

GLOBAL POWER EQUIPMENT GROUP INC.

Form SC 13D/A

June 03, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

(Amendment No. 1)

Under the Securities Exchange Act of 1934

GLOBAL POWER EQUIPMENT GROUP, INC.

(Name of Issuer)

Common Stock, \$0.01 par value

(Title of Class of Securities)

37941P306

(CUSIP Number)

Wynnefield Partners Small Cap Value, L.P.

Edgar Filing: GLOBAL POWER EQUIPMENT GROUP INC. - Form SC 13D/A

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New York, New York 10123

Attention: Mr. Nelson Obus

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

June 1, 2016

(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 §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box []

CUSIP No. 37941P306

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NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON

1

Wynnefield Partners Small Cap Value,
L.P. 13-3688497

CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP (See
Instructions) (a) ☐

2

(b) ☒
SEC USE ONLY

3

SOURCE OF FUNDS*

4

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

5

☐
CITIZENSHIP OR PLACE OF
ORGANIZATION

6

Delaware

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 963,454 (See Item 5)
OWNED BY SHARED VOTING POWER
EACH 8
REPORTING 0 (See Item 5)
PERSON SOLE DISPOSITIVE POWER
WITH 9
 963,454 (See Item 5)
 10 SHARED DISPOSITIVE POWER

0 (See Item 5)
 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY EACH
11 REPORTING PERSON

963,454 (See Item 5)
 CHECK BOX IF THE AGGREGATE
12 AMOUNT IN ROW (11) EXCLUDES
 CERTAIN SHARES*

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

5.6%
 TYPE OF REPORTING PERSON*
14 PN

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NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON

1

Wynnefield Partners Small Cap Value,
L.P. I 13-3953291

CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP (See
Instructions) (a) ☐

2

(b) ☒
SEC USE ONLY

3

SOURCE OF FUNDS*

4

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

5

☐
CITIZENSHIP OR PLACE OF
ORGANIZATION

6

Delaware

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 1,573,953 (See Item 5)
OWNED BY SHARED VOTING POWER
EACH 8
REPORTING 0 (See Item 5)
PERSON SOLE DISPOSITIVE POWER
WITH 9
 1,573,953 (See Item 5)
 10 SHARED DISPOSITIVE POWER

0 (See Item 5)
 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY EACH
11 REPORTING PERSON

1,573,953 (See Item 5)
 CHECK BOX IF THE AGGREGATE
12 AMOUNT IN ROW (11) EXCLUDES
 CERTAIN SHARES*

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

9.2%
 TYPE OF REPORTING PERSON*
14 PN

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NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON

1

Wynnefield Small Cap Value Offshore
Fund, Ltd. (No IRS Identification No.)
CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP (See
Instructions) (a) ☐

2

(b) ☒
SEC USE ONLY

3

SOURCE OF FUNDS*

4

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

5

☐
CITIZENSHIP OR PLACE OF
ORGANIZATION

6

Cayman Islands

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 530,306 (See Item 5)
OWNED BY SHARED VOTING POWER
EACH 8
REPORTING 0 (See Item 5)
PERSON SOLE DISPOSITIVE POWER
WITH 9
 530,306 (See Item 5)
 10 SHARED DISPOSITIVE POWER

0 (See Item 5)
 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY EACH
11 REPORTING PERSON

530,306 (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%
14 TYPE OF REPORTING PERSON*
 CO

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NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON

1

Wynnefield Capital, Inc. Profit Sharing &
Money Purchase Plan
CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP (See
Instructions) (a) ☐

2

(b) ☒
SEC USE ONLY

3

SOURCE OF FUNDS*

4

N/A
CHECK BOX IF DISCLOSURE OF
LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e)

5

☐
CITIZENSHIP OR PLACE OF
ORGANIZATION

6

Delaware

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 100,005 (See Item 5)
OWNED BY SHARED VOTING POWER
EACH 8
REPORTING 0 (See Item 5)
PERSON SOLE DISPOSITIVE POWER
WITH 9
10 100,005 (See Item 5)
 SHARED DISPOSITIVE POWER

