

Edgar Filing: BRANTLEY CAPITAL CORP - Form SC 13D

BRANTLEY CAPITAL CORP
Form SC 13D
June 14, 2002

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 4) *

Brantley Capital Corporation
(Name of Issuer)

Common Stock
(Title of Class of Securities)

105-494-108
(CUSIP Number)

Richard A. Barone
Ancora Capital Inc.
One Chagrin Highlands
2000 Auburn Drive, Suite 420
Cleveland, Ohio 44122
(216) 825-4000

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

June 10, 2002
(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 which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box ☐.

Check the following box if a fee is being paid with the statement ☐.

SCHEDULE 13D

CUSIP No.
105-494-108

Page 2 of 6 Pages

Edgar Filing: BRANTLEY CAPITAL CORP - Form SC 13D

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Richard A. Barone

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) ☐ (b) ☐

3 SEC USE ONLY

4 SOURCE OF FUNDS*
OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
State of Ohio, U.S.A.

| | |
|---|-------------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 SOLE VOTING POWER 20,000 |
| | 8 SHARED VOTING POWER 0 |

9 SOLE DISPOSITIVE POWER
20,000

10 SHARED DISPOSITIVE POWER
371,480

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 391,480

Edgar Filing: BRANTLEY CAPITAL CORP - Form SC 13D

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*
|_|

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 10.27%

14 TYPE OF REPORTING PERSON*
IN

Item 1. Security and Issuer

This Statement relates to the shares of Common Stock (the "Shares") of Brantley Capital Corporation ("Brantley" or the "Issuer"). The principal executive offices of Brantley are located at 20600 Chagrin Boulevard, Suite 1150, Cleveland, Ohio 44122.

Item 2. Identity and Background

On October 3, 2000, Resource Management, Inc. ("RMI") d.b.a. Maxus Investment Group ("MIG"), executed an Agreement and Plan of Merger with Fifth Third Bancorp ("FTB"), pursuant to which FTB acquired all of the stock of RMI by means of a merger of RMI with and into FTB. MIG was a financial services corporation which owned all of the outstanding shares of Gelfand Maxus Asset Management Inc., an entity incorporated under the laws of the State of Ohio ("GMAM"), Maxus Asset Management, an entity incorporated under the laws of the State of Ohio ("MAM"), and Maxus Securities Corporation, an entity incorporated under the laws of the State of Ohio ("MSC"). GMAM and MAM were registered investment advisors having the power to dispose of the Shares owned by the investment clients for which they acted as advisors. MSC was a broker-dealer. MAM acted as the investment adviser to and manager for Maxus Income Fund, Maxus Equity Fund, Maxus Laureate Fund, Maxus Ohio Heartland Fund and Maxus Aggressive Value Fund pursuant to an Investment Advisory and Administration Agreement.

FTB, an Ohio corporation, is a registered financial holding company and a bank holding company. FTB provides a diversified range of banking and nonbanking services and products. FTB's principal office is located in Cincinnati, Ohio and its common stock is traded in the over-the-counter market through The Nasdaq National Market under the symbol "FITB."

Richard A. Barone, an individual ("Mr. Barone"), was a director of GMAM; the controlling shareholder of MIG; principally employed as CEO of MIG, MAM, and MSC; Chairman of Maxus Income Fund, Maxus Equity Fund, Maxus Laureate Fund, Maxus Ohio Heartland Fund and Maxus Aggressive Value Fund, all of which are registered under the Investment Company Act of 1940. On November 30, 2000, RMI sold its stock investment in BD Holdings Inc., an entity incorporated under the laws of the State of Nevada ("BDH"), to Mr. Barone. BDH later changed its name to Ancora Securities Inc. ("Ancora Securities"), which became a wholly-owned subsidiary of Ancora Capital Inc. ("Ancora Capital"). Ancora Securities is a broker-dealer that operates a correspondence business which executes marketable security transactions on behalf of other broker-dealers and serves as broker to a limited number of individual and institutional clients.

Edgar Filing: BRANTLEY CAPITAL CORP - Form SC 13D

The Agreement and Plan of Merger between FTB and RMI closed on January 2, 2001. Upon the closing of the Transaction, MAM became a wholly-owned subsidiary of FTB. MAM has changed its name to Fifth Third Investment Advisors ("FTIA"). Mr. Barone no longer has an official title or responsibilities at FTIA except as portfolio manager. A majority of the outstanding voting shareholders of the Maxus Income Fund, Maxus Equity Fund and Maxus Aggressive Value Fund approved a New Investment Advisory Agreement with FTIA in which Mr. Barone was retained as the portfolio manager of these funds, which have been merged into the Fifth Third (Maxus) Multi Cap Value Fund, Fifth Third (Maxus) Micro Cap Value Fund and the Fifth Third (Maxus) Strategic Income Fund respectively.

As a result of the items described above, this Amendment Statement is filed on behalf of Mr. Barone, an individual, whose business address is One Chagrin Highlands, 2000 Auburn Drive, Suite 420, Cleveland, Ohio 44122. Mr. Barone and the other entities named herein each disclaim membership in a Group as such term

is defined in Section 13(d)(3) of the Securities Exchange Act of 1934 and the Rules and Regulations promulgated thereunder.

Ancora Capital is a recently formed holding company which owns 100% of the stock of Ancora Securities (formerly BDH). Ancora Capital is not associated with FTIA or FTB. Mr. Barone is the controlling shareholder of Ancora Capital; an individual investor; portfolio manager of the Fifth Third (Maxus) Multi Cap Value Fund, Fifth Third (Maxus) Micro Cap Value Fund and the Fifth Third (Maxus) Strategic Income Fund, all of which are registered under the Investment Company Act of 1940; and portfolio manager of Fifth Third Investment Advisors for privately managed client accounts managed by Fifth Third Investment Advisors.

