

KONA GRILL INC
Form SC 13D/A
February 14, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934

(Amendment No. 6)*

Kona Grill, Inc.
(Name of issuer)

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

50047H201
(CUSIP number)

Berke Bakay

c/o BBS Capital Management, LP

5524 E. Estrid Avenue

Scottsdale, AZ 85254

Tel. No.: (972) 207-3254

- 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)

January 30, 2013

(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 1,330,000
SHARED
VOTING
POWER

BENEFICIALLY 8

OWNED BY

0
SOLE
DISPOSITIVE
POWER

EACH 9

REPORTING 9

PERSON

1,330,000
SHARED
DISPOSITIVE
POWER

WITH 10

0

11

AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
REPORTING PERSON

1,330,000
CHECK
BOX IF
THE
AGGREGATE
AMOUNT

12

IN
ROW
(9)
EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

15.5%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

14

PN

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 3 of 8 Pages

NAME OF
REPORTING
PERSONS

1

BBS Capital
Management, LP
CHECK
THE
APPROPRIATE
BOX IF
A
MEMBER^(a)
OF A
GROUP^(b)
(SEE
INSTRUCTIONS)

2

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

0
SHARED
VOTING
POWER

SHARES

BENEFICIALLY 8

OWNED BY

1,330,000
SOLE
DISPOSITIVE
POWER

EACH

REPORTING 9

PERSON

0
SHARED
DISPOSITIVE
POWER

WITH 10

1,330,000
AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
REPORTING PERSON

11

1,330,000

12

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

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

15.5%
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 |
|---|--|
| 2 | BBS Capital GP, 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 | 7 | |
| | | 0 |
| SHARES | | SHARED VOTING POWER |
| BENEFICIALLY | 8 | |
| OWNED BY | | |
| | | 1,330,000 |
| EACH | | SOLE DISPOSITIVE POWER |
| REPORTING | 9 | |
| PERSON | | |
| | | 0 |
| | | SHARED DISPOSITIVE POWER |
| WITH | 10 | |
| | | 1,330,000 |
| | | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON |
| 11 | | |
| | | 1,330,000 |
| 12 | | CHECK BOX IF |

THE
AGGREGATE
AMOUNT
IN
ROW
(9)
EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

15.5%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

14

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 |
| | | SOLE VOTING POWER |
| NUMBER OF | 7 | |
| | | 0 |
| SHARES | | SHARED VOTING POWER |
| BENEFICIALLY | 8 | |
| OWNED BY | | |
| | | 1,330,000 |
| EACH | | SOLE DISPOSITIVE POWER |
| REPORTING | 9 | |
| PERSON | | |
| | | 0 |
| | | SHARED DISPOSITIVE POWER |
| WITH | 10 | |
| | | 1,330,000 |
| 11 | | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON |
| 12 | | 1,330,000 CHECK BOX IF THE AGGREGATE |

AMOUNT
IN
ROW
(9)
EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

15.5%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

14

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 | 7 | |
| | | 126,250 |
| SHARES | | SHARED VOTING POWER |
| BENEFICIALLY | 8 | |
| OWNED BY | | |
| | | 1,330,000 |
| EACH | | SOLE DISPOSITIVE POWER |
| REPORTING | 9 | |
| PERSON | | |
| | | 126,250 |
| WITH | 10 | SHARED DISPOSITIVE POWER |
| | | 1,330,000 |
| 11 | | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON |
| 12 | | 1,456,250 CHECK BOX IF |

THE
AGGREGATE
AMOUNT
IN
ROW
(9)
EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

16.7%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

14

IN

AMENDMENT NO. 6 TO SCHEDULE 13D

This Amendment No. 6 to Schedule 13D (this “*Amendment*”) is being filed on behalf of BBS Capital Fund, LP, BBS Capital Management, LP, BBS Capital GP, LP, BBS Capital, LLC and Berke Bakay (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, and as amended by Amendment No. 5 filed with the SEC on January 31, 2012 (the “*13D*”).

Item 4. Purpose of the Transaction

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

On February 7, 2013, Berke Bakay was granted an Employee stock option to purchase 30,000 shares of Common stock at \$8.71 per share, of which 7,500 shares are currently vested. The remaining shares vest 25% each on February 7, 2015, February 7, 2016 and February 7, 2017.

On February 6, 2014, Mr. Bakay was granted an Employee stock option to purchase 30,000 shares of Common stock at \$16.12 per share, which will vest 25% each year over a four-year period beginning on February 7, 2015.

Previously on January 30, 2012, Mr. Bakay was granted an option to purchase 200,000 shares, 100,000 shares of which are now vested. The remaining shares vest 25% each on January 30, 2015 and January 30, 2016. On February 25, 2011, the Issuer granted Mr. Bakay an option to purchase 7,500 shares of Common Stock at \$5.15 per share as compensation for serving as a member of the Board, all of which is presently exercisable.

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 1,330,000 shares of Common Stock it beneficially holds, which represents 15.5% of the Issuer's outstanding shares of Common Stock. BBS Management, BBS GP, and BBS Capital are each the beneficial owners of the 1,330,000 shares of Common Stock of the Issuer held by the Fund, which represents 15.5% 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 1,456,250 shares of Common Stock, which represents 16.7% of the Issuer's outstanding Common Stock. The above percentages were calculated on the basis of the 8,594,076 shares of Common Stock issued and outstanding as reported by the Issuer in its most recently filed Form 10-Q.

(b) The Fund has the sole power to vote and dispose of the 1,330,000 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 1,330,000 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 1,330,000 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 1,330,000 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 1,330,000 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 of options that are currently vested or that vest within 60 days.

(c) Not Applicable.

(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: February 14, 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