

IA

OO

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Regis Public Investments, LLC

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) _____

—

3. SEC Use Only _

4. Source of Funds (See Instructions) AF

—

5. Check 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 | 7. Sole Voting Power H |
| | 8. Shared Voting Power K00,000 |
| | 9. Sole Dispositive Power H |
| | 10. Shared Dispositive PowerK00,000 |

| | |
|-------------|--|
| Person With | |
|-------------|--|

11. Aggregate Amount Beneficially Owned by Each Reporting Person K00,000

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11) I.4

—

14. Type of Reporting Person (See Instructions)

—

OO

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

John Freidenrich

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) _____

—

3. SEC Use Only _

4. Source of Funds (See Instructions) AF

—

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

—

6. Citizenship or Place of Organization U.S.A.

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| | |
|----------------|-------------------------------------|
| Number of | 7. Sole Voting Power H |
| Shares | 8. Shared Voting Power K00,000 |
| Beneficially | 9. Sole Dispositive Power H |
| Owned by | 10. Shared Dispositive PowerK00,000 |
| Each Reporting | |
| Person With | |

11. Aggregate Amount Beneficially Owned by Each Reporting PersonK00,000

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11)I.4

—

14. Type of Reporting Person (See Instructions)

—

IN
HC

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Robert F.X. Burlinson

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) X

(b) _____

—

3. SEC Use Only _

4. Source of Funds (See Instructions) AF

—

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

—

6. Citizenship or Place of Organization U.S.A.

| | |
|--|-------------------------------------|
| Number of Shares Beneficially Owned by Each Reporting Person With | 7. Sole Voting Power H |
| | 8. Shared Voting Power K00,000 |
| | 9. Sole Dispositive Power H |
| | 10. Shared Dispositive PowerK00,000 |

11. Aggregate Amount Beneficially Owned by Each Reporting PersonK00,000

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11)I.4

—

14. Type of Reporting Person (See Instructions)

—

IN
HC

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Robert E. Dye

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) X

(b) _____

—

3. SEC Use Only _

4. Source of Funds (See Instructions) AF

—

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

—

6. Citizenship or Place of Organization U.S.A.

| | |
|--|-------------------------------------|
| Number of Shares Beneficially Owned by Each Reporting Person With | 7. Sole Voting Power H |
| | 8. Shared Voting Power K00,000 |
| | 9. Sole Dispositive Power H |
| | 10. Shared Dispositive PowerK00,000 |

11. Aggregate Amount Beneficially Owned by Each Reporting PersonK00,000

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11)I.4

—

14. Type of Reporting Person (See Instructions)

—

IN
HC

—
1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Breakwater Capital Management, LLC

—
2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) _____

—
3. SEC Use Only _____

4. Source of Funds (See Instructions) _____

—
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

—
6. Citizenship or Place of Organization

| | |
|--|-------------------------------------|
| Number of Shares Beneficially Owned by Each Reporting Person With | 7. Sole Voting Power H |
| | 8. Shared Voting Power J4,100 |
| | 9. Sole Dispositive Power H |
| | 10. Shared Dispositive Power J4,100 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person J4,100

—
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11)H.12

—

14. Type of Reporting Person (See Instructions)

—

IA
OO

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

Terrence Keola Chun

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) _____

—

3. SEC Use Only _____

4. Source of Funds (See Instructions) _____

—

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

—

6. Citizenship or Place of Organization U.S.A.

| | |
|---|-------------------------------------|
| Number of Shares Beneficially Owned by Each Reporting | 7. Sole Voting Power H |
| | 8. Shared Voting Power J4,100 |
| | 9. Sole Dispositive Power H |
| | 10. Shared Dispositive Power J4,100 |

| | |
|-------------|--|
| Person With | |
|-------------|--|

11. Aggregate Amount Beneficially Owned by Each Reporting Person J4,100

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11) H.12

—

14. Type of Reporting Person (See Instructions)

—

IN
HC

—

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).

