

REEDS JEWELERS INC
Form SC 13D/A
January 29, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO

Tender Offer Statement under Section 14(d)(1) or 13(e)(1)

of the Securities Exchange Act of 1934

REEDS JEWELERS, INC.

(Name of Subject Company (issuer))

Sparkle, LLC

Alan M. Zimmer

Herbert J. Zimmer

Jeffrey L. Zimmer

Arlene Z. Schreiber

Rose W. Zimmer

Bradley Trent Zimmer

Landon Garrett Zimmer

Andrew Michael Schreiber

Mark Harrison Schreiber

(Names of Filing Persons (Offeror and other Persons))

Common Stock, par value \$.10 per Share

(Title of Class of Securities)

758341101

(CUSIP Number of Class of Securities)

Alan M. Zimmer

Sparkle, LLC

111 Princess Street, Wilmington, NC 28401

(910) 763-4669 Ext. 203

(Name, address, and telephone numbers of persons authorized

to receive notices and communications on behalf of filing persons))

Calculation of Filing Fee:

Transaction valuation(1)	Amount of filing fee(2)
\$2,022,305.30	\$256.23

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- (1) The transaction valuation is estimated solely for purposes of calculating the filing fee pursuant to Rule 0-11(d). The calculation assumes the purchase of all outstanding common shares of Reeds Jewelers, Inc., par value \$.10 (the Shares), not beneficially owned by Sparkle, LLC, a North Carolina limited liability company (Sparkle) or its subsidiaries, at a purchase price of \$1.85 per Share, net to the seller in cash. As of January 28, 2004, there were 1,093,138 Shares on a fully diluted basis (treating as outstanding, options subject to issuance at \$1.85 or less) not beneficially owned by Sparkle or its subsidiaries.
- (2) The amount of the filing fee is calculated in accordance with Regulation 240.0-11 of the Securities Exchange Act of 1934, as amended, and Fee Rate Advisory No. 7 issued by the Securities and Exchange Commission on January 26, 2004. Such fee equals .01267 percent of the value of the transaction.
- Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: N/A

Form or Registration No.: N/A

Filing Party: N/A

Date Filed: N/A

- Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Sparkle, LLC (20-0475219)

2 Check the Appropriate box if a Member of a Group (See Instructions) (a) x

(b) ..

3 SEC Use Only

4 Source of Funds (See Instructions)

OO

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e) ..

6 Citizenship or Place of Organization

North Carolina

7 Sole Voting Power

0

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 Shares¹

9 Sole Dispositive Power

0

10 Shared Dispositive Power

7,414,234 Shares¹

11 Aggregate Amount Beneficially Owned by Each Reporting Person

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7,414,234 Shares¹

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)

87.5%¹

14 Type of Reporting Person (See Instructions)

OO

¹ Includes 7,414,234 shares contributed to Sparkle, LLC by its members.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Alan M. Zimmer

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)

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e)

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

4,000 shares¹

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares²

9 Sole Dispositive Power

4,000 shares¹

10 Shared Dispositive Power

7,414,234 shares²

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,418,234 shares^{1, 2}

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%^{1, 2}

14 Type of Reporting Person (See Instructions)

IN

¹ Includes 4,000 shares covered by a vested option.

² Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company, of which Alan M. Zimmer is a member.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Herbert J. Zimmer

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)

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e)

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

5,000 shares¹

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares²

9 Sole Dispositive Power

5,000 shares¹

10 Shared Dispositive Power

7,414,234 shares²

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,419,234 shares^{1, 2}

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%^{1, 2}

14 Type of Reporting Person (See instructions)

IN

¹ Includes 5,000 shares covered by a vested option.

² Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company, of which Herbert J. Zimmer is a member.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Jeffrey L. Zimmer

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)

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e)

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

5,000 shares¹

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares²

9 Sole Dispositive Power

5,000 shares¹

10 Shared Dispositive Power

7,414,234 shares²

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,419,234 shares^{1, 2}

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%^{1,2}

14 Type of Reporting Person (See Instructions)

IN

¹ Includes 5,000 shares covered by a vested option.

² Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company, of which Jeffrey L. Zimmer is a member. Mr. Zimmer is the custodian of three members of Sparkle, LLC.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Arlene Z. Schreiber

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)

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e)

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

5,000 shares¹

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares²

9 Sole Dispositive Power

5,000 shares¹

10 Shared Dispositive Power

7,414,234 shares²

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,419,234 shares^{1, 2}

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%^{1, 2}

14 Type of Reporting Person (See Instructions)

IN

¹ Includes 5,000 shares covered by a vested option.

² Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company, of which Arlene Z. Schreiber is a member.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Rose W. Zimmer

2 Check the Appropriate Box if a Member of a Group (See Instructions) (a) x

(b) ..

3 SEC Use Only

4 Source of Funds (See Instructions)

N/A

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e) ..

