

KONA GRILL INC
Form SC 13D/A
July 01, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934

(Amendment No. 7)*

Kona Grill, Inc.
(Name of issuer)

Common Stock, par value \$0.01
(Title of class of securities)

50047H201
(CUSIP number)

Berke Bakay

BBS Capital Management, LP

5524 E. Estrid Avenue

Scottsdale, AZ 85254

- with copies to -

Douglas T. Holod

Maslon Edelman Borman & Brand, LLP

90 South 7th Street, Suite 3300

Minneapolis, MN 55402

(612) 672-8313

(Name, address and telephone number of person authorized to receive notices and communications)

June 25, 2014

(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 §§240.13d-1(e), 240.13d-1(f) or 240.13d-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).

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 2 of 8 Pages

1	NAME OF REPORTING PERSONS
	BBS Capital Fund, LP CHECK THE APPROPRIATE BOX IF
2	A MEMBER ^(a) OF A GROUP ^(b) (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO

ITEMS
2(d) or
2(e)

CITIZENSHIP OR
PLACE OF
ORGANIZATION

6

Delaware

SOLE
VOTING
POWER

NUMBER OF 7

SHARES

1,230,000
SHARED
VOTING
POWER

BENEFICIALLY
OWNED BY 8
EACH

0
SOLE
DISPOSITIVE
POWER

REPORTING
PERSON 9

WITH

1,230,000
SHARED
DISPOSITIVE
POWER

10

0
AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
REPORTING PERSON

11

1,230,000

12 CHECK
BOX IF
THE
AGGREGATE
AMOUNT
IN
ROW
(9)
EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

14 11.2%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

PN

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 3 of 8 Pages

	NAME OF REPORTING PERSONS
1	
2	BBS Capital Management, LP CHECK THE APPROPRIATE BOX IF A MEMBER ^(a) OF A GROUP ^(b) (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	AF CHECK BOX IF DISCLOSURE

OF
 LEGAL
 PROCEEDINGS
 IS
 REQUIRED
 PURSUANT
 TO
 ITEMS
 2(d) or
 2(e)

CITIZENSHIP OR
 PLACE OF
 ORGANIZATION

6

Texas

SOLE
 VOTING
 POWER

**NUMBER OF
 SHARES**

0
 SHARED
 VOTING
 POWER

**BENEFICIALLY
 OWNED BY**

1,230,000
 SOLE
 DISPOSITIVE
 POWER

EACH

**REPORTING
 PERSON**

0
 SHARED
 DISPOSITIVE
 POWER

WITH

10

11 1,230,000
 AGGREGATE
 AMOUNT

BENEFICIALLY
OWNED BY EACH
REPORTING PERSON

1,230,000
CHECK
BOX IF
THE
AGGREGATE
AMOUNT
IN
ROW
(9)
12 EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)
13

11.2%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
14

PN, IA

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 4 of 8 Pages

1	NAME OF REPORTING PERSONS
	BBS Capital GP, LP CHECK THE APPROPRIATE BOX IF
2	A MEMBER ^(a) OF A GROUP ^(b) (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO

ITEMS
2(d) or
2(e)

CITIZENSHIP OR
PLACE OF
ORGANIZATION

6

Texas
SOLE
VOTING
POWER
NUMBER OF
7
SHARES

0
SHARED
VOTING
POWER
BENEFICIALLY
OWNED BY **8**
EACH

1,230,000
SOLE
DISPOSITIVE
POWER
REPORTING
PERSON **9**

0
SHARED
DISPOSITIVE
POWER
WITH
10

1,230,000
AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
REPORTING PERSON
11

1,230,000

12 CHECK
BOX IF
THE
AGGREGATE
AMOUNT
IN
ROW
(9)
EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

14 11.2%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

PN

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 5 of 8 Pages

1	NAME OF REPORTING PERSONS
2	BBS Capital, LLC CHECK THE APPROPRIATE BOX IF A MEMBER ^(a) OF A GROUP ^(b) (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO

ITEMS
2(d) or
2(e)

CITIZENSHIP OR
PLACE OF
ORGANIZATION

6

	Texas	
NUMBER OF		SOLE
SHARES	7	VOTING
		POWER
BENEFICIALLY		0
OWNED BY	8	SHARED
EACH		VOTING
		POWER
REPORTING		1,230,000
PERSON	9	SOLE
WITH		DISPOSITIVE
		POWER
	10	0
		SHARED
		DISPOSITIVE
		POWER
11		1,230,000
		AGGREGATE
		AMOUNT
		BENEFICIALLY
		OWNED BY EACH
		REPORTING PERSON
		1,230,000

12 CHECK
BOX IF
THE
AGGREGATE
AMOUNT
IN
ROW
(9)
EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

14 11.2%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

OO

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 6 of 8 Pages

1	NAME OF REPORTING PERSONS
2	Berke Bakay CHECK THE APPROPRIATE BOX IF A MEMBER ^(a) OF A GROUP ^(b) (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	AF, PF CHECK BOX IF DISCLOSURE OF

LEGAL
PROCEEDINGS
IS
REQUIRED
PURSUANT
TO
ITEMS
2(d) or
2(e)

CITIZENSHIP OR
PLACE OF
ORGANIZATION

6

United States
SOLE
VOTING
POWER
NUMBER OF
SHARES **7**

126,250
SHARED
VOTING
POWER
BENEFICIALLY
OWNED BY **8**
EACH

1,230,000
SOLE
DISPOSITIVE
POWER
REPORTING
PERSON **9**

126,250
SHARED
DISPOSITIVE
POWER
WITH
10

1,230,000
AGGREGATE
AMOUNT
BENEFICIALLY
11

OWNED BY EACH
REPORTING PERSON

1,356,250
CHECK
BOX IF
THE
AGGREGATE
AMOUNT
IN
ROW
(9)
12 EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

