

ROSETTA STONE INC  
Form SC 13D/A  
December 01, 2017

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

SCHEDULE 13D  
Under the Securities Exchange Act of 1934  
(Amendment No. 6)

ROSETTA STONE INC.  
(Name of Issuer)

Common Stock  
(Title of Class of Securities)

77780107  
(CUSIP Number)

David Nierenberg  
The D3 Family Funds  
19605 NE 8th Street  
Camas, WA 98607  
(360) 604-8600

With a copy to:

Christopher P. Davis  
Kleinberg, Kaplan, Wolff & Cohen, P.C.  
551 Fifth Avenue  
New York, NY 10176  
(212) 986-6000

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

November 30, 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 [ ].

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1 NAME OF REPORTING PERSONS  
The D3 Family Fund, L.P.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS (See  
Instructions)

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  
Washington

NUMBER OF  
SHARES  
BENEFICIALLY

OWNED BY  
EACH  
REPORTING

PERSON  
WITH

7 SOLE VOTING POWER  
0

8 SHARED VOTING POWER  
262,627 common shares (1.2%)

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
262,627

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON  
For the reporting person listed on this  
page, 262,627; for all reporting  
persons as a group, 952,683 shares  
(4.3%)

12 CHECK BOX IF THE  
AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN  
SHARES (See Instructions)   
PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

13 For the reporting person listed on this  
page, 1.2%; for all reporting persons  
as a group, 4.3%

14

TYPE OF REPORTING PERSON  
(See Instructions)  
PN

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1 NAME OF REPORTING PERSONS  
The D3 Family Bulldog Fund, L.P.  
CHECK THE APPROPRIATE BOX  
IF A MEMBER OF A GROUP (See  
2 Instructions)  
(a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See  
Instructions)  
WC  
CHECK BOX IF DISCLOSURE OF  
LEGAL PROCEEDINGS IS  
5 REQUIRED PURSUANT TO ITEMS  
2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF  
ORGANIZATION  
Washington

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

7 SOLE VOTING POWER  
0

8 SHARED VOTING POWER  
642,426 common shares (2.9%)

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
642,426

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON  
For the reporting person listed on this  
page, 642,426; for all reporting  
persons as a group, 952,683 shares  
(4.3%)

12 CHECK BOX IF THE  
AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN  
SHARES (See Instructions)   
PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

13 For the reporting person listed on this  
page, 2.9%; for all reporting persons  
as a group, 4.3%

14

TYPE OF REPORTING PERSON  
PN

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1  
2  
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NAME OF REPORTING PERSONS  
The DIII Offshore Fund, L.P.  
CHECK THE APPROPRIATE BOX  
IF A MEMBER OF A GROUP (See  
Instructions)  
(a)  (b)

SEC USE ONLY

SOURCE OF FUNDS (See  
Instructions)  
WC  
CHECK BOX IF DISCLOSURE OF  
LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS  
2(d) or 2(e)

CITIZENSHIP OR PLACE OF  
ORGANIZATION  
Bahamas

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

7 SOLE VOTING POWER  
0  
8 SHARED VOTING POWER  
47,630 common shares (0.2%)  
9 SOLE DISPOSITIVE POWER  
0  
10 SHARED DISPOSITIVE POWER  
47,630

AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON  
For the reporting person listed on this  
page, 47,630; for all reporting persons  
as a group, 952,683 shares (4.3%)

CHECK BOX IF THE  
AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN  
SHARES (See Instructions)   
PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

For the reporting person listed on this  
page, 0.2%; for all reporting persons  
as a group, 4.3%

14

TYPE OF REPORTING PERSON  
PN

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1 NAME OF REPORTING PERSONS  
Nierenberg Investment Management  
Company, Inc.

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

(a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See  
Instructions)

AF

5 CHECK BOX IF DISCLOSURE OF  
LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS  
2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF  
ORGANIZATION

Washington

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

7 SOLE VOTING POWER  
0

8 SHARED VOTING POWER  
952,683 common shares (4.3%)

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
952,683

AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

11 For the reporting person listed on this  
page, 952,683; for all reporting  
persons as a group, 952,683 shares  
(4.3%)

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

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

For the reporting person listed on this  
page, 4.3%; for all reporting persons



as a group, 4.3%

TYPE OF REPORTING PERSON

CO

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14

1 NAME OF REPORTING PERSONS  
Nierenberg Investment Management  
Offshore, Inc.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS (See  
Instructions)

AF  
5 CHECK BOX IF DISCLOSURE OF  
LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS  
2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF  
ORGANIZATION

Bahamas

NUMBER OF  
SHARES 7 SOLE VOTING POWER  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON WITH

0

8 SHARED VOTING POWER  
47,630 common shares (0.2%)

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
47,630

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

For the reporting person listed on this  
page, 47,630; for all reporting persons  
as a group, 952,683 shares (4.3%)

12 CHECK BOX IF THE  
AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN  
SHARES (See Instructions)   
PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

13 For the reporting person listed on this  
page, 0.2%; for all reporting persons  
as a group, 4.3%

14

TYPE OF REPORTING PERSON  
CO

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NAME OF REPORTING PERSONS

David Nierenberg

CHECK THE APPROPRIATE BOX  
IF A MEMBER OF A GROUP (See  
Instructions)

(a)  (b)

SEC USE ONLY

SOURCE OF FUNDS (See  
Instructions)

AF

CHECK BOX IF DISCLOSURE OF  
LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS  
2(d) or 2(e)

