

LIQUIDMETAL TECHNOLOGIES INC
Form SC 13D/A
October 28, 2008

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE 13D/A
(Amendment No. 4)**

Under the Securities Exchange Act of 1934

Liquidmetal Technologies, Inc.

(Name of Issuer)

Common Stock, par value \$0.001 per share

(Title of Class of Securities)

53634 X 100

(CUSIP Number)

Wynnefield Capital, Inc.
Wynnefield Capital Management LLC
Attn: Nelson Obus
450 Seventh Avenue, Suite 509
New York, New York 10123

Copy to:

Gersten Savage LLP
600 Lexington Avenue
New York, NY 10022
(212) 752-9700 Fax: (212) 980-5192
Attention: David E. Danovitch, Esq.

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

October 28, 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 §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

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. 53634 X 100

1 NAME OF REPORTING PERSON

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

Wynnefield Partners Small Cap Value LP

TAX ID #: 13-3688497

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

1,019,531 shares of common stock, consisting of (i) 275,355 shares of Common Stock; (ii) 433,266 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 310,910 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants.

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

1,019,531 shares of common stock, consisting of (i) 275,355 shares of Common Stock; (ii) 433,266 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 310,910 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants.

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,019,531 shares of common stock, consisting of (i) 275,355 shares of Common Stock; (ii) 433,266 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 310,910 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants.

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

0

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

2.28%

14 TYPE OF REPORTING PERSON

PN

2

CUSIP No. 53634 X 100

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Wynnefield Partners Small Cap Value LP I
TAX ID #: 13-3953291
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
WC
- 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
1,370,294 shares of common stock, consisting of (i) 395,779 shares of Common Stock; (ii) 567,372 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 407,143 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants.
- 8 SHARED VOTING POWER
0
- 9 SOLE DISPOSITIVE POWER
1,370,294 shares of common stock, consisting of (i) 395,779 shares of Common Stock; (ii) 567,372 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 407,143 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants.
- 10 SHARED DISPOSITIVE POWER
0
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,370,294 shares of common stock, consisting of (i) 395,779 shares of Common Stock; (ii) 567,372 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 407,143 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants.

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

0

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.06%

14 TYPE OF REPORTING PERSON

PN

3

CUSIP No. 53634 X 100

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Wynnefield Small Cap Value Offshore Fund Ltd.
TAX ID #: N/A
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
WC
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(D) OR 2(E) 0
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
Cayman Islands

| | |
|---|---|
| Number of Shares Beneficially Owned By Each Reporting Person With | 7 SOLE VOTING POWER 1,341,499 shares of common stock, consisting of (i) 402,420 shares of Common Stock; (ii) 546,740 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 392,339 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants. |
|---|---|

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

1,341,499 shares of common stock, consisting of (i) 402,420 shares of
Common Stock; (ii) 546,740 shares of Common Stock issuable upon
conversion of Convertible Subordinated Notes; and (iii) 392,339 shares of
Common Stock issuable upon exercise of Common Stock Purchase
Warrants.

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,341,499 shares of common stock, consisting of (i) 402,420 shares of Common Stock; (ii) 546,740 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 392,339 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants.

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

0

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

3.00%

14 TYPE OF REPORTING PERSON

CO

4

CUSIP No. 53634 X 100

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Wynnefield Capital, Inc.
TAX ID #: 13-3688495
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
N/A
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(D) OR 2(E)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
New York
- | | |
|---|---|
| Number of Shares Beneficially Owned By Each Reporting Person With | 7 SOLE VOTING POWER 1,341,499 shares of common stock, consisting of (i) 402,420 shares of Common Stock; (ii) 546,740 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 392,339 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, owned by Wynnefield Small Cap Value Offshore Fund Ltd. |
| | 8 SHARED VOTING POWER 0 |
| | 9 SOLE DISPOSITIVE POWER 1,341,499 shares of common stock, consisting of (i) 402,420 shares of Common Stock; (ii) 546,740 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 392,339 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, owned by Wynnefield Small Cap Value Offshore Fund Ltd. |
| | 10 SHARED DISPOSITIVE POWER 0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,341,499 shares of common stock, consisting of (i) 402,420 shares of Common Stock; (ii) 546,740 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 392,339 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, owned by Wynnefield Small Cap Value Offshore Fund Ltd.

