

PRO DEX INC
Form SC 13D/A
May 08, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 6)*

PRO-DEX, INC.

(Name of Issuer)

Common Stock, no par value

(Title of Class of Securities)

74265M205

(CUSIP Number)

Farnam Street Partners, L.P.

3033 Excelsior Boulevard, Suite 320

Minneapolis, MN 55426

Phone: (612) 353-6707

With a copy to:

Martin R. Rosenbaum, Esq.

Maslon Edelman Borman & Brand, LLP

3300 Wells Fargo Center

90 South Seventh Street

Minneapolis, MN 55402-4140

Phone: (612) 672-8200

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

April 30, 2014

(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 “.

CUSIP No. 74265M205

NAME OF REPORTING
PERSONS

1

Farnam Street Partners,
L.P.
CHECK
THE
APPROPRIATE
BOX IF A
MEMBER (a) T
OF A
2 GROUP (b) ..
(SEE
INSTRUCTIONS)

3

SEC USE ONLY
SOURCE OF FUNDS
(SEE INSTRUCTIONS)

4

OO (Investment proceeds)
CHECK
BOX IF
DISCLOSURE
OF LEGAL
PROCEEDINGS
IS ..
5 REQUIRED
PURSUANT
TO ITEMS
2(d) or 2(e)

6

CITIZENSHIP OR
PLACE OF
ORGANIZATION

	Minnesota	
	SOLE VOTING POWER	
NUMBER OF	7	
SHARES		
BENEFICIALLY	0	
OWNED BY	SHARED VOTING POWER	
EACH	8	
REPORTING	510,560	
PERSON	SOLE DISPOSITIVE POWER	
WITH	9	
	0	
	SHARED DISPOSITIVE POWER	
	10	
	510,560	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
12	510,560 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES	

CERTAIN
SHARES
(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

12.1%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

14

PN

2

CUSIP No. 74265M205

NAME OF REPORTING
PERSONS

1

Farnam Street Capital,
Inc.

CHECK

THE

APPROPRIATE

BOX IF A

MEMBER (a) T

OF A

2

GROUP (b) ..

(SEE

INSTRUCTIONS)

3

SEC USE ONLY

SOURCE OF FUNDS

(SEE INSTRUCTIONS)

4

OO (Investment proceeds)

CHECK

BOX IF

DISCLOSURE

OF LEGAL

PROCEEDINGS

IS

REQUIRED

5

PURSUANT

TO ITEMS

2(d) or 2(e)

6

CITIZENSHIP OR
PLACE OF
ORGANIZATION

	Minnesota	
	SOLE VOTING POWER	
NUMBER OF	7	
SHARES		
BENEFICIALLY	0	
OWNED BY	SHARED VOTING POWER	
EACH	8	
REPORTING	510,560	
PERSON	SOLE DISPOSITIVE POWER	
WITH	9	
	0	
	SHARED DISPOSITIVE POWER	
	10	
	510,560	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
12	510,560 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES	

CERTAIN
SHARES
(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

12.1%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

14

CO

3

CUSIP No. 74265M205

NAME OF REPORTING
PERSONS

1

Raymond E. Cabillot
CHECK
THE
APPROPRIATE
BOX IF A
MEMBER (a) ..
OF A
2 GROUP (b) o
(SEE
INSTRUCTIONS)

3

SEC USE ONLY
SOURCE OF FUNDS
(SEE INSTRUCTIONS)

4

OO (Investment proceeds)
CHECK
BOX IF
DISCLOSURE
OF LEGAL
PROCEEDINGS
IS ..
5 REQUIRED
PURSUANT
TO ITEMS
2(d) or 2(e)

6

CITIZENSHIP OR
PLACE OF

ORGANIZATION

	United States	
	SOLE VOTING POWER	
NUMBER OF	7	
SHARES		
BENEFICIALLY	0 SHARED VOTING POWER	
OWNED BY	8	
EACH		
REPORTING	510,560 SOLE DISPOSITIVE POWER	
PERSON		
WITH	9	
	0 SHARED DISPOSITIVE POWER	
	10	
11	510,560 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
12	510,560 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES	

