

BLACKHAWK NETWORK HOLDINGS, INC  
Form SC 13D  
September 12, 2014

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

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934**

**Blackhawk Network Holdings, Inc.**

(Name of Issuer)

**Class B Common Stock**

(Title of Class of Securities)

**09238E203**

(CUSIP Number)

**Jason Carri**

**P2 Capital Partners, LLC**

**590 Madison Avenue**

**25th Floor**

**New York, NY 10022  
(212) 508-5500**

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

**September 8, 2014**

(Date of Event Which Requires Filing of this Statement)

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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(b) 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).

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CUSIP No. 09238E203 13D

- 1 Name of Reporting Person  
P2 Capital Partners, LLC
- I.R.S. Identification No. of Above Person (Entities Only).  
20-2436330
- 2 Check the Appropriate Box if a Member of a Group (See Instructions)
- |     |                                  |
|-----|----------------------------------|
| (a) | <input type="radio"/>            |
| (b) | <input checked="" type="radio"/> |
- 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 (2e)
- 6 Citizenship or Place of Organization  
Delaware
- |   |    |                          |           |
|---|----|--------------------------|-----------|
|   | 7  | Sole Voting Power        | 0         |
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 8  | Shared Voting Power      | 2,150,000 |
|   | 9  | Sole Dispositive Power   | 0         |
|   | 10 | Shared Dispositive Power | 2,150,000 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person  
2,150,000
- 12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
- 13 Percent of Class Represented by Amount in Row (11)  
5.4%
- 14 Type of Reporting Person (See Instructions)  
CO

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CUSIP No. 09238E203 13D

- 1 Name of Reporting Person.  
P2 Capital Master Fund I, L.P.
- I.R.S. Identification No. of Above Person (Entities Only).  
98-0515452
- 2 Check the Appropriate Box if a Member of a Group (See Instructions)
- |     |                                  |
|-----|----------------------------------|
| (a) | <input type="radio"/>            |
| (b) | <input checked="" type="radio"/> |
- 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, British West Indies
- |   |    |                          |
|---|----|--------------------------|
|   | 7  | Sole Voting Power        |
|   |    | 0                        |
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 8  | Shared Voting Power      |
|   |    | 694,858                  |
|   | 9  | Sole Dispositive Power   |
|   |    | 0                        |
|   | 10 | Shared Dispositive Power |
|   |    | 694,858                  |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person  
694,858
- 12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
- 13 Percent of Class Represented by Amount in Row (11)  
1.7%
- 14 Type of Reporting Person (See Instructions)  
PN

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CUSIP No. 09238E203 13D

- 1 Name of Reporting Person.  
P2 Capital Master Fund VI, L.P.
- I.R.S. Identification No. of Above Person (Entities Only).  
27-2915390
- 2 Check the Appropriate Box if a Member of a Group (See Instructions)
- |     |                                  |
|-----|----------------------------------|
| (a) | <input type="radio"/>            |
| (b) | <input checked="" type="radio"/> |
- 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<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 8  | Shared Voting Power      | 1,455,142 |
|   | 9  | Sole Dispositive Power   | 0         |
|   | 10 | Shared Dispositive Power | 1,455,142 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person  
1,455,142
- 12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
- 13 Percent of Class Represented by Amount in Row (11)  
3.6%
- 14 Type of Reporting Person (See Instructions)  
PN

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CUSIP No. 09238E203 13D

- 1 Name of Reporting Person.  
Claus Moller
- I.R.S. Identification No. of Above Person (Entities Only).
- 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 if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
- 6 Citizenship or Place of Organization  
Denmark
- |   |    |                          |
|---|----|--------------------------|
|   | 7  | Sole Voting Power        |
|   |    | 0                        |
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 8  | Shared Voting Power      |
|   |    | 2,150,000                |
|   | 9  | Sole Dispositive Power   |
|   |    | 0                        |
|   | 10 | Shared Dispositive Power |
|   |    | 2,150,000                |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person  
2,150,000
- 12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
- 13 Percent of Class Represented by Amount in Row (11)  
5.4%
- 14 Type of Reporting Person (See Instructions)  
IN

**Item 1. Security and Issuer.**

This Schedule 13D relates to the shares of Class B Common Stock (the Class B Shares ) of Blackhawk Network Holdings, Inc., a Delaware corporation (the Issuer ). The Issuer's principal executive offices are located at 6220 Stoneridge Mall Road, Pleasanton, California 94588.

**Item 2. Identity and Background**

This statement is being filed by and on behalf of the following persons: P2 Capital Partners, LLC (the Manager ), a Delaware limited liability company, P2 Capital Master Fund I, L.P., a Cayman Islands exempted limited partnership ( Master Fund I ), P2 Capital Master Fund VI, L.P., a Delaware limited partnership ( Master Fund VI ) and, together with Master Fund I, the Funds ), and Claus Moller, a citizen of Denmark (all the preceding persons are the Reporting Persons ).

The address of the principal office of each of the above Reporting Persons is 590 Madison Avenue, 25th Floor, New York, NY 10022.