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

0

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.00%

14 TYPE OF REPORTING PERSON

CO

5

CUSIP No. 53634 X 100

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Wynnefield Capital Management, LLC
TAX ID #: 13-4018186
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
N/A
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(D) OR 2(E) 0
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
New York

| | |
|---|---|
| Number of Shares Beneficially Owned By Each Reporting Person With | 7 SOLE VOTING POWER 2,389,825 shares of common stock, consisting of an aggregate (i) 671,134 shares of Common Stock; (ii) 1,000,638 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 718,053 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP and Wynnefield Partners Small Cap Value LP I. |
|---|---|

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

2,389,825 shares of common stock, consisting of an aggregate (i) 671,134 shares of Common Stock; (ii) 1,000,638 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 718,053 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP and Wynnefield Partners Small Cap Value LP I.

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,389,825 shares of common stock, consisting of an aggregate (i) 671,134 shares of Common Stock; (ii) 1,000,638 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 718,053 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP and Wynnefield Partners Small Cap Value LP I.

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

0

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

5.34%

14 TYPE OF REPORTING PERSON

OO

6

CUSIP No. 53634 X 100

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Nelson Obus
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
N/A
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(D) OR 2(E) 0
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
U.S.

- Number of Shares Beneficially Owned By Each Reporting Person With
- 7 SOLE VOTING POWER
0
- 8 SHARED VOTING POWER
3,731,323 shares of common stock, consisting of an aggregate (i) 1,073,554 shares of Common Stock; (ii) 1,547,377 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 1,110,392 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP, Wynnefield Partners Small Cap Value LP I and Wynnefield Small Cap Value Offshore Fund Ltd.
- 9 SOLE DISPOSITIVE POWER
0
- 10 SHARED DISPOSITIVE POWER
3,731,323 shares of common stock, consisting of an aggregate (i) 1,073,554 shares of Common Stock; (ii) 1,547,377 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 1,110,392 shares of Common Stock issuable upon exercise of

Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP, Wynnefield Partners Small Cap Value LP I and Wynnefield Small Cap Value Offshore Fund Ltd.

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,731,323 shares of common stock, consisting of an aggregate (i) 1,073,554 shares of Common Stock; (ii) 1,547,377 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 1,110,392 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP, Wynnefield Partners Small Cap Value LP I and Wynnefield Small Cap Value Offshore Fund Ltd.

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

0

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
8.34%

14 TYPE OF REPORTING PERSON

IN

7

CUSIP No. 53634 X 100

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Joshua Landes
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
N/A
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(D) OR 2(E) 0
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
U.S.

Number of Shares Beneficially Owned By Each Reporting Person With

7 SOLE VOTING POWER

0

8 SHARED VOTING POWER

3,731,323 shares of common stock, consisting of an aggregate (i) 1,073,554 shares of Common Stock; (ii) 1,547,377 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 1,110,392 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP, Wynnefield Partners Small Cap Value LP I and Wynnefield Small Cap Value Offshore Fund Ltd.

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

3,731,323 shares of common stock, consisting of an aggregate (i) 1,073,554 shares of Common Stock; (ii) 1,547,377 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 1,110,392 shares of Common Stock issuable upon exercise of

Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP, Wynnefield Partners Small Cap Value LP I and Wynnefield Small Cap Value Offshore Fund Ltd.

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,731,323 shares of common stock, consisting of an aggregate (i) 1,073,554 shares of Common Stock; (ii) 1,547,377 shares of Common Stock issuable upon conversion of Convertible Subordinated Notes; and (iii) 1,110,392 shares of Common Stock issuable upon exercise of Common Stock Purchase Warrants, collectively owned by Wynnefield Partners Small Cap Value LP, Wynnefield Partners Small Cap Value LP I and Wynnefield Small Cap Value Offshore Fund Ltd.