(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

12.1%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

14

IN

4

CUSIP No. 74265M205

NAME OF REPORTING
PERSONS

1

Peter O. Haeg

CHECK

THE

APPROPRIATE

BOX IF A

MEMBER (a) "

OF A

2

GROUP (b) o

(SEE

INSTRUCTIONS)

3

SEC USE ONLY

SOURCE OF FUNDS

(SEE INSTRUCTIONS)

4

OO (Investment proceeds)

CHECK

BOX IF

DISCLOSURE

OF LEGAL

PROCEEDINGS

IS ..

5

REQUIRED

PURSUANT

TO ITEMS

2(d) or 2(e)

6

CITIZENSHIP OR

PLACE OF

ORGANIZATION

	United States
	SOLE VOTING POWER
NUMBER OF	7
SHARES	
	0
BENEFICIALLY	SHARED VOTING POWER
OWNED BY	8
EACH	
REPORTING	510,560
PERSON	SOLE DISPOSITIVE POWER
WITH	9
	0
	SHARED DISPOSITIVE POWER
	10
	510,560
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
12	510,560 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

12.1%
TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)

14

IN

5

CUSIP No. 74265M205

Item 1. Security and Issuer.

(a) This Schedule 13D relates to shares of the Common Stock, no par value, of Pro-Dex, Inc., a Colorado corporation (the “Issuer” or the “Company”). The address of the principal executive offices of the Issuer is 2361 McGaw Avenue, Irvine, California 92614.

Item 2. Identity and Background.

This Schedule 13D is being filed jointly by

Farnam Street Partners, L.P., a Minnesota limited partnership (“Farnam Fund”).

Farnam Street Capital, Inc., a Minnesota corporation and General Partner of Farnam Fund (“Farnam Capital”).

Raymond E. Cabillot as the Chief Executive Officer and a director of Farnam Capital

Peter O. Haeg as the President and Secretary and a director of Farnam Capital

(collectively, the “Farnam Group”).

Raymond E. Cabillot is a director of the Issuer.

(b) The principal office and place of business for all of the Reporting Persons is 3033 Excelsior Boulevard, Suite 320, Minneapolis, Minnesota 55416.

(c) Farnam Fund was organized in January 1998 as a Minnesota Limited Partnership. Its principal business activities involve investing in equity securities of publicly traded companies, as well as other types of securities. Mr. Cabillot serves as Chief Executive Officer and a director of Farnam Capital, the General Partner of Farnam Street Partners, L.P., a private investment partnership located in Minneapolis, Minnesota. Mr. Peter O. Haeg is President and Secretary of Farnam Capital.

(d) - (e) During the last five years, neither Farnam Fund nor the principals of its General Partner have been convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors) nor have the parties been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such individual was or is subject to a judgment, decree, or final order enjoining future violations of, or prohibiting, or mandating activity subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Farnam Fund is a Minnesota limited partnership. Farnam Capital is a Minnesota corporation. Messrs. Cabillot and Haeg are citizens of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

The source of the funds used for purchases by Farnam Capital are the investment proceeds of Farnam Fund.

CUSIP No. 74265M205

Item 4. Purpose of Transaction.

On December 17, 2013, the Company announced its plans to complete a rights offering to existing holders of its Common Stock under which it expects to receive gross proceeds of approximately \$3 million before expenses, subject to reduction by the Company in certain circumstances. The Company entered into a Standby Purchase Agreement with Farnam Capital (together with its permitted designees under the Standby Purchase Agreement) and AO Partners, LLC (together with its permitted designees under the Standby Purchase Agreement, "AO Partners") (each a "Standby Purchaser" and collectively the "Standby Purchasers"), pursuant to which the Standby Purchasers agreed to purchase, at the prevailing subscription price, any and all shares of Common Stock not subscribed for by the Company's shareholders pursuant to the exercise of their subscription privileges in connection with the rights offering, subject to the Company's right to reduce the numbers of shares purchased by the Standby