

SEACHANGE INTERNATIONAL INC
Form SC 13D/A
August 18, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No. 4)¹

SeaChange International, Inc.

(Name of Issuer)

Common Stock, \$0.01 par value

(Title of Class of Securities)

811699 10 7

(CUSIP Number)

ERIC SINGER

VIEX Capital Advisors, LLC

825 Third Avenue, 33rd Floor

New York, New York 10022

STEVE WOLOSKY, ESQ.

OLSHAN FROME WOLOSKY LLP

1325 Avenue of the Americas

New York, New York 10019

(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

August 17, 2017

(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* § 240.13d-7 for other parties to whom copies are to be sent.

¹ 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*).

CUSIP NO. 811699 10 7

1 NAME OF REPORTING PERSON

VIEX Opportunities Fund,
LP – Series One*

2 CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

5 WC
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF	7	SOLE VOTING POWER
SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		
		- 0 -
	8	SHARED VOTING POWER
		1,949,781
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER

11 1,949,781
AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

12 1,949,781
CHECK BOX IF
THE AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES

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

14 5.5%
TYPE OF REPORTING
PERSON

PN

* This Series One is part of a series of VIEX Opportunities Fund, LP, a series limited partnership.

CUSIP NO. 811699 10 7

1 NAME OF REPORTING PERSON

VIEX Special Opportunities
Fund II, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 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

- 0 -

OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

1,926,175

PERSON WITH

9 SOLE DISPOSITIVE POWER

- 0 -

10 SHARED DISPOSITIVE POWER

11 1,926,175
AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

12 1,926,175
CHECK BOX IF
THE AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES

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

14 5.5%
TYPE OF REPORTING
PERSON

PN

CUSIP NO. 811699 10 7

1	NAME OF REPORTING PERSON
	VIEX GP, LLC
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
	AF
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 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
	- 0 -
	8
	SHARED VOTING POWER
	1,949,781
	9
	SOLE DISPOSITIVE POWER
	- 0 -
	10
	SHARED DISPOSITIVE POWER

11 1,949,781
AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

12 1,949,781
CHECK BOX IF
THE AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES

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

14 5.5%
TYPE OF REPORTING
PERSON

OO

CUSIP NO. 811699 10 7

1 NAME OF REPORTING PERSON
 VIEX Special Opportunities
 GP II, LLC
 2 CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS
 AF
 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	DELAWARE SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		1,926,175
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER

11 1,926,175
AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

12 1,926,175
CHECK BOX IF
THE AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES

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

14 5.5%
TYPE OF REPORTING
PERSON

OO

CUSIP NO. 811699 10 7

1 NAME OF REPORTING PERSON

VIEX Capital Advisors, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF 7 SOLE VOTING POWER

SHARES BENEFICIALLY - 0 -

OWNED BY 8 SHARED VOTING POWER

EACH REPORTING 3,875,956

PERSON WITH 9 SOLE DISPOSITIVE POWER

- 0 -

10 SHARED DISPOSITIVE POWER

3,875,956
11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

3,875,956
12 CHECK BOX IF
THE AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES

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

14 11.0%
TYPE OF REPORTING
PERSON

IA

CUSIP NO. 811699 10 7

1 NAME OF REPORTING PERSON

Eric Singer

2 CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF
CHECK BOX IF DISCLOSURE OF LEGAL

5 PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

usa

NUMBER OF 7 SOLE VOTING POWER

SHARES BENEFICIALLY - 0 -

OWNED BY 8 SHARED VOTING POWER

EACH REPORTING 3,875,956

PERSON WITH 9 SOLE DISPOSITIVE POWER

- 0 -

10 SHARED DISPOSITIVE POWER

3,875,956
11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

3,875,956
12 CHECK BOX IF
THE AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES

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

14 11.0%
TYPE OF REPORTING
PERSON

IN

CUSIP NO. 811699 10 7

The following constitutes Amendment No. 4 to the Schedule 13D filed by the undersigned (“Amendment No. 4”). This Amendment No. 4 amends the Schedule 13D as specifically set forth herein.

