

PATRICK INDUSTRIES INC
Form SC 13D/A
April 16, 2008

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

OMB APPROVAL
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SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No. 5)***

Patrick Industries, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

703343103

(CUSIP Number)

Jeffrey L. Gendell

55 Railroad Avenue, 1st Floor

Greenwich, Connecticut 06830

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

April 8, 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. x

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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.

* 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. **703343103**

1. Names of Reporting Persons
Tontine Capital Partners, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | |
|---|-----|--|
| | 7. | Sole Voting Power
-0- |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power
2,774,469 |
| | 9. | Sole Dispositive Power
-0- |
| | 10. | Shared Dispositive Power
2,774,469 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
2,774,469
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
38.8%
 14. Type of Reporting Person (See Instructions)
PN

CUSIP No. **703343103**

1. Names of Reporting Persons
Tontine Capital Management, L.L.C.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|------------------|
| | 7. | Sole Voting Power | -0- |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | 2,774,469 |
| | 9. | Sole Dispositive Power | -0- |
| | 10. | Shared Dispositive Power | 2,774,469 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
2,774,469
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
38.8%
 14. Type of Reporting Person (See Instructions)
OO

CUSIP No. **703343103**

1. Names of Reporting Persons
Tontine Capital Overseas Master Fund, L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Cayman Islands
- | | | | |
|---|-----|--------------------------|----------------|
| | 7. | Sole Voting Power | -0- |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | 693,620 |
| | 9. | Sole Dispositive Power | -0- |
| | 10. | Shared Dispositive Power | 693,620 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
693,620
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
9.7%
 14. Type of Reporting Person (See Instructions)
IA, PN

CUSIP No. **703343103**

1. Names of Reporting Persons
Tontine Capital Overseas GP, L.L.C.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|--|
| | 7. | Sole Voting Power | |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | | -0- | |
| | 8. | Shared Voting Power | |
| | | 693,620 | |
| | 9. | Sole Dispositive Power | |
| | | -0- | |
| | 10. | Shared Dispositive Power | |
| | | 693,620 | |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
693,620
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
9.7%
 14. Type of Reporting Person (See Instructions)
OO

CUSIP No. **703343103**

1. Names of Reporting Persons
Jeffrey L. Gendell
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input checked="" type="checkbox"/>
(b)	<input type="checkbox"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
OO
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
United States
- | | | | |
|---|-----|--------------------------|------------------|
| | 7. | Sole Voting Power | -0- |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | 3,468,089 |
| | 9. | Sole Dispositive Power | -0- |
| | 10. | Shared Dispositive Power | 3,468,089 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
3,468,089
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
48.5%
 14. Type of Reporting Person (See Instructions)
IN

This Amendment No. 5 to Schedule 13D is being filed by the Reporting Persons to amend the Schedule 13D originally filed on September 19, 2005 (the Original 13D), as amended on April 10, 2007, May 18, 2007, September 25, 2007 and March 18, 2008 (the Original 13D, together with the amendments, the Schedule 13D), relating to the common stock, no par value, of Patrick Industries, Inc.

Item 1. Security and Issuer

This Schedule 13D relates to the common stock, no par value (the Common Stock), of Patrick Industries, Inc. (the Company). The Company s principal executive offices are located at 107 West Franklin Street, Elkhart, Indiana 46515.

Item 2. Identity and Background

(a) This statement is filed by:

(i) Tontine Capital Partners, L.P., a Delaware limited partnership (TCP), with respect to the shares of Common Stock directly owned by it;

(ii) Tontine Capital Management, L.L.C., a Delaware limited liability company (TCM), with respect to the shares of Common Stock directly owned by TCP;

(iii) Tontine Capital Overseas Master Fund, L.P., a Cayman Islands limited partnership (TMF), with respect to shares of Common Stock directly owned by it;

(iv) Tontine Capital Overseas GP, L.L.C., a Delaware limited liability company (TCO), with respect to shares of Common Stock directly owned by TMF; and

(v) Jeffrey L. Gendell with respect to the shares of Common Stock directly owned by each of TCP and TMF.