During the last five years, Mr. Barone has not been convicted in a criminal proceeding and has not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction, as a result of which he 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.

Mr. Barone is a U.S. citizen.

Item 3. Source and Amount of Funds or Other Consideration

Ancora Securities owns no Shares directly but Ancora Securities may be deemed to own (within the meaning of Rule 13(d)(3) of the Securities Exchange Act of 1934) 122,880 Shares purchased by Ancora Securities for the accounts of its investment clients. Ancora Securities disclaims beneficial ownership of such Shares.

Item 4. Purpose of Transaction

Mr. Barone and the other entities named herein acquired Shares to establish investment positions in the Issuer. Subject to market and business conditions and other factors, Mr. Barone and other entities named herein may purchase additional Shares, maintain their present ownership of Shares or sell some or all of the Shares.

According to a Schedule 13D filed June 10, 2002 by Phillip Goldstein with respect to the Common Stock of the Issuer, Mr. Goldstein, a director of Brantley and the beneficial owner of 253,400 Shares or 6.65% of the outstanding Shares, and Robert P. Pinkas, Chairman of the Board of Directors of Brantley, have reached an impasse with respect to the best way to maximize value for shareholders. As a result, Mr. Goldstein has notified Brantley that he intends

Edgar Filing: BRANTLEY CAPITAL CORP - Form SC 13D

to nominate two people, Gerald Hellerman and Andrew Dakos, for election as directors, and to present two proposals at Brantley's 2002 Annual Meeting of Shareholders scheduled for August 8, 2002. The proposals to be presented include a proposal that an orderly liquidation of Brantley be commenced as soon as practicable, and if that proposal is approved, that the existing investment advisory agreement be terminated and a new advisory agreement be negotiated at a reduced fee.

Mr. Barone supports Mr. Goldstein regarding his intent to nominate such individuals and present such proposals. As noted on page 2 of this Statement, Mr. Barone has sole voting power over 20,000 Shares, shared voting power over no Shares, sole dispositive power over 20,000 Shares and shared dispositive power

over 371,480 Shares. There is no agreement between Mr. Barone, the other entities named herein and Mr. Goldstein to buy, sell or vote their Shares together.

Item 5. Interest in Securities of the Issuer

Set forth below for Mr. Barone and the other entities named herein, in the aggregate, is the number of Shares which may be deemed to be beneficially owned as of the beginning of business on June 10, 2002, and the percentage of the Shares outstanding represented by such ownership (based on 3,810,535 shares outstanding):

| Name: | No. of Shares | Percent of Class |
|---------------------------------|---------------|------------------|
| Ancora Securities(1) | 102,880 | 2.70 % |
| Richard Barone(2) | 20,000 | 0.52 % |
| Fifth Third Mutual Funds(3) | 33,100 | 0.87 % |
| Fifth Third Managed Accounts(4) | 235,500 | 6.18 % |
| Total(5) | 391,480 | 10.27 % |

(1) These Shares are owned by investment clients of Ancora Securities who may be deemed to beneficially own these Shares by reason of their power to dispose of such Shares. Ancora Securities disclaims beneficial ownership of all such Shares.

(2) Shares owned directly by Mr. Barone as an individual investor and are held at Ancora Securities.

(3) Mr. Barone owns zero of these Shares directly but, by virtue of his positions as portfolio manager of the Fifth Third (Maxus) Multi Cap Value Fund, Fifth Third (Maxus) Micro Cap Value Fund and the Fifth Third (Maxus) Strategic Income Fund, all of which are registered under the Investment Company Act of 1940, he may be deemed to beneficially own 33,100 Shares. Mr. Barone disclaims beneficial ownership of all such Shares.

(4) Mr. Barone owns zero of these Shares directly but, by virtue of his positions as portfolio manager of Fifth Third Investment Advisors for privately managed client accounts managed by Fifth Third Investment Advisors, he may be deemed to beneficially own 235,500 Shares. Mr. Barone disclaims beneficial ownership of all such Shares.

Edgar Filing: BRANTLEY CAPITAL CORP - Form SC 13D

(5) Mr. Barone owns 20,000 Shares directly but, by virtue of his positions as the controlling shareholder of Ancora Securities; an individual investor; portfolio manager of the Fifth Third (Maxus) Multi Cap Value Fund, Fifth Third (Maxus) Micro Cap Value Fund and the Fifth Third (Maxus) Strategic Income Fund; and portfolio manager of Fifth Third Investment Advisors for privately managed client accounts managed by Fifth Third Investment Advisors, he may be deemed to beneficially own 391,480 Shares. Mr. Barone disclaims beneficial ownership of 371,480 such Shares.

(c) The following transactions were effected in the past 60 days:

A private client of Ancora Securities transferred 1,500 Shares to an account at a different investment adviser.

(d) None.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Phillip Goldstein and related entities have brokerage accounts with Samuels, Chase & Co., which has a business arrangement for execution with Ancora Securities. Except as set forth in this Statement, there are no contracts, arrangements, understandings or relationships (legal or otherwise) between Mr. Barone and any of the entities named herein or any other person with respect to any Shares.

Item 7. Material to Be Filed as Exhibits

None.

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.

June 14, 2002

Date

/s/ Richard A. Barone

Signature

Richard A. Barone

Name/Title