Item 4.

Purpose of Transaction.

Item 4 is hereby amended to add the following:

On August 17, 2017, the Reporting Persons and the Issuer entered into a Cooperation Agreement (the “Cooperation Agreement”). Pursuant to the Cooperation Agreement, the Issuer agreed to take all necessary actions to nominate and appoint Mark Bonney to the Board of Directors of the Issuer (the “Board”) as a Class I Director with a term to expire at the 2018 annual meeting of stockholders (“2018 Annual Meeting”).

So long as the Reporting Persons have not been found to have materially breached their obligations pursuant to the Cooperation Agreement and the Reporting Persons continue to own at least 3% of the outstanding Shares (the “Minimum Ownership Condition”), the Issuer agreed that the Board and the appropriate committee(s) of the Board shall take all necessary actions to nominate and recommend Mr. Bonney for election at the 2018 Annual Meeting for a term expiring at the 2021 annual meeting of stockholders. In the event Mr. Bonney is unable to serve as a director, resigns as a director or is removed as a director during the Standstill Period (as defined below), the Reporting Persons have the right to recommend a replacement director for appointment to the Board, subject to approval of the Corporate Governance and Nominating Committee and the Board, provided the Reporting Persons have not been found to have materially breached their obligations pursuant to the Cooperation Agreement and the Minimum Ownership Condition has been satisfied. In addition, as a condition to effectiveness of the Cooperation Agreement, Steven Craddock resigned as a member of the Board, chairman of the Board and from any committees of the Board.

The Cooperation Agreement further provides that during the Standstill Period the Reporting Persons will appear in person or by proxy at any meeting of the Issuer’s stockholders and vote all of their Shares in favor of any proposal supported by a majority of the Board unless the recommendation of Institutional Shareholder Services Inc. (“ISS”) and Glass Lewis & Co. (“Glass Lewis”) differs from the Board’s recommendation with respect to any matter (other than nominees for election as directors to the Board), in which case the Reporting Persons shall have the right to vote in accordance with the recommendation of ISS and Glass Lewis with respect to such matters. In addition, the Reporting Persons shall have the right to vote in their sole discretion with respect to any matter relating to an Extraordinary Transaction (as defined in the Cooperation Agreement) if the proposal is not unanimously supported by the Board.

The terms of the Cooperation Agreement provide that the Reporting Persons are subject to customary standstill obligations until August 30, 2018 (the “Standstill Period”).

Each of the Issuer and the Reporting Persons also agreed to customary mutual non-disparagement obligations.

The foregoing description of the Cooperation Agreement is qualified in its entirety by reference to the full text of the Cooperation Agreement, which is referenced as Exhibit 99.1 hereto and is incorporated herein by reference.

CUSIP NO. 811699 10 7

Item 5. Interest in Securities of the Issuer.

Items 5(a)-(c) are hereby amended and restated to read as follows:

The aggregate percentage of Shares reported owned by each Reporting Person is based upon 35,330,542 Shares outstanding, which is the total number of Shares outstanding as of June 2, 2017 as reported in the Issuer's Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission on June 7, 2017.

A. Series One

(a) As of the date hereof, Series One beneficially owned 1,949,781 Shares.

Percentage: Approximately 5.5%

(b)

1. Sole power to vote or direct vote: 0
2. Shared power to vote or direct vote: 1,949,781
3. Sole power to dispose or direct the disposition: 0
4. Shared power to dispose or direct the disposition: 1,949,781

(c) Series One has not entered into any transactions in the Shares during the past sixty days.

B. VSO II

(a) As of the date hereof, VSO II beneficially owned 1,926,175 Shares.