11 0 (See Item 5)
 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY EACH
 REPORTING PERSON

12 100,005 (See Item 5)
 CHECK BOX IF THE AGGREGATE
 AMOUNT IN ROW (11) EXCLUDES
 CERTAIN SHARES*

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

14 .6%
 TYPE OF REPORTING PERSON*
 EP

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NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON

1

Wynnefield Capital Management, LLC
13-4018186
CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP (See
Instructions) (a) ☐

2

(b) ☒
SEC USE ONLY

3

SOURCE OF FUNDS*

4

N/A
CHECK BOX IF DISCLOSURE OF
LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e)

5

☐
CITIZENSHIP OR PLACE OF
ORGANIZATION

6

New York

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 2,537,407 (See Item 5)
OWNED BY SHARED VOTING POWER
EACH 8
REPORTING 0 (See Item 5)
PERSON SOLE DISPOSITIVE POWER
WITH 9
 2,537,407 (See Item 5)
 10 SHARED DISPOSITIVE POWER

0 (See Item 5)
 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY EACH
11 REPORTING PERSON

2,537,407 (See Item 5)
 CHECK BOX IF THE AGGREGATE
 AMOUNT IN ROW (11) EXCLUDES
12 CERTAIN SHARES*

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

14.8%
 TYPE OF REPORTING PERSON*
14 OO

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NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON

1

Wynnefield Capital, Inc. 13-3688495
CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP (See
Instructions) (a) ☐

2

(b) ☒
SEC USE ONLY

3

SOURCE OF FUNDS*

4

N/A
CHECK BOX IF DISCLOSURE OF
LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e)

5

☐
CITIZENSHIP OR PLACE OF
ORGANIZATION

6

Delaware

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 530,306 (See Item 5)
OWNED BY SHARED VOTING POWER
EACH 8
REPORTING 0 (See Item 5)
PERSON SOLE DISPOSITIVE POWER
WITH 9
10 530,306 (See Item 5)
 SHARED DISPOSITIVE POWER

11 0 (See Item 5)
 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY EACH
 REPORTING PERSON

12 530,306 (See Item 5)
 CHECK BOX IF THE AGGREGATE
 AMOUNT IN ROW (11) EXCLUDES
 CERTAIN SHARES*

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

14 3.1%
 TYPE OF REPORTING PERSON*
 CO

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NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON

1

Nelson Obus
CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP (See
Instructions) (a) ☐

2

(b) ☒
SEC USE ONLY

3

SOURCE OF FUNDS*

4

N/A
CHECK BOX IF DISCLOSURE OF
LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e)

5

☐
CITIZENSHIP OR PLACE OF
ORGANIZATION

6

United States

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 0 (See Item 5)
OWNED BY SHARED VOTING POWER
EACH 8
REPORTING 3,167,718 (See Item 5)
PERSON SOLE DISPOSITIVE POWER
WITH 9
 0 (See Item 5)
 10 SHARED DISPOSITIVE POWER

3,167,718 (See Item 5)
 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY EACH
11 REPORTING PERSON

3,167,718 (See Item 5)
 CHECK BOX IF THE AGGREGATE
12 AMOUNT IN ROW (11) EXCLUDES
 CERTAIN SHARES*

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

18.5%
 TYPE OF REPORTING PERSON*

14
 IN

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NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON

1

Joshua Landes

CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP (See
Instructions) (a) ☐

2

(b) ☒

SEC USE ONLY

3

SOURCE OF FUNDS*

4

N/A

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

5

☐

CITIZENSHIP OR PLACE OF
ORGANIZATION

6

United States

NUMBER OF 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 0 (See Item 5)
 OWNED BY SHARED VOTING POWER
EACH 8
REPORTING 3,167,718 (See Item 5)
 PERSON SOLE DISPOSITIVE POWER
WITH 0 (See Item 5)
 10 SHARED DISPOSITIVE POWER

11 3,167,718 (See Item 5)
 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY EACH
 REPORTING PERSON

12 3,167,718 (See Item 5)
 CHECK BOX IF THE AGGREGATE
 AMOUNT IN ROW (11) EXCLUDES
 CERTAIN SHARES*

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

14 18.5%
 TYPE OF REPORTING PERSON*
 IN

CUSIP No. 37941P306

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Item 1. Security and Issuer.