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

0

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

8.34%

14 TYPE OF REPORTING PERSON

IN

8

**AMENDMENT NO. 4
TO
SCHEDULE 13D**

This Amendment No. 4 amends certain of the information contained in the Statement on Schedule 13D, as amended on September 18, 2008, September 30, 2008 and October 10, 2008 (the "Schedule 13D"), filed by the parties named above (collectively, the "Wynnefield Reporting Persons"). Certain information in the Schedule 13D which has not changed since the filing thereof is not restated herein. Capitalized terms used but not defined herein have the meanings given to them in the Schedule 13D.

Item 4. Purpose of Transaction.

In response to Wynnefield Capital, Inc.'s letter of October 10, 2008 to the Board of Directors of the Issuer (the "October 10 Letter"), the Issuer sent a letter dated October 20, 2008, to all of its Convertible Noteholders. The letter provided a brief update on the current state of the Issuer's financial situation, more specifically its current capital needs in light of its recent default under its 8% Converted Subordinated Notes. In a letter dated October 28, 2008, Wynnefield Capital, Inc. (the "October 28 Letter") responded to the Issuer's letter and, while it acknowledged the Board of Directors' movement toward addressing the Company's current financial situation, the October 28 Letter expressed continued concern about a number of unaddressed issues that were mentioned in the October 10, 2008 Letter. The October 28 Letter made note of the loss of shareholder value since 2004 and the Board's reluctance to take necessary action to address the problems causing the loss. The October 28 Letter also distinguished between those members of the board who have taken no interest in the performance of the Issuer, as evidenced by a lack of interest to purchase the Issuer's shares, and those few board members who have attempted to restore transparency and rebuild value. Lastly, the October 28 Letter also repeated its earlier demand to the Board of Directors to form a special committee, composed of independent board members, whose purpose is to evaluate all possible financial strategies going forward, and also appoint an interim-Chairman to replace Mr. John Kang in light of the inevitable personal time demands he faces in the near future. A copy of the October 28 Letter is attached hereto as Exhibit A.

Item 7. Material to be Filed as Exhibits.

Exhibit A Wynnefield Capital Inc.'s Letter to the Issuer dated October 28, 2008
Exhibit B Joint Filing Agreement dated as of October 28, 2008.

Signature

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: October 28, 2008

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P.

By: Wynnefield Capital Management, LLC,
General Partner

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

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I

By: Wynnefield Capital Management, LLC,
General Partner

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

WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.

By: Wynnefield Capital, Inc.

By: /s/ Nelson Obus
Nelson Obus, President

WYNNEFIELD CAPITAL MANAGEMENT, LLC

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

WYNNEFIELD CAPITAL, INC.

By: /s/ Nelson Obus
Nelson Obus, President

/s/ Nelson Obus
Nelson Obus, Individually

/s/ Joshua Landes
Joshua Landes, Individually

JOINT FILING AGREEMENT

THIS JOINT FILING AGREEMENT (this "Agreement") is made and entered into as of this 28th day of October, 2008, by and among Wynnefield Partners Small Cap Value, L.P., Wynnefield Partners Small Cap Value, L.P. I, Wynnefield Small Cap Value Offshore Fund, Ltd., Wynnefield Capital Management LLC, Wynnefield Capital Inc., Nelson Obus and Joshua Landes.

The parties to this Agreement hereby agree to prepare jointly and file timely (or otherwise to deliver as appropriate) all filings on Schedule 13D and Schedule 13G (the "Filings") required to be filed by them pursuant to Section 13(d) or 13(g) under the Securities Exchange Act of 1934, as amended, with respect to their respective beneficial ownership of the Common Stock of Liquidmetal Technologies, Inc. that are required to be reported on any Filings. Each party to this Agreement further agrees and covenants to the other parties that it will fully cooperate with such other parties in the preparation and timely filing (and other delivery) of all such Filings.

This Agreement may be executed in separate counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P.

By: Wynnefield Capital Management, LLC,
General Partner

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

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I

By: Wynnefield Capital Management, LLC,
General Partner

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

WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.

By: Wynnefield Capital, Inc.

By: /s/ Nelson Obus
Nelson Obus, President

WYNNEFIELD CAPITAL MANAGEMENT, LLC

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

WYNNEFIELD CAPITAL, INC.

By: /s/ Nelson Obus
Nelson Obus, President

/s/ Nelson Obus
Nelson Obus, Individually

/s/ Joshua Landes
Joshua Landes, Individually