

Edgar Filing: CARRIAGE SERVICES INC - Form SC 13G

CARRIAGE SERVICES INC
Form SC 13G
February 15, 2005

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

SCHEDULE 13G

Under the Securities & Exchange Act of 1934

(Amendment No. 1)*

Carriage Services, Inc.
(Name of Issuer)

Common Stock, \$.01 par value
(Title of Class of Securities)

143905107
(CUSIP Number)

December 31, 2004
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which
this schedule is filed:

- Rule 13d-1(b)
 Rule 13d-1(c)
 Rule 13d-1(d)

* 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 in 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.)

Potential persons who are to respond to the collection of information
contained in this form are not required to respond unless the form
displays a currently valid OMB control number.

CUSIP No. 143905107

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1. Names of Reporting Persons.

I.R.S. Identification Nos. of above persons (entities only).

Zazove Associates, LLC 36-3984373

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

(a) ()

(b) ()

3. SEC Use Only

4. Citizenship or Place of Organization: Delaware

Number of
Shares Bene-
ficially by
Owned by Each
Reporting
Person With:

5. Sole Voting Power: 1,344,201 (see item 4)

6. Shared Voting Power: 0

7. Sole Dispositive Power: 1,344,201 (see item 4)

8. Shared Dispositive Power: 0

9. Aggregate Amount Beneficially Owned by Each Reporting Person
1,344,201 (see item 4)

10. Check if the Aggregate Amount in Row (9) Excludes Certain
Shares ()

11. Percent of Class Represented by Amount in Row (9): 7.00%

12. Type of Reporting Person (See Instructions): IA

Item 1.

(a) Name of Issuer
Carriages Services, Inc.
(the "Company")

(b) Address of Issuer's Principal Executive Offices
1900 Saint James Place, 4th Floor
Houston, TX 77056

Item 2.

(a) Name of Person Filing
Zazove Associates, LLC

(b) Address of Principal Business Office or, if non,
Residence
940 Southwood, Incline Village, NV 89451

(c) Citizenship
Delaware limited liability company

(d) Title of Class of Securities
Common stock, \$.01 par value

(e) CUSIP Number

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143905107

Item 3. If this statement is filed pursuant to Sections 240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

- (a) () Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- (b) () Bank as defined in section 3(a)(6) of the Act (15 U.S.C 78c).
- (c) () Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d) () Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
- (e) (X) An investment adviser in accordance with Section 240.13d-1(b)(1)(ii)(E);
- (f) () An employee benefit plan or endowment fund in accordance with Section 240.13d-1(b)(1)(ii)(F);
- (g) () A parent holding company or control person in accordance with Section 240.13d-1(b)(1)(ii)(G);
- (h) () A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i) () A church plan the is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company act of 1940 (15 U.S.C.)
- (j) () Group, in accordance with Section 240.13d-1(b)(1)(ii)(J).

Item 4. Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

- (a) Amount beneficially owned:
1,344,201 shares of common stock, which includes 1,303,801 shares issuable upon the conversion of Carriage Services Capital Trust Preferred Securities (the "Preferred Securities").
- (b) Percent of class:
7.00%, calculated based on 19,210,129 shares of common stock outstanding, which number is calculated by adding (i) 17,906,328 (the number of shares of common stock outstanding as of November 5, 2004, as reported on the Company's most recent quarterly report filed on Form 10-Q) and (ii) 1,303,801 (the number of shares of common stock deemed held under Rule 240.13d-3(d)(1) as a result of the beneficial ownership of the Preferred Securities).
- (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote: 1,344,201
 - (ii) Shared power to vote or to direct the vote: 0

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- (iii) Sole power to dispose or to direct the disposition of: 1,344,201
- (iv) Shared power to dispose or to direct the disposition of: 0

Instruction. For computations regarding securities which represents a right to acquire an underlying security see Section 240.13d-3(d)(1).

Item 5. Ownership of Five Percent or Less of a Class

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following ().

Instruction: Dissolution of a group requires a response to this item.

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

If any other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities, a statement to that effect should be included in response to this item and, if such interest relates to more than five percent of the class, such person should be identified. A listing of shareholders of an investment company registered under the Investment Company Act of 1940 or the beneficiaries of employee benefit plan, pension fund or endowment fund is not required.

The Reporting Person is registered as an investment advisor under Section 203 of the Investment Advisors Act of 1940 (15 USC 80b-3) and has discretionary authority with regard to certain accounts that hold Carriage Services, Inc. common stock and Preferred Securities. No single account has a more than 5% interest of any class of the Issuer's equity securities.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company

Not applicable.

If a parent holding company has filed this schedule, pursuant to Rule 13d-1(b)(ii)(G), so indicate under Item 3(g) and attach an exhibit stating the identity and the Item 3 classification of the relevant subsidiary. If a parent holding company has filed this schedule pursuant to Rule 13d-1(c) or Rule 13d-1(d), attach an exhibit stating the identity of each member of the group.