CITIZENSHIP OR PLACE OF  
ORGANIZATION

United States of America

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

7 SOLE VOTING POWER  
0

8 SHARED VOTING POWER  
952,683 common shares (4.3%)

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
952,683

AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

For the reporting person listed on this  
page, 952,683; for all reporting  
persons as a group, 952,683 shares  
(4.3%)

CHECK BOX IF THE  
AGGREGATE AMOUNT IN ROW  
(11) EXCLUDES CERTAIN  
SHARES (See Instructions)

PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

For the reporting person listed on this  
page, 4.3%; for all reporting persons

as a group, 4.3%

TYPE OF REPORTING PERSON

IN

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14

This Amendment No. 6 to Schedule 13D (this "Amendment") amends the below-indicated items from the Schedule 13D with respect to the shares of common stock (the "Common Stock") of Rosetta Stone Inc., ("RST" or the "Company") previously filed by or on behalf of the Reporting Persons (as defined below), as previously amended (collectively, the "Schedule 13D"), by supplementing such Items with the information below.

The names of the persons filing this Amendment (collectively, the "Reporting Persons") are: The D3 Family Fund, L.P. (the "Family Fund"), The D3 Family Bulldog Fund, L.P. (the "Bulldog Fund"), The DIII Offshore Fund, L.P. (the "Offshore Fund"), Nierenberg Investment Management Company, Inc. ("NIMCO"), Nierenberg Investment Management Offshore, Inc. ("NIMO") and David Nierenberg ("Mr. Nierenberg").

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 22,299,301 Shares outstanding as of October 27, 2017 which is the total number of Shares outstanding as reported in the Issuer's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 2, 2017.

As of the close of business on the date hereof, the Family Fund individually beneficially owned 262,627 Shares, constituting approximately 1.2% of all of the outstanding Shares.

As of the close of business on the date hereof, the Bulldog Fund individually beneficially owned 642,426 Shares, constituting approximately 2.9% of all of the outstanding Shares.

As of the close of business on the date hereof, the Offshore Fund individually beneficially owned 47,630 Shares, constituting approximately 0.2% of all of the outstanding Shares.

By virtue of its relationships with each of the Family Fund, the Bulldog Fund and the Offshore Fund discussed in further detail in Item 2, NIMCO may be deemed to be the beneficial owner of the 952,683 Shares, beneficially owned in the aggregate by the Family Fund, the Bulldog Fund and the Offshore Fund, constituting approximately 4.3% of all of the outstanding Shares.

By virtue of its relationship with the Offshore Fund discussed in further detail in Item 2, NIMO may be deemed to be the beneficial owner of the 47,630 Shares owned by the Offshore Fund, constituting approximately 0.2% of all of the outstanding Shares.

By virtue of his relationship with NIMCO and NIMO discussed in further detail in Item 2, Mr. Nierenberg may be deemed to be the beneficial owner of the 952,683 Shares beneficially owned by NIMCO and NIMO, constituting approximately 4.3% of all of the outstanding Shares.

The Reporting Persons, in the aggregate, beneficially own 952,683 Shares, constituting approximately 4.3% of the outstanding Shares.

(b) The Family Fund, NIMCO and Mr. Nierenberg have shared power (i) to vote or direct the vote of, and (ii) to dispose or direct the disposition of, the 262,627 shares of Common Stock held by the Family Fund.

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The Bulldog Fund, NIMCO and Mr. Nierenberg have shared power (i) to vote or direct the vote of, and (ii) to dispose or direct the disposition of, the 642,426 shares of Common Stock held by the Bulldog Fund.

The Offshore Fund, NIMO, NIMCO and Mr. Nierenberg have shared power (i) to vote or direct the vote of, and (ii) to dispose or direct the disposition of, the 47,630 shares of Common Stock held by the Offshore Fund.

(c) During the past sixty (60) days the following sale of Shares of Common Stock were made by the Reporting Persons named below in open market transactions:

Fund	Transaction Date	Shares	Sold Price
D3 Family Fund LP	11/28/2017	24,859	12.06
D3 Family Bulldog Fund LP	11/28/2017	48,695	12.06
DIII Offshore Fund LP	11/28/2017	4,232	12.06
D3 Family Fund LP	11/29/2017	12,901	11.99
D3 Family Bulldog Fund LP	11/29/2017	31,559	11.99
DIII Offshore Fund LP	11/29/2017	2,340	11.99
D3 Family Fund LP	11/30/2017	20,790	11.97
D3 Family Bulldog Fund LP	11/30/2017	50,854	11.97
DIII Offshore Fund LP	11/30/2017	3,770	11.97

(e) The Reporting Persons ceased to be beneficial owner of more than five percent of the outstanding Shares on November 30, 2017.

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SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information set forth in the Statement is true, complete and correct.

D3 Family Fund, L.P., D3 Family Bulldog  
Fund, L.P.,

By: Nierenberg Investment Management  
Company, Inc.

Its: General Partner

December 1, 2017      By: /s/ David Nierenberg

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David Nierenberg, President

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DIII Offshore Fund, L.P.

By: Nierenberg Investment Management  
Offshore, Inc.

Its: General Partner

December 1, 2017      By: /s/ David Nierenberg

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David Nierenberg, President

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Nierenberg Investment Management  
Company, Inc.

December 1, 2017      By: /s/ David Nierenberg

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David Nierenberg, President

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Nierenberg Investment Management  
Offshore, Inc.

December 1, 2017      By: /s/ David Nierenberg

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David Nierenberg, President

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December 1, 2017

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/s/ David Nierenberg

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David Nierenberg