

Edgar Filing: THEGLOBE COM INC - Form SC 13D/A

THEGLOBE COM INC
Form SC 13D/A
March 09, 2004

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D/A-3

Under the Securities Exchange Act of 1934

theglobe.com, inc.

(Name of Issuer)

Common Stock, par value \$0.001 per share

(Title of Class of Securities)

88335R101

(CUSIP Number)

Donald E. Thompson, II, Esq.
Proskauer Rose LLP
2255 Glades Road, Suite 340W
Boca Raton, Florida 33431
(561) 241-7400

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

March 5, 2004

(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

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 the 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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1 NAME OF REPORTING PERSONS Dancing Bear Investments, Inc.
S.S. or I.R.S. IDENTIFICATION NO. of ABOVE PERSONS _____

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

3 SEC USE ONLY

4 SOURCE OF FUNDS* 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 Florida

| | | | |
|---|----|--------------------------|-----------|
| | 7 | SOLE VOTING POWER | -0- |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 8 | SHARED VOTING POWER | 8,303,148 |
| | 9 | SOLE DISPOSITIVE POWER | -0- |
| | 10 | SHARED DISPOSITIVE POWER | 8,303,148 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 8,303,148

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11 15.9%

14 TYPE OF REPORTING PERSON* CO

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1 NAME OF REPORTING PERSONS E&C Capital Partners, LLLP

S.S. or I.R.S. IDENTIFICATION NO. of ABOVE PERSONS _____

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

3 SEC USE ONLY

4 SOURCE OF FUNDS* 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 Florida

| | | | |
|---|----|--------------------------|------------|
| | 7 | SOLE VOTING POWER | -0- |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 8 | SHARED VOTING POWER | 32,469,012 |
| | 9 | SOLE DISPOSITIVE POWER | -0- |
| | 10 | SHARED DISPOSITIVE POWER | 32,469,012 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 32,469,012

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11 39.7%

14 TYPE OF REPORTING PERSON* PN

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1 NAME OF REPORTING PERSONS Michael S. Egan

S.S. or I.R.S. IDENTIFICATION NO. of ABOVE PERSONS

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

3 SEC USE ONLY

4 SOURCE OF FUNDS* PF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION United States

| | | | |
|---|----|--------------------------|----------------|
| | 7 | SOLE VOTING POWER | 7,911,032 (1) |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 8 | SHARED VOTING POWER | 51,032,242 (2) |
| | 9 | SOLE DISPOSITIVE POWER | 7,911,032 (1) |
| | 10 | SHARED DISPOSITIVE POWER | 51,032,242 (2) |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 58,943,274 (3)

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11 57.7%

14 TYPE OF REPORTING PERSON* IN

(1) (2) (3) Please see the next page

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(1) Represents (i) 3,839,240 shares issuable upon the exercise of certain options which are either now exercisable or exercisable within the next 60 days by Mr. Egan individually, (ii) 530,455 shares of common stock owned directly by Mr. Egan and (iii) 3,541,337 shares owned by Mr. Egan's spouse, of which Mr. Egan disclaims beneficial ownership.

(2) Represents (i) 8,303,148 shares of common stock owned by Dancing Bear Investments, Inc., (ii) 32,469,012 shares of common stock owned by E&C Capital Partners, LLLP, (iii) an aggregate of 10,000,000 shares of common stock which are owned by certain trusts of which Mr. Egan is the trustee, (iv) 56,000 shares of the common stock owned by certain trusts of which Mr. Egan is the trustee; and (v) warrants to acquire 204,082 shares of common stock, subject to certain anti-dilution adjustment mechanisms, owned by Mr. Egan and his spouse as tenants in the entirety. As to the shares identified in clause (v) above, Mr. Egan shares such beneficial ownership with his spouse.

(3) Represents the sum of the items enumerated in footnotes (1) and (2) above.

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Item 1. Security and Issuer

This Schedule 13D ("Schedule 13D") relates to common stock, par value \$.001 ("Common Stock"), of theglobe.com, inc., a Delaware corporation (the "Issuer" or the "Company"). The principal executive offices of the Issuer are located at 110 East Broward Blvd., Suite 1400, Fort Lauderdale, Florida 33301.

Item 2. Identity and Background

(a)-(c) This Schedule 13D/A-3 is filed on a joint basis pursuant to Rule 13d-1(k) by Dancing Bear Investments, Inc., a Florida corporation ("DBI"), E&C Capital Partners, LLLP, a Florida limited liability limited partnership ("E&C") and Michael S. Egan ("Mr. Egan" and collectively with DBI and E&C, the "Reporting Person"). The address of each of the Reporting Persons is 110 East Broward Boulevard, 14th Floor, Fort Lauderdale, Florida 33301. Mr. Egan is the Chairman and Chief Executive Officer of the Issuer and a private investor. Mr. Egan has a controlling interest in both DBI and E&C.

(d)-(e) During the last five years, neither DBI, E&C nor Mr. Egan has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors), or been a party to a civil proceeding of a judicial or administrative body of competent 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.

(f) Mr. Egan is a citizen of the United States.