The foregoing persons are hereinafter sometimes collectively referred to as the Reporting Persons. Any disclosures herein with respect to persons other than the Reporting Persons are made on information and belief after making inquiry to the appropriate party.

(b) The address of the principal business and principal office of each of TCP, TCM, TMF and TCO is 55 Railroad Avenue, 1st Floor, Greenwich, Connecticut 06830. The business address of Mr. Gendell is 55 Railroad Avenue, 1st Floor, Greenwich, Connecticut 06830.

(c) The principal business of each of TMF and TCP is serving as a private investment limited partnership. The principal business of TCO is serving as the general partner of TMF. The principal business of TCM is serving as the general partner of TCP.

Mr. Gendell serves as the managing member of TCM and TCO.

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

(e) None of the Reporting Persons has, during the last five years, been 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) TCP is a limited partnership organized under the laws of the State of Delaware. Each of TCO and TCM is a limited liability company organized under the laws of the State of Delaware. TMF is a limited partnership organized under the laws of the Cayman Islands. Mr. Gendell is a United States citizen.

Item 3. Source and Amount of Funds or Other Consideration

Shares of Common Stock purchased by the Reporting Persons were purchased with working capital and on margin. The Reporting Persons anticipate that shares of Common Stock that they will purchase pursuant to their obligations under the 2008 Standby Purchase Agreement, as amended by the SPA Amendment (as both are hereinafter defined), will also be purchased with working capital and on margin. The Reporting Persons' margin transactions shall be with UBS Securities LLC, on such firm's usual terms and conditions. All or part of the shares of Common Stock directly owned by the Reporting Persons may from time to time be pledged with one or more banking institutions or brokerage firms as collateral for loans made by such bank(s) or brokerage firm(s) to the Reporting Persons. Such loans bear interest at a rate based upon the broker's call rate from time to time in effect. Such indebtedness may be refinanced with other banks or broker dealers. Mr. Gendell, TCO and TCM do not directly own any shares of Common Stock.

Item 4. Purpose of Transaction

The Reporting persons acquired the shares of Common Stock for investment purposes and in the ordinary course of business. The Reporting Persons' acquisition of Common Stock pursuant to the 2008 Standby Purchase Agreement, as amended by the SPA Amendment, will also be for investment purposes and in the ordinary course of business. The Reporting Persons may acquire additional securities of the Company or dispose of securities of the Company at any time and from time to time in the open market or otherwise.

On March 10, 2008, the Company, TCP and TMF entered into a Standby Purchase Agreement (the "2008 Standby Purchase Agreement"). Pursuant to the 2008 Standby Purchase Agreement, TCP and TMF agreed to certain standby commitments with regard to the Company's planned rights offering to its shareholders (the "Rights Offering") that replaced a rights offering that was previously announced by the Company. Under the 2008 Standby Purchase Agreement, TCP and TMF agreed to purchase (i) their pro rata portions of the shares of Common Stock offered in the Rights Offering, and (ii) any shares of Common Stock that have not been purchased by the Company's other shareholders at the close of the Rights Offering.

On April 8, 2008, the Company, TCP and TMF entered into a First Amendment to Standby Purchase Agreement (the "SPA Amendment"), under which the parties agreed to increase the size of the planned Rights Offering, as described in greater detail in Item 6.

In addition, on March 10, 2008, the Company, TCP and TMF also entered into a Securities Purchase Agreement (the "New Securities Purchase Agreement"), pursuant to which, on March 12, 2008, TCP purchased 900,000 newly issued shares of Common Stock from the Company for \$7.00 per share, for a purchase price of \$6,300,000, and TMF purchased 225,000 newly issued shares of Common Stock from the Company for \$7.00 per share, for a purchase price of \$1,575,000, resulting in an aggregate purchase of 1,125,000 newly issued shares of Common Stock from the Company (the "Shares") with a total purchase price of \$7,875,000. The Company used the net proceeds from the sale of the Shares to prepay principal and pay related accrued interest under the Notes (as hereinafter defined). Proceeds from the Rights Offering are intended to be used to prepay the remaining principal amount under the Notes, to pay related accrued interest and to reduce borrowings under the Company's senior secured credit facility.