This Amendment No. 1 amends the Statement of Beneficial Ownership on Schedule 13D originally filed with the Securities and Exchange Commission (the “Commission”) on April 14, 2016 (the “Schedule 13D”) by the Wynnefield Reporting Persons (as defined in the Schedule 13D) with respect to shares of common stock, \$0.01 par value per share (the “Common Stock”) of Global Power Equipment Group, Inc., a Delaware corporation (the “Issuer”). The Issuer maintains its principal executive office at 400 E. Las Colinas Boulevard, Suite 400, Irving, Texas 75039.

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Item 4. Purpose of the Transaction

Item 4 of the Schedule 13D is hereby amended by the addition of the following:

On June 1, 2016, each of Wynnefield Partners, Wynnefield Partners I, Wynnefield Offshore, the Plan, WCM, and WCI, (collectively, the “Nominating Parties”) entered into an Election and Nomination Agreement (the “Nomination Agreement”) with the Issuer dated effective as of May 25, 2016.

Pursuant to the Nomination Agreement, the Issuer’s Board of Directors (the “Board”) appointed, effective as of May 25, 2016, Mr. David A. B. Brown as a director to serve on the Board until the Issuer’s 2016 Annual Meeting of Shareholders (the “2016 Annual Meeting”). Also pursuant to the Nomination Agreement, the Issuer agreed to increase the size of the Board from eight (8) to eleven (11) members. The Nomination Agreement also gives the Nominating Parties the right to designate a second director candidate (the “Second Designee”). Each of Mr. Brown and the Second Designee are referred to herein as a “Designee” and, together, the “Designees.” Mr. Brown is not employed by and receives no compensation from the Nominating Parties and serves as an independent designee, however the Second Designee may be an employee of the Nominating Parties and may serve as their representative on the Board.

The Issuer also agreed to appoint (i) Mr. Brown to the Board’s Compensation Committee, (ii) the Second Designee to the Board’s Nominating and Corporate Governance Committee, and (iii) upon written request of the Nominating Parties, Mr. Brown to the Board’s Audit Committee, in each case, subject to applicable independence requirements.

Also in accordance with the Nomination Agreement, the Issuer also agreed to include the Designees in the Issuer’s slate of Board nominees for election at the Issuer’s first Annual Meeting of Shareholders held following the date of the Nomination Agreement (the “2016 Annual Meeting”) and the Issuer’s 2017 Annual Meeting of Shareholders following the 2016 Annual Meeting (the “2017 Annual Meeting”), and to use commercially reasonable efforts to cause the election of the Designees to the Board at the 2016 Annual Meeting and the 2017 Annual Meeting. In connection with the 2016 Annual Meeting and the 2017 Annual Meeting the Nominating Parties agreed to vote the shares of Common Stock beneficially owned by them for the Designees and five (5) Issuer nominees who are currently serving on the Board.

Subject to certain conditions, the Nominating Parties will be entitled to designate a replacement if either Designee resigns from the Board or is rendered unable to, or refuses to, serve on the Board during the term of the Nomination Agreement. In the event that the Nominating Parties beneficially own, in the aggregate, less than nine percent (9%) of the outstanding shares of Common Stock, the Nominating Parties lose the right to appoint the Second Designee. The Issuer is not obligated to include the Designees (or any replacements for such Designees, if applicable) on the slate of directors proposed for election at any meeting of the Issuer's shareholders other than at the 2016 Annual Meeting and the 2017 Annual Meeting. The Issuer has the right to terminate the Nomination Agreement if the Nominating Parties' ownership generally falls below five percent (5%), subject to adjustment as provided in the Nomination Agreement.