12.2%
14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

IN

Page 7 of 8 Pages

AMENDMENT NO. 7 TO SCHEDULE 13D

This Amendment No. 7 to Schedule 13D (this “*Amendment*”) is being filed on behalf of BBS Capital Fund, LP (the “*Fund*”), BBS Capital Management, LP (“*BBS Management*”), BBS Capital GP, LP (“*BBS GP*”), BBS Capital, LLC (“*BBS Capital*”) and Berke Bakay (collectively, the “*Reporting Persons*”), relating to shares of common stock of Kona Grill, Inc. (the “*Issuer*”), par value \$0.01 per share (the “*Common Stock*”). This Amendment modifies the original Schedule 13D filed with the Securities and Exchange Commission (the “*SEC*”) on June 17, 2009, as amended by Amendment No. 1 filed with the SEC on September 4, 2009, as amended by Amendment No. 2 filed with the SEC on October 29, 2009, as amended by Amendment No. 3 filed with the SEC on November 2, 2010, as amended by Amendment No. 4 filed with the SEC on November 26, 2010, as amended by Amendment No. 5 filed with the SEC on January 31, 2012, and as amended by Amendment No. 6 filed with the SEC on February 14, 2014 (the “*13D*”).

Item 2. Identity and Background

Item 2 of the 13D is hereby amended and restated to read as follows:

This statement is filed by: (a) BBS Capital Fund, LP, a Delaware limited partnership, (b) BBS Capital Management, LP, a Texas limited partnership which serves as the investment manager of the Fund, (c) BBS Capital GP, LP, a Texas limited partnership which serves as the general partner of the Fund, (d) BBS Capital, LLC, a Texas limited liability company which serves as the general partner of BBS Management and BBS GP, and (e) Berke Bakay, the manager and principal of BBS Capital, a Director and CEO of Kona Grill, Inc. (the “*Issuer*”) and a citizen of the United States (together with the Fund, BBS Management, BBS GP, and BBS Capital, the “*Reporting Persons*”).

The Fund is a collective investment vehicle. BBS Management is primarily engaged in the business of acting as the investment manager of the Fund. BBS GP is primarily engaged in the business of acting as the general partner of the Fund. BBS Capital is primarily engaged in the business of serving as the general partner of BBS Management and BBS GP.

Each of the Reporting Persons has its principal business office and receives its mail at 5524 E. Estrid Avenue, Scottsdale, Arizona 85254.

None of the Reporting Persons has, during the last five years, been either (a) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (b) 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 4. Purpose of the Transaction

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

On June 25, 2014, BBS Capital Fund, LP sold 100,000 shares at \$17.575 pursuant to a prospectus dated June, 19, 2014.

Item 5. Interest in Securities of the Issuer

Item 5 of the 13D is hereby amended and restated to read as follows:

(a) The Fund is the beneficial owner of the 1,230,000 shares of Common Stock it beneficially holds, which represents 11.2% of the Issuer's outstanding shares of Common Stock. BBS Management, BBS GP, and BBS Capital are each the beneficial owners of the 1,230,000 shares of Common Stock of the Issuer held by the Fund, which represents 11.2% of the Issuer's outstanding shares of Common Stock.

Mr. Bakay is deemed to own the above shares, 10,000 shares of common stock and options to purchase common stock in the amount of 116,250 shares that are presently exercisable or become exercisable within 60 days of the date hereof. Thus, he is deemed to own 1,356,250 shares of Common Stock, which represents 12.2% of the Issuer's outstanding Common Stock. The above percentages were calculated on the basis of the 10,960,667 shares of Common Stock issued and outstanding as of June 25, 2014, after giving effect to the Issuer's offering of Common Stock pursuant to a prospectus dated June 19, 2014.

(b) The Fund has the sole power to vote and dispose of the 1,230,000 shares of Common Stock it currently holds. BBS Management, as the investment manager of the Fund, has the shared power to vote and dispose of the 1,230,000 shares of Common Stock held by the Fund. BBS GP, as the general partner of the Fund, has the shared power to vote and dispose of the 1,230,000 shares of Common Stock held by the Fund. BBS Capital, as the general partner of BBS Management and BBS GP, has the shared power to vote and dispose of the 1,230,000 shares of Common Stock held by the Fund. Berke Bakay, as the manager of BBS Capital, has the shared power to vote and dispose of the 1,230,000 shares of Common Stock held by the Fund and the sole power to vote the 10,000 shares of Common Stock he owns and the 116,250 shares of Common Stock that are issuable upon the exercise options that are currently vested or that vest within 60 days.

(c) On June 25, 2014, BBS Capital Fund, LP sold 100,000 shares at \$17.575 pursuant to a prospectus dated June, 19, 2014.

(d) Not Applicable.

(e) Not Applicable.

Page 8 of 8 Pages

Signature

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

Date: July 1, 2014

BBS Capital Fund, LP

By: BBS Capital GP, LP, its general partner

By: BBS Capital, LLC, its general partner

By: /s/ Berke Bakay

Name: Berke Bakay

Title: Manager

BBS Capital Management, LP

By: BBS Capital, LLC, its general partner

By: /s/ Berke Bakay

Name: Berke Bakay

Title: Manager

BBS Capital GP, LP

By: BBS Capital, LLC, its general partner

By: /s/ Berke Bakay

Name: Berke Bakay
Title: Manager

BBS Capital, LLC

By: /s/ Berke Bakay
Name: Berke Bakay
Title: Manager

/s/
Berke
Bakay
Berke
Bakay

1049267