Pursuant to a Securities Purchase Agreement by and among TCP, TMF and the Company, dated April 10, 2007 (the "Initial Securities Purchase Agreement"), the Company sold an aggregate of 980,000 shares of Common Stock to TCP and TMF for an aggregate purchase price of \$11,025,000 and received interim debt financing through the issuance of Senior Subordinated Promissory Notes to TCP and TMF in the aggregate principal amount of \$13,975,000 (the "Notes"). The Company used the proceeds from the sale of Common Stock and the issuance of the Notes to complete the acquisition by the Company of Adorn Holdings, Inc., which was completed on May 18, 2007. As described in greater detail in Item 6, pursuant to the Initial Securities Purchase Agreement, so long as the Reporting Persons hold a certain percentage of Common Stock, they have the right to appoint up to two nominees to the Company's Board of Directors. As of the date hereof, the Reporting Persons have not appointed any directors to the Company's Board of Directors. The Company also agreed that by the date of its 2008 Annual Meeting of Shareholders, it will have limited the number of directors serving on its board to no more than nine, which obligation shall continue for so long as the Reporting Persons have the right to appoint a director to the Company's Board of Directors. The rights of the Reporting Persons to appoint directors and the obligations of the Company to limit the size of its Board were affirmed in the New Securities Purchase Agreement.

In connection with the issuance of the shares to the Reporting Persons in May 2007 and March 2008, and the proposed acquisition of Common Stock by the Reporting Persons pursuant to the 2008 Standby Purchase Agreement, as amended by the SPA Amendment, the Company amended its Rights Agreement (the "Rights Agreement"), dated as of March 21, 2006, as amended, with National City Bank, as Rights Agent, to permit such acquisitions by the Reporting Persons.

The Reporting Persons reserve the right to change their plans or intentions and to take any and all actions that they may deem to be in their best interests.

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Except as set forth above, the Reporting Persons do not have any current intention, plan or proposal with respect to: (a) the acquisition by any person of additional securities of the Company, or the disposition of securities of the Company; (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries; (c) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries; (d) any change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board; (e) any material change in the present capitalization or dividend policy of the Company; (f) any other material change in the Company's business or corporate structure; (g) changes in the Company's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person; (h) causing a class of securities of the Company to be delisted

from a national securities exchange, if any, or cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (i) a class of equity securities of the Company becoming eligible for termination of a registration pursuant to Section 12(g)(4) of the Act; or (j) any action similar to any of those enumerated above.

Item 5. Interest in Securities of the Issuer

A. Tontine Capital Partners, L.P.

(a) Aggregate number of shares beneficially owned: 2,774,469. Percentage: 38.8%. The percentages used herein and in the rest of Item 5 are calculated based upon the 7,144,118 shares of Common Stock issued and outstanding as of March 28, 2008 (as reflected in the Company's Preliminary Proxy Statement filed with the SEC on April 10, 2008).

(b) 1. Sole power to vote or direct vote: -0-

2. Shared power to vote or direct vote: 2,774,469

3. Sole power to dispose or direct the disposition: -0-

4. Shared power to dispose or direct the disposition: 2,774,469

(c) TCP did not enter into any transactions in the Common Stock of the Company since the filing of Amendment 4 to this Schedule 13D on March 18, 2008.

(d) TCM, the general partner of TCP, has the power to direct the affairs of TCP, including decisions respecting the receipt of dividends from, and the disposition of the proceeds from the sale of, the shares. Mr. Gendell is the Managing Member of TCM and in that capacity directs its operations.

(e) Not applicable.

B. Tontine Capital Management, L.L.C.

(a) Aggregate number of shares beneficially owned: 2,774,469. Percentage: 38.8%.

(b) 1. Sole power to vote or direct vote: -0-