Item 3. Source and Amount of Funds or Other Consideration

This Amendment amends the original Schedule 13D dated March 28, 2003 filed by DBI, E&C and Mr. Egan, as amended. This Amendment gives effect to

(a) conversion of the following convertible securities: (i) 333,333 shares of Series F Convertible Preferred Stock, which were convertible at any time into approximately 16,666,650 shares of common stock, subject to certain anti-dilution adjustment mechanisms, owned by E&C Capital Partners, LLLP, (ii) a \$750,000 Convertible Note, which was convertible at any time into 9,444,444 shares of common stock, subject to certain anti-dilutive adjustment mechanisms,

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owned by E&C Capital Partners, LLLP, (iii) an aggregate of \$1,000,000 in Convertible Notes, which were convertible at any time into 10,000,000 shares of common stock, subject to certain anti-dilutive adjustment mechanisms, which were owned by certain trusts of which Mr. Egan is the trustee, and (iv) a \$2,000,000 Convertible Bridge Note, which was converted, after giving effect to the anti-dilutive provisions thereof, into 3,527,337 shares of common stock, formerly owed by Mr. Egan and his spouse as tenants by the entirety, and now owned by his spouse, and

(b) the exercise of the following warrants, in a cashless exercise basis: (i) warrants to acquire 6,470,725 shares of common stock owned by Dancing Bear Investments, Inc., and (ii) warrants to acquire 7,222,222 shares of common stock owned by E&C Capital Partners, LLLP, In connection with the conversion of the Convertible Bridge Note, all shares issuable upon conversion thereof were issued solely in the name of Mr. Egan's spouse.

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No new consideration was paid in connection with the conversion of the foregoing convertible securities. The aggregate exercise price of the foregoing 13,692,947 warrants was paid on a "cashless exercise" basis pursuant to which the Issuer retained an aggregate of 4,555,469 of the shares of common stock and issued to the warrant holders an aggregate of 9,137,478 shares of common stock.

Item 4. Purpose of Transaction

The Conversions and Exercises were completed for investment purposes.

The Reporting Persons are not aware of any plans or proposals which the Reporting Persons may have which relate to or would result in:

(a) the acquisition by any person of additional securities of the Issuer or the disposition of securities of the Issuer.

(b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries.

(c) a sale or transfer of a material amount of assets of the Issuer or of any of its subsidiaries.

(d) any other material change in the Issuer's business or corporate structure.

(e) any material change in the present capitalization or dividend policy of the Issuer other than as described herein.

(f) any other material changes in the Issuer's business or corporate structure.

(g) any changes in the Issuer's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition or control of the Issuer by any person.

(h) the securities of the Issuer to be delisted from a national securities exchange or to cease to be authorized or to be quoted in an inter-dealer quotation system of a registered national securities association.

(i) in a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act.

(j) any action similar to any of those enumerated above.

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Item 5. Interest in Securities of the Issuer

(a) (b) The amounts and percentages of Common Stock set forth in this Item 5 are based on (i) the shares beneficially owned by DBI, E&C and Mr. Egan, as set forth in Item 3 and (ii) 49,369,793 shares of Common Stock outstanding as of October 27, 2003.

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Amount beneficially owned:

8,303,148 with respect to DBI
32,469,012 with respect to E&C
58,929,274 with respect to Mr. Egan

Percent of class:

15.9% with respect to DBI
39.7% with respect to E&C
57.7% with respect to Mr. Egan

Number of shares as to which the person has:

sole power to vote or to direct the vote:

-0- with respect to DBI
-0- with respect to E&C
7,911,032 with respect to Mr. Egan

shared power to vote or to direct the vote:

8,303,148 with respect to DBI
32,469,012 with respect to E&C
51,032,242 with respect to Mr. Egan

sole power to dispose or to direct the disposition of:

-0- with respect to DBI
-0- with respect to E&C
7,911,032 with respect to Mr. Egan

shared power to dispose or to direct the disposition of:

8,303,148 with respect to DBI
32,469,012 with respect to E&C
58,943,274 with respect to Mr. Egan

(c) On February 2, 2004, Mr. Egan and his spouse entered into a Note Purchase Agreement with the Issuer pursuant to which they acquired a convertible promissory note (the "Convertible Note") in the aggregate principal amount of \$2,000,000. The Convertible Note was converted into shares of the Issuer's common stock at the rate of \$.567 per share, for an aggregate of 3,527,337 shares. In addition, Mr. Egan and his spouse were issued a warrant to acquire an aggregate of 204,082 shares of theglobe.com common stock at an exercise price of \$1.22 per share. The warrant is exercisable at any time on or before February 2, 2009. The Egan's are entitled to certain demand and piggy-back registration rights in connection with such investment.

(d) None

(e) Not applicable

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

Other than as set forth in items 4 and 5 above, none of the Reporting Persons is a party to any contracts, arrangements, understandings or relationships of the nature described by item 6 nor are any of the securities pledged or otherwise subject to a contingency the occurrence of which would give another person voting power or investment power over such securities.

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 Schedule 13D is true, complete and correct.

/s/ Michael S. Egan

Michael S. Egan

Dancing Bear Investments, Inc.

By: /s/ Michael S. Egan

Michael S. Egan
Title: President

E & C Capital Partners, LLLP

By: E & C Capital Ventures, Inc.

By: /s/ Edward A. Cespedes

Print Name: Edward A. Cespedes
Title: President