

KIVES PHILIP
Form SC 13D/A
January 27, 2005

**UNITED STATES
SECURITIES AND EXCHANGE
COMMISSION**

Washington, D.C. 20549

SCHEDULE 13D

(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO
RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)**

**Under the Securities Exchange Act of 1934
(Amendment No. 4)(1)**

K-Tel International, Inc.

(Name of Issuer)

Common Stock, \$.01 par value per share

(Title of Class of Securities)

482724 20 0

(CUSIP Number)

**Mark S. Weitz, Esq., Leonard, Street and Deinard, P.A., 150 South Fifth Street,
Suite 2300, Minneapolis, Minnesota 55402
(612) 335-1500**

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

January 25, 2005

(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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Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

(1) 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. 482724 20 0

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
Philip Kives
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)
PF & OO
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Canada
7. Sole Voting Power
10,076,953 (1)
8. Shared Voting Power
-0-
9. Sole Dispositive Power
10,076,953 (1)
10. Shared Dispositive Power
-0-
11. Aggregate Amount Beneficially Owned by Each Reporting Person
10,076,953 (1)
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
13. Percent of Class Represented by Amount in Row (11)
74%
14. Type of Reporting Person (See Instructions)
IN

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

(1) See footnotes in Item 5(a) and (b) regarding stock ownership.

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
K-5 Leisure Products, 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)
WC & OO
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Nevada
7. Sole Voting Power
8,048,678
8. Shared Voting Power
-0-
9. Sole Dispositive Power
8,048,678
10. Shared Dispositive Power
-0-
11. Aggregate Amount Beneficially Owned by Each Reporting Person
8,048,678
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
13. Percent of Class Represented by Amount in Row (11)
59%
14. Type of Reporting Person (See Instructions)
CO

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
National Developments Ltd.
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 & OO
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Manitoba, Canada
7. Sole Voting Power
325,336
8. Shared Voting Power
-0-
9. Sole Dispositive Power
325,336
10. Shared Dispositive Power
-0-
11. Aggregate Amount Beneficially Owned by Each Reporting Person
325,336
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
13. Percent of Class Represented by Amount in Row (11)
2%
14. Type of Reporting Person (See Instructions)
CO

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

Introduction.

The reporting persons are filing this Schedule 13D amendment, which amends the reporting persons' Schedule 13D originally filed March 5, 2003, as amended to date, to report current aggregate holdings in K-Tel International, Inc. (the Issuer) and transactions in the Issuer's common stock not previously reported. Philip Kives beneficially owns the shares covered by this Schedule 13D personally and through entities he controls.

Item 1. Security and Issuer

Common Stock, \$.01 par value per share
K-Tel International, Inc., a Minnesota corporation
2655 Cheshire Lane North, Suite 100
Plymouth, Minnesota 55447

Item 2. Identity and Background

Item 2(a). Name of Person Filing.

- (i) Philip Kives
- (ii) K-5 Leisure Products, Inc., a Nevada corporation
- (iii) National Developments Ltd., a Manitoba corporation

Item 2(b). Business Address.

- (i), (ii) 220 Saulteaux Crescent
- & (iii) Winnipeg, Manitoba R3Z 3W3
Canada

Item 2(c). Present Principal Occupation.

- (i) Chairman and Chief Executive Officer of K-Tel International, Inc.
2655 Cheshire Lane North, Suite 100
Plymouth, Minnesota 55447
- (ii) Investment and wholesale distribution
- (iii) Holding company and rental property investment and development

Item 2(d). Conviction of Criminal Proceeding in Last Five Years.

- (i), (ii) None
- & (iii) None

Item 2(e). Conviction of Civil Proceeding in Last Five Years.

- (i), (ii) None
- & (iii) None

Item 2(f). Citizenship.

- (i) Canada
- (ii) Nevada corporation
- (iii) Manitoba corporation

Item 3. Source and Amount of Funds or Other Consideration

Except as described in the reporting persons' original Schedule 13D and later amendments, all of the shares were acquired by the reporting persons with working capital and/or personal funds in market transactions at fair market value at the time of each transaction.

Item 4. Purpose of Transaction

Philip Kives, one of the reporting persons, is the founder and principal shareholder of the Issuer and has acquired shares personally and through K-5 Leisure Products, Inc. and National Developments Ltd., his wholly-owned entities, to increase his equity position, assist the Issuer with its capital requirements and to maintain his control of the Issuer. Mr. Kives will continually evaluate his position to determine what, if any, actions to take with respect to his ownership position.

On November 26, 2003, K-5 Leisure Products, Inc. adopted a Trading Plan intended to comply with Rule 10b5-1(c)(1) of the Securities Exchange Act of 1934, as amended. The Trading Plan directs K-5 Leisure Products, Inc.'s broker to acquire up to an aggregate of 1,400,000 shares of the Issuer's common stock from time to time when shares are available for purchase at less than the price designated in the Trading Plan. K-5 Leisure Products, Inc. terminated the Trading Plan on January 26, 2005.

It should be noted that the possible activities of the reporting persons are subject to change at any time. Except as set forth above, the reporting persons have no present plans or proposals that would result in or relate to any of the actions described in subparagraphs (a) - (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer**Items 5(a)****and (b).****Aggregate Number and Percentage of Class of Securities.**

As of the date of this statement, the reporting persons beneficially own the number of shares of common stock set forth below. The percentages set forth below represent the percentages of the outstanding shares of common stock (based on a total of 13,653,738 shares of common stock outstanding as reported in the Issuer's Form 10-K for the fiscal year ended June 30, 2004) beneficially owned by the reporting persons.

Philip Kives	10,076,953(1) (2)	(74)%
Sole Voting Power:	10,076,953(1) (2)	
Shared Voting Power:	-0-	
Sole Dispositive Power:	10,076,953(1) (2)	
Shared Dispositive Power:	-0-	
K-5 Leisure Products, Inc.	8,048,678	(59)%
Sole Voting Power:	8,048,678	
Shared Voting Power:	-0-	
Sole Dispositive Power:	8,048,678	
Shared Dispositive Power:	-0-	
National Developments Ltd.	325,336	(2)%
Sole Voting Power:	325,336	
Shared Voting Power:	-0-	
Sole Dispositive Power:	325,336	
Shared Dispositive Power:	-0-	

(1) Philip Kives beneficially owns 8,048,678 shares of common stock through K-5 Leisure Products, Inc. and 325,336 shares of common stock through National Developments Ltd.

(2) Philip Kives beneficially owns 1,702,939 vested options to purchase shares of common stock.

Item 5(c). Transactions Effected Within the Last 60 Days.

K-5 Leisure Products, Inc. has engaged in the following transactions during the past 60 days:

Reporting Person	Date	Type	No. Shares	Price/Share
K-5 Leisure	12/29/2004	Buy	1,200	0.10
K-5 Leisure	12/30/2004	Buy	200	0.10
K-5 Leisure	12/31/2004	Buy	1,800	0.10
K-5 Leisure	1/6/2005	Buy	14,000	0.10
K-5 Leisure	1/12/2005	Buy	8,600	0.10
K-5 Leisure	1/21/2005	Buy	10,000	0.10
K-5 Leisure	1/24/2005	Buy	65,000	0.10
K-5 Leisure	1/25/2005	Buy	75,000	0.095