Percentage: Approximately 5.5%

(b)

1. Sole power to vote or direct vote: 0
2. Shared power to vote or direct vote: 1,926,175
3. Sole power to dispose or direct the disposition: 0
4. Shared power to dispose or direct the disposition: 1,926,175

- (c) VSO II has not entered into any transactions in the Shares during the past sixty days.

C.

VIEX GP

- (a) VIEX GP, as the general partner of Series One, may be deemed the beneficial owner of the 1,949,781 Shares owned by Series One.

Percentage: Approximately 5.5%

- (b)
1. Sole power to vote or direct vote: 0
 2. Shared power to vote or direct vote: 1,949,781
 3. Sole power to dispose or direct the disposition: 0
 4. Shared power to dispose or direct the disposition: 1,949,781

- (c) VIEX GP has not entered into any transactions in the Shares during the past sixty days.

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D. VSO GP II

(a) VSO GP II, as the general partner of VSO II, may be deemed the beneficial owner of the 1,926,175 Shares owned by VSO II.

Percentage: Approximately 5.5%

- (b)
1. Sole power to vote or direct vote: 0
 2. Shared power to vote or direct vote: 1,926,175
 3. Sole power to dispose or direct the disposition: 0
 4. Shared power to dispose or direct the disposition: 1,926,175

(c) VSO GP II has not entered into any transactions in the Shares during the past sixty days.

E. VIEX Capital

(a) VIEX Capital, as the investment manager of Series One and VSO II, may be deemed the beneficial owner of the (i) 1,949,781 Shares owned by Series One and (ii) 1,926,175 Shares owned by VSO II.

Percentage: Approximately 11.0%

- (b)
1. Sole power to vote or direct vote: 0
 2. Shared power to vote or direct vote: 3,875,956
 3. Sole power to dispose or direct the disposition: 0
 4. Shared power to dispose or direct the disposition: 3,875,956

(c) VIEX Capital has not entered into any transactions in the Shares during the past sixty days.

F. Eric Singer

(a) Mr. Singer, as the managing member of VIEX GP and VIEX Capital, may be deemed the beneficial owner of the (i) 1,949,781 Shares owned by Series One and (ii) 1,926,175 Shares owned by VSO II.

Percentage: Approximately 11.0%

- (b)
1. Sole power to vote or direct vote: 0
 2. Shared power to vote or direct vote: 3,875,956
 3. Sole power to dispose or direct the disposition: 0
 4. Shared power to dispose or direct the disposition: 3,875,956

(c) Mr. Singer has not entered into any transactions in the Shares during the past sixty days.

The filing of this Schedule 13D shall not be construed as an admission that the Reporting Persons are, for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, the beneficial owners of any of the Shares reported herein. Each Reporting Person disclaims beneficial ownership of such Shares except to the extent of his or its pecuniary interest therein.

CUSIP NO. 811699 10 7

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

Item 6 is hereby amended to add the following:

Reference is made to the Cooperation Agreement described in Item 4.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following exhibit:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Cooperation Agreement, dated August 17, 2017, between the Issuer and the Reporting Persons (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Issuer on August 17, 2017).

11

CUSIP NO. 811699 10 7

SIGNATURES

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

Dated: August 18, 2017

VIEX Opportunities Fund, LP
– Series One

By: VIEX GP, LLC
General Partner

By: /s/ Eric Singer
Name: Eric Singer
Title: Managing Member

VIEX GP, LLC

By: /s/ Eric Singer
Name: Eric Singer
Title: Managing Member

VIEX Special Opportunities
Fund II, LP

By: VIEX Special
Opportunities GP II, LLC
General Partner

By: /s/ Eric Singer
Name: Eric Singer
Title: Managing Member

VIEX Special Opportunities
GP II, LLC

By: /s/ Eric Singer
Name: Eric Singer
Title: Managing Member

VIEX Capital Advisors,
LLC

By: /s/ Eric Singer
Name: Eric Singer
Title: Managing Member

/s/ Eric Singer
Eric Singer