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

0

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares¹

9 Sole Dispositive Power

0

10 Shared Dispositive Power

7,414,234 shares¹

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,414,234 shares¹

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%¹

14 Type of Reporting Person (See Instructions)

IN

¹ Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company. Ms. Zimmer is the custodian of three members of Sparkle, LLC.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Bradley Trent Zimmer

2 Check the Appropriate Box if a Member of a Group (see Instructions) (a) x

(b) ..

3 SEC Use Only

4 Source of Funds (See Instructions)

N/A

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e) ..

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

0

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares¹

9 Sole Dispositive Power

0

10 Shared Dispositive Power

7,414,234 shares¹

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,414,234 shares¹

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (see Instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%¹

14 Type of Reporting Person (see Instructions)

IN

¹ Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company, of which Bradley Trent Zimmer is a member.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Landon Garrett Zimmer

2 Check the Appropriate Box if a Member of a Group (see Instructions) (a) x

(b) ..

3 SEC Use Only

4 Source of Funds (See Instructions)

N/A

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e) ..

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

0

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares¹

9 Sole Dispositive Power

0

10 Shared Dispositive Power

7,414,234 shares¹

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,414,234 shares¹

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%¹

14 Type of Reporting Person (See Instructions)

IN

¹ Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company, of which Landon Garrett Zimmer is a member.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only)

Andrew Michael Schreiber

2 Check the Appropriate Box if a Member of a Group (See Instructions) (a) x

(b) ..

3 SEC Use Only

4 Source of Funds (See Instructions)

N/A

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e) ..

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

0

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares¹

9 Sole Dispositive Power

0

10 Shared Dispositive Power

7,414,234 shares¹

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,414,234 shares¹

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%¹

14 Type of Reporting Person (See Instructions)

IN

¹ Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company, of which Andrew Michael Schreiber is a member.

CUSIP No. 758341101

1 Names of Reporting Persons. I.R.S. Identification Nos. of Above Persons (Entities Only).

Mark Harrison Schreiber

2 Check the Appropriate Box if a Member of a Group (See Instructions) (a) x

(b) ..

3 SEC Use Only

4 Source of Funds (See Instructions)

N/A

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e) ..

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

0

8 Shared Voting Power

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7,414,234 shares¹

9 Sole Dispositive Power

0

10 Shared Dispositive Power

7,414,234 shares¹

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11 Aggregate Amount Beneficially Owned by Each Reporting Person

7,414,234 Shares¹

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ..

13 Percent of Class Represented by Amount in Row (11)

87.5%¹

14 Type of Reporting Person (See Instructions)

IN

¹ Includes 7,414,234 shares contributed to Sparkle, LLC, a North Carolina limited liability company, of which Mark Harrison Schreiber is a member.

This Tender Offer Statement, Rule 13e-3 Transaction Statement and Schedule 13D/A filed under cover of Schedule TO relates to the offer by Sparkle, LLC, a North Carolina limited liability company (Sparkle) to purchase all of the outstanding shares of common stock, par value \$.10 per share (the Shares), of Reeds Jewelers, Inc., a North Carolina corporation (Reeds), not owned by Sparkle or its subsidiaries, at a purchase price of \$1.85 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase dated January 29, 2004 (the Offer to Purchase), a copy of which is attached hereto as Exhibit (a)(1)(i), and in the related Letter of Transmittal (which, together with the Offer to Purchase, constitute the Offer), a copy of which is attached hereto as Exhibit (a)(1)(ii).

Item 1. Summary Term Sheet

Reference is made to the information set forth under *Summary Term Sheet* and *Questions and Answers About the Tender Offer* in the Offer to Purchase, which is incorporated herein by reference.

Item 2. Subject Company Information

(a) Reference is made to the information set forth under *The Tender Offer Section 6 (Certain Information Concerning Reeds)* in the Offer to Purchase, which is incorporated herein by reference.

(b) Reference is made to the information set forth under *Introduction and the Tender Offer Section 6 (Certain Information Concerning Reeds)* in the Offer to Purchase, which is incorporated herein by reference.

(c) Reference is made to the information set forth under *The Tender Offer Section 5 (Price Range of Shares; Dividends)* in the Offer to Purchase, which is incorporated herein by reference.

Item 3. Identity and Background of Filing Person

(a) Reference is made to the information set forth under *The Tender Offer Section 7 (Certain Information Concerning Sparkle)* and *Schedule A (Information Concerning the Members and Directors of Sparkle)* in the Offer to Purchase, which is incorporated herein by reference.

(b) Reference is made to the information set forth under *The Tender Offer Section 7 (Certain Information Concerning Sparkle)* and *Schedule A (Information Concerning the Members and Directors of Sparkle)* in the Offer to Purchase, which is incorporated herein by reference.

(c) Reference is made to the information set forth under *The Tender Offer Section 7 (Certain Information Concerning Sparkle)* and *Schedule A (Information Concerning the Members and Directors of Sparkle)* in the Offer to Purchase, which is incorporated herein by reference.