John Joseph Naporano

—

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) _____

—

3. SEC Use Only _

4. Source of Funds (See Instructions) _____

—

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) _____

—

6. Citizenship or Place of Organization U.S.A.

| | |
|----------------|------------------------------------|
| Number of | 7. Sole Voting Power H |
| Shares | 8. Shared Voting Power J4,100 |
| Beneficially | 9. Sole Dispositive Power H |
| Owned by | 10. Shared Dispositive PowerJ4,100 |
| Each Reporting | |
| Person With | |

11. Aggregate Amount Beneficially Owned by Each Reporting PersonJ4,100

—

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

—

13. Percent of Class Represented by Amount in Row (11)H.12

—

14. Type of Reporting Person (See Instructions)

—

IN
HC

Item 1. Security and Issuer

This statement relates to shares of Class A Common Stock (the "Stock") of Friedman's Inc. (the "Issuer"). The principal executive office of the Issuer is located at 171 Crossroads Parkway, Savannah, GA 31422.

Item 2. Identity and Background

The persons filing this statement and the persons enumerated in Instruction C of Schedule 13D and, where applicable, their respective places of organization, general partners, directors, executive officers and controlling persons, and the information regarding them, are as follows:

- (a) **Yacktman Asset Management Co. ("Yacktman Asset Management")**
- Donald Arthur Yacktman**
- Stephen Andrew Yacktman**
- Regis Management Company, LLC ("Regis Management")**
- Regis Public Investments, LLC ("Regis Public Investments")**
- John Freidenrich**
- Robert F.X. Burlinson**

Robert E. Dye
Breakwater Capital Management, LLC ("Breakwater Capital")
Terrence Keola Chun
John Joseph Naporano

*(collectively, the "Filers").

(b) The business address of Yacktman Asset Management and Messrs. Donald Arthur and Stephen Andrew Yacktman is:

1110 Lake Cook Road, Suite 385, Buffalo Grove, IL 60089.

The business address of Regis Management, Regis Public Investments, Mr. Freidenrich, Mr. Burlinson, Mr. Dye, Breakwater Capital, Mr. Chun and Mr. Naporano is:

300 Hamilton Avenue, 4th Floor, Palo Alto, CA 94301

(c) Present principal occupation or employment of the Filers and the name, principal business and address of any corporation or other organization in which such employment is conducted:

Yacktman Asset Management is an investment adviser registered with the Securities and Exchange Commission (the "SEC") and is the investment adviser to investment companies registered under the Investment Company Act of 1940 and individual client accounts. Messrs. Donald Arthur and Stephen Andrew Yacktman are the control persons of Yacktman Asset Management. Regis Management is an investment adviser registered with the SEC and is the investment adviser to investment limited partnerships of which Regis Public Investments is the general partner, and individual client accounts. Regis Public Investments is the general partner of investment limited partnerships. Mr. Freidenrich, Mr. Burlinson and Mr. Dye are the control persons of Regis Management and Regis Public Investments. Breakwater Capital is an investment adviser registered with the California Department of Corporations and is the general partner of, and investment adviser to investment limited partnerships and to individual client accounts. Mr. Chun and Mr. Naporano are the control persons of Breakwater Capital.

(d) During the last five years, none of the Filers has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the last five years, none of the Filers was 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.

(f) The citizenship of each Filer is listed on that Filer's cover page.

The source and amount of funds used in purchasing the Stock were as follows:

| Purchaser | Source of Funds | Amount |
|---------------------------|------------------------|-------------|
| Yacktman Asset Management | Funds under Management | \$5,192,193 |
| Regis Management | Funds under Management | \$1,578,124 |
| Breakwater Capital | Funds under Management | \$172,780 |

Item 4. Purpose of Transaction

The Filers acquired the Stock for investment purposes in the ordinary course of business. Each of them may purchase, hold, vote, trade, dispose or otherwise deal in the Stock at such times and in such manner as such Filer deems advisable.

On January 21, 2005, counsel to investment funds managed by Regis Management and Yacktman Asset Management (the "Funds") sent a letter to the Issuer's counsel requesting the Issuer to support the creation of a statutory Series A Common Stock Committee in the Issuer's pending bankruptcy proceedings (the "Chapter 11 Case") and the appointment of the Funds to such committee. That letter was followed by a meeting on January 27, 2005, and another letter dated February 3, 2005, in which counsel made the same request. On February 14, 2005, the Issuer informed the Funds that its board of directors would not support the formation of such a committee. On February 16, 2005, Fund counsel sent a letter to the Office of the United States Trustee (the "UST") requesting that the UST appoint an Official Committee of Holders of Series A Common Stock in the Chapter 11 Case. The Issuer responded to that request in a letter to the UST dated March 1, 2005, and the Funds replied thereto in a letter dated March 7, 2005.

In addition, on February 18, 2005, the United States Bankruptcy Court for the Southern District of Georgia (the "Bankruptcy Court") issued an Amended Bar Date Order in response to a motion made by the Funds on February 7, 2005, granting the Funds 60 days to (i) investigate whether any derivative action against any prepetition revolving lender party in the Chapter 11 Case may exist, (ii) seek a determination from the Bankruptcy Court that the Funds have standing to bring such actions and (iii) if standing is granted by the Bankruptcy Court, commence any such action. The Bankruptcy Court also granted the Funds an additional 30 days to file any direct actions they may have against any prepetition revolving lender party to the bankruptcy proceedings, for a total of 90 days from the date of the Amended Bar Date Order.

Counsel to the Funds represents only the Funds in the Chapter 11 Case, and to date has not represented any other holders of the Stock. The Filers constitute a group, within the meaning of Rule 13d-5(b) under the Securities Exchange Act of 1934, but are not members of a group with any other person. The Filers may form other plans and/or make other proposals, and take such actions regarding their investment in the Issuer, including any or all of the actions set forth in paragraphs (a) through (j) of Item 4 of Schedule 13D to the extent any such action would be permitted as a result of the Chapter 11 Case. The Filers may reconsider and change their plans or proposals relating to the foregoing at any time.

Item 5. Interest in Securities of the Issuer

The beneficial ownership of the Stock by each Filer at the date hereof is reflected on that Filer's cover page. Yacktman Asset Management sold the following shares of the Stock since the date that was sixty days before the date on the cover page. Such sale was effected in the open market on behalf of a separate investment advisory account that terminated its investment advisory contract and in connection therewith instructed Yacktman Asset Management to

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make such sale on a non-discretionary basis. Yacktman Asset Management had no pecuniary interest in such shares or the proceeds from the sale thereof and disclaims any beneficial ownership interest in such shares or proceeds.

| <u>Name</u> | <u>Purchase or Sale</u> | <u>Date</u> | <u>Number of Shares</u> | <u>Price Per Share</u> |
|---------------------------|-------------------------|-------------|-------------------------|------------------------|
| Yacktman Asset Management | Sale | 12/30/04 | 13,700 | \$1.23 |

Item 6. Contracts, Arrangement, Understandings or Relationships with Respect to Securities of the Issuer

Regis Public Investments and Breakwater Capital are the general partners of investment partnerships pursuant to limited partnership agreements that grant them the authority, among other things, to invest those investment partnerships funds' in the Stock, to vote and dispose of the Stock and to file this statement on behalf of those investment partnerships. Pursuant to such agreements, Regis Public Investments and Breakwater Capital are entitled to allocations based on assets under management and realized and unrealized gains.

Item 7. Material to Be Filed as Exhibits

Agreement Regarding Joint Filing of Statement on Schedule 13D or 13G, previously filed.

Exhibit A Letter dated January 21, 2005, from Stutman, Treister & Glatt Professional Corporation to Skadden Arps Slate Meagher & Flom

Exhibit B Letter dated February 3, 2005, from Stutman, Treister & Glatt Professional Corporation to Skadden Arps Slate Meagher & Flom

Exhibit C Letter dated February 16, 2005, from Stutman, Treister & Glatt Professional Corporation to the UST

Exhibit D Letter dated March 7, 2005, from Stutman, Treister & Glatt Professional Corporation to the UST

SIGNATURES

After reasonable inquiry and to the best of my knowledge, I certify that the information set forth in this statement is true, complete and correct.

Dated: March 4, 2005

YACKTMAN ASSET MANAGEMENT CO.

REGIS MANAGEMENT COMPANY, LLC

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By: /s/ Donald Arthur Yacktman
President

By: /s/ Robert F.X. Burlinson
Manager

REGIS PUBLIC INVESTMENTS, LLC

/s/ Donald Arthur Yacktman

By: /s/ Robert F.X. Burlinson
Manager

/s/ Robert F.X. Burlinson

BREAKWATER CAPITAL MANAGEMENT,
LLC

By: /s/ Terrence Chun
Managing Member

/s/ John Freidenrich

/s/ Robert E. Dye

/s/ Terrence Chun

/s/ John Joseph Naporano