Item 8. Identification and Classification of Members of the Group

Not applicable.

If a group has filed this schedule pursuant to Section 240.13d-1(b)(1)(ii)(J), so indicate under Item 3(j) and attach an exhibit stating the identity and Item 3 classification of each member of the group. If a group has filed this schedule pursuant to Section

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240.13d-1(c) or Section 240.13d-1(d), attached an exhibit stating the identity of each member of the group.

Item 9. Notice of Dissolution of Group.

Not applicable.

Notice of dissolution of a group may be furnished as an exhibit stating the date of the dissolution and that all further filings with respect to transactions in the security reported on will be filed, if required, by members of the group, in their individual capacity. See Item 5.

Item 10. Certifications

Item 10 (a)

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

Item 10 (b) Not Applicable.

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.

February 15, 2005
Date

/s/ Steven M. Kleiman
Signature

Steven M. Kleiman, COO
Name/Title

E="Times New Roman" SIZE="2">Announcement on 2005/08/31 : Position Change of the Chief of internal auditors

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Announcement on 2005/08/31 : Chunghwa Telecom held investor conference for 1H 2005 operation results

7

Announcement on 2005/09/05 : Restate the Internal Control Statement

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Announcement on 2005/09/08: Chunghwa Telecom announced its revenue of NT\$15.68 billion for August 2005.

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Announcement on 2005/09/09: Aug. 2005 sales

EXHIBIT 1

Position Change of the Chief of internal auditors.

Date of events: 2005/08/11

Contents:

1. Changed personnel (please enter: spokesperson, acting spokesperson, financial officer, research and development officer, chief of internal auditors): Chief of internal auditors.

2. Date of occurrence of the change: 2005/08/11

3. Name, title, and resume of the replaced person: Chung, Sheng-Juei, Senior Managing Director of Audit Department.

4. Name, title, and resume of the replacement: Senior Auditor Chou, Cheng-Yih Acts for the Senior Managing Director.

5. Reason for the change: Retirement.

6. Effective date: 2005/08/11

7. Contact telephone number of the replacement: 02-23444088

8. Any other matters that need to be specified: None

Un-authorization of Board Director Representatives from MOTC

Date of events: 2005/08/17

Contents:

1. Date of occurrence of the change: 2005/08/17

2. Name and resume of the replaced person:

Shin-Peng Tsai, Current position: Representative of Member's Convention of Chunghwa Telecom Workers Union; Education: Ta Tung Junior Technological College of Commerce; Representative of MOTC.

Yauh-Hong Lin, Current position: Representative of Member's Convention of Chunghwa Telecom Workers Union; Education: Department of Telecommunication, Kuang-Hwa Vocational High School of Technology; Representative of MOTC.

Yen-Chung Lu, Current position: Standing director of Chunghwa Telecom Workers Union; Education: Department of Public Administration and Policy at National Chung Hsing University; Representative of MOTC.

3. Name and resume of the replacement: Pending for replacement.

4. Reason for the change: Change of representative from MOTC.

5. Number of shares held by the new director or supervisor at the time of appointment: NA.

6. Original term (From _____ to _____): 2004/06/25~2007/06/24

7. Effective date of the new appointment: NA.

8. Rate of change of directors/supervisors of the same term: 0%

9. Any other matters that need to be specified: Nil.

Replacement of Representatives of Juristic Person Directors

Date of events: 2005/08/26

Contents:

1. Date of occurrence of the change: 2005/08/26

2. Name and resume of the replaced person:

Shin-Peng Tsai, Current position: Representative of Member s Convention of Chunghwa Telecom Workers Union; Education: Ta Tung Junior Technological College of Commerce; Representative of MOTC.

3. Name and resume of the replacement:

Shin-Peng Tsai, Current position: Representative of Member s Convention of Chunghwa Telecom Workers Union; Education: Ta Tung Junior Technological College of Commerce; Representative of MOTC.

4. Reason for the change: Un-authorization of Director Representative from MOTC

5. Number of shares held by the new director or supervisor at the time of appointment: 4,615,733,573 shares

6. Original term (From _____ to _____): 2004/06/25~2007/06/24

7. Effective date of the new appointment: 2005/08/26~2007/06/24

8. Rate of change of directors/supervisors of the same term: 0%

9. Any other matters that need to be specified: The MOTC un-authorized three board directors representing the labor:

Mr. Tsai, Shih-Peng, Mr. Lin, Yauh-Hong and Mr. Lu, Yen-Chung after the Company privatized and Mr. Tsai, Shi-Peng is being re-assigned as the director.