The Funds are principally involved in the business of investing in securities. The Manager is principally involved in the business of providing investment advisory and investment management services to the Funds and, among other things, exercises all voting and other powers and privileges attributable to any securities held for the account of the Funds. Mr. Moller is the managing member of the Manager.

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

**Item 3. Source and Amount of Funds or Other Consideration.**

The source of funds for the purchases of Class B Shares reported on herein was cash on hand and the general working capital of the respective purchasers, which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business.

As of September 11, 2014, Master Fund I had invested \$17,234,054 (excluding brokerage commissions) in the Class B Shares of the Issuer and Master Fund VI had invested \$35,461,995 (excluding brokerage commissions) in the Class B Shares of the Issuer.

**Item 4. Purpose of Transaction**

The Reporting Persons acquired their beneficial ownership of the Class B Shares in order to obtain a significant equity position in the Issuer. Consistent with their investment purpose, the Reporting Persons have had or may in the future have discussions with management, members of the board of directors and other shareholders and may make suggestions and give advice to the Issuer regarding measures and changes that would maximize shareholder value. Such discussions and advice may concern the Issuer's operations, capital structure, strategic and extraordinary transactions, management and governance and other matters that the Reporting Persons deem relevant to their investment in the Issuer.

The Reporting Persons may at any time acquire additional Class B Shares (or other securities) of the Issuer or dispose of any or all of their Class B Shares or other securities in the open market or otherwise or engage in any hedging or similar transactions with respect to such Class B Shares (or other securities), depending upon their ongoing evaluation of their investment in such Class B Shares (or other securities), prevailing market conditions, other investment opportunities and/or other investment considerations.

Except as otherwise set forth above in this Item 4, none of the Reporting Persons have any present plans or proposals that relate to or would result in any of the actions specified in clauses (a) through (j) of the instructions to Item 4 of Schedule 13D.

**Item 5. Interest in Securities of Issuer.**

(a), (b): The responses of the Reporting Persons to Rows (7) through (13) of the cover pages of this Statement on Schedule 13D are incorporated herein by reference. As of the close of business on September 11, 2014, Master Fund I beneficially owned an aggregate of 694,858 Class B Shares, representing approximately 1.7% of the outstanding Class B Shares and Master Fund VI beneficially owned an aggregate of 1,455,142 Class B Shares, representing approximately 3.6% of the outstanding Shares. As of the close of business on September 11, 2014, each of the Manager and Mr. Moller may be deemed to beneficially own 2,150,000 Class B Shares of Common Stock, in the aggregate, which represented approximately 5.4% of the outstanding Class B Shares. All percentages set forth in this paragraph are based on 40,175,000 Class B Shares of Common Stock outstanding (as of July 15, 2014), which number of Class B Shares of Common Stock is based upon the Issuer's Report on Form 10-Q filed on July 22, 2014 for the quarter ended June 14, 2014.

Each of the Funds is the direct owner of the Class B Shares reported owned by it. For purposes of disclosing the number of Class B Shares beneficially owned by each of the Reporting Persons, the Manager, as investment manager of the Funds, and Mr. Moller, as managing member of the Manager, may be deemed to own beneficially (as that term is defined in Rule 13d-3 under the Securities Exchange Act of 1934) all Class B Shares that are owned beneficially and directly by the Funds. Each of the Manager and Mr. Moller disclaims beneficial ownership of such Class B Shares for all other purposes. Master



Fund I and Master Fund VI each disclaim beneficial ownership of the Class B Shares held directly by the other.

(c) Except as set forth above or in Schedule I, no Reporting Person has effected any transaction in the Class B Shares during the 60 days preceding the date hereof.

(d) Not applicable.

(e) Not applicable.

**Item 6. Contracts, Arrangements, Understandings, and Relationships with respect to Securities of the Issuer.**

Except as set forth herein, there are no contracts, arrangements, understandings or relationships among the persons named in Item 2 or between such persons and any other person with respect to the Class B Shares.

**Item 7. Material to be Filed as Exhibits.**

Exhibit 99.1: Joint Filing Agreement, dated September 12, 2014, among P2 Capital Master Fund I, L.P., P2 Capital Master Fund VI, L.P., P2 Capital Partners, LLC and Claus Moller.

**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.

Date: September 12, 2014

P2 CAPITAL MASTER FUND I, L.P.

By: P2 Capital Partners, LLC,  
as Investment Manager

By: s/Claus Moller  
Name: Claus Moller  
Title: Managing Member

P2 CAPITAL MASTER FUND VI, L.P.

By: P2 Capital Partners, LLC,  
as Investment Manager

By: s/Claus Moller  
Name: Claus Moller  
Title: Managing Member

P2 CAPITAL PARTNERS, LLC

By: s/Claus Moller  
Name: Claus Moller  
Title: Managing Member

CLAUS MOLLER

s/Claus Moller

**INDEX TO EXHIBITS**

**Exhibit No.**

99.1

**Exhibit**

Joint Filing Agreement, dated September 12, 2014, among P2 Capital Master Fund I, L.P., P2 Capital Master Fund VI, L.P., P2 Capital Partners, LLC and Claus Moller