Pursuant to the Nomination Agreement, the Issuer agreed not to submit any proposal to its shareholders in connection with the 2016 Annual Meeting, except as may be required (i) by the laws of the State of Delaware and the United States of America (including the Securities and Exchange Commission); (ii) with respect to (A) the nominees for election as directors, (B) the ratification of the Issuer's independent registered public accounting firm for the applicable year; (iii) an advisory vote on the compensation of the Issuer's named executive officers; and (iv) the approval of equity compensation plans, in each case, as approved and recommended by the Board.

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The Issuer also agreed that, during the term of the Nomination Agreement, it would not seek (i) to amend its existing certificate of incorporation or bylaws to authorize any new class or series of the Issuer's stock or alter any provision regarding shareholder meetings, except as may be required by the laws of the State of Delaware and the United States of America, and the regulations thereunder; (ii) to increase the size of the Board (A) prior to the 2016 Annual Meeting, beyond eleven (11) members or (B) following the 2016 Annual Meeting, beyond seven (7) members or (iii) to reduce the liability coverage under the Issuer's existing insurance policy for directors and officers beyond the amount in effect as of May 25, 2016.

Subject to certain exceptions, the Nominating Parties agreed to certain standstill restrictions during the term of the Nomination Agreement. These include, among others, agreements not to (i) seek to call a meeting of shareholders, seek additional Board representation or seek the removal of any Board member; (ii) solicit proxies or written consents from holders of Common Stock; (iii) join a "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) with respect to any shares of Common Stock; (iv) without Board approval, propose or effect any tender or exchange offer, merger, acquisition, reorganization, restructuring, recapitalization or other business combination, or actively encourage or support any other third party in any such activity; (v) institute, solicit or join, as a party, or remain as a class member, in any litigation, arbitration, or other proceeding against the Issuer or any of its current or former directors or officers; and (vi) make any public statement critical of the Issuer, its directors or management, or seek to control the Board.

The foregoing description of the Nominating Agreement does not purport to be complete and is qualified in its entirety by reference to the Nominating Agreement, which is included as Exhibit 3 to this Schedule 13D and incorporated herein by reference.

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(d) and (e). Not Applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with respect to Securities of the Issuer

Reference is hereby made to the Election and Nomination Agreement described in Item 4.

Item 7. Material to be Filed as Exhibits.

Item 7 of the Schedule 13D is hereby amended by the addition of the following:

Exhibit 3 - Election and Nomination Agreement dated as of June 1, 2016 by and among the Issuer and each of Wynnefield Partners Small Cap Value, L.P., Wynnefield Partners Small Cap Value, L.P. I, Wynnefield Small Cap Value Offshore Fund, Ltd., Wynnefield Capital, Inc. Profit Sharing & Money Purchase Plan, Wynnefield Capital Management, LLC, Wynnefield Capital, Inc.

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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: June 2, 2016

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I

By: Wynnefield Capital Management, LLC,
its General Partner

By: /s/ Nelson Obus

Nelson Obus, Co-Managing Member

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P.

By: Wynnefield Capital Management, LLC,
its General Partner

By: /s/ Nelson Obus

Nelson Obus, Co-Managing Member

WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.

By: Wynnefield Capital, Inc.,
its Investment Manager

By: /s/ Nelson Obus
Nelson Obus, President

WYNNEFIELD CAPITAL INC. PROFIT SHARING & MONEY PURCHASE PLAN

By: /s/ Nelson Obus
Nelson Obus, Co-Trustee

WYNNEFIELD CAPITAL MANAGEMENT, LLC

By: /s/ Nelson Obus
Nelson Obus, Co-Managing Member

CUSIP No. 37941P306

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WYNNEFIELD CAPITAL, INC.

By: /s/ Nelson Obus

Nelson Obus, President

/s/ Nelson Obus

Nelson Obus, Individually

/s/ Joshua Landes

Joshua Landes, Individually