The Company announcing review report containing other than unqualified regarding 1H2005

Date of events: 2005/08/30

Contents:

1. Date of occurrence of the event: 2005/08/30

2. Full text of the CPA audit opinion: The Board of Directors and Stockholders Chunghwa Telecom Co., Ltd.

We have audited the accompanying balance sheets of Chunghwa Telecom Co., Ltd. as of June 30, 2005 and 2004, and the related statements of operations, changes in stockholders' equity and cash flows for the six months then ended, all expressed in New Taiwan dollars. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except for the matters described in the next paragraph, we conducted our audits in accordance with the Regulations for Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China.

Those regulations and standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that our audits provide a reasonable basis for our opinion.

As stated in Note 9 to the financial statements, we did not audit the financial statements of equity-accounted investments, the investments in which are reflected in the accompanying financial statements using the equity method of accounting in 2004. The aggregate carrying values of the equity-accounted investments was NT\$1,443,558 thousand as of June 30, 2004 and the equity in their net gain was NT\$24,076 thousand for the six months then ended.

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In our opinion, except for the matters described in the preceding paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Company as of June 30, 2005 and 2004, and the results of its operations and its cash flows for the six months then ended in conformity with relevant regulations, regulations governing the preparation of financial statements of public companies and accounting principles generally accepted in the Republic of China.

As stated in Notes 2 and 3 to the financial statements, the Company's accounts are subject to examination by the Executive Yuan and by the Ministry of Audit of the Control Yuan.

The accounts as of and for the year ended December 31, 2004 have been examined by these government agencies, and adjustments from this examinations have been recognized in the accompanying financial statements.

Deloitte & Touche

3. Any other matters that need to be specified: None

Position Change of the Chief of internal auditors

Date of events: 2005/08/30

Contents:

1. Changed personnel (please enter: spokesperson, acting spokesperson, financial officer, research and development officer, chief of internal auditors): Chief of internal auditors.

2. Date of occurrence of the change: 2005/08/30

3. Name, title, and resume of the replaced person: Chung, Sheng-Juei, Senior Managing Director of Audit Department.

4. Name, title, and resume of the replacement: Lu, Cheng-Ching, Senior Managing Director of Audit Department.

5. Reason for the change: Retirement of Ex-Senior Managing Director.

6. Effective date: 2005/08/30

7. Contact telephone number of the replacement: 02-23442688

8. Any other matters that need to be specified: None

Chunghwa Telecom held investor conference for 1H 2005 operation results

Date of events: 2005/08/31

Contents:

1. Date of the investor/press conference: 2005/08/31

2. Location of the investor/press conference: Fl. 12, No. 21-3, Hsinyi Rd. Sec. 1, Taipei

3. Financial and business related information: Chunghwa Telecom announced its operation results for 1H 2005 on August 31, 2005. Total revenues were NT\$89.7bn, net income NT\$24.3bn and earning per share NT\$2.52.

Comparison of operation results between year 1H 2005 and 1H 2004

(Unit: NT\$ mn)

	<u>1H05</u>	<u>1H04</u>
Service revenues	89,719	90,817
Gross profit	43,882	45,712
Income from operations	28,746	31,670
Other income and expenses	1,075	352
Income before income tax	29,821	32,022
Net income	24,328	26,380
Net income per share (NT\$)	2.52	2.73

4. Any other matters that need to be specified: Nil

Restate the Internal Control Statement

Date of events: 2005/09/05

Contents:

1. Date of occurrence of the event: 2005/09/05
2. Cause of occurrence: Restate the Internal Control Statement
3. Countermeasures: None
4. Any other matters that need to be specified: None

Chunghwa Telecom announced its revenue of NT\$15.68 billion for August 2005.

Date of events: 2005/09/08

Contents:

1. Date of occurrence of the event: 2005/09/08

2. Cause of occurrence: Chunghwa Telecom's revenue for August 2005 was NT\$15.68 billion. For the first eight months of 2005, the internal figures for accumulative income from operations was NT\$40.7 billion, net income was NT\$34 billion, and EPS was NT\$3.53.

3. Countermeasures: None.

4. Any other matters that need to be specified: None.

Chunghwa Telecom

Sep 9, 2005

This is to report the changes or status of 1) Sales volume 2) Funds lent to other parties 3) Endorsements and guarantees 4) Financial derivative transactions for the period of Aug 2005

1) Sales volume (NT\$ Thousand)

<u>Period</u>	<u>Items</u>	<u>2005</u>	<u>2004</u>	<u>Changes</u>	<u>%</u>
Aug.	Invoice amount	18,066,465	18,023,373	43,092	0.24%
Jan -Aug.	Invoice amount	140,121,151	140,630,056	-508,905	-0.36%
Aug.	Net sales	15,682,355	15,331,470	350,885	2.29%
Jan -Aug.	Net sales	120,926,019	121,341,576	-415,557	-0.34%

b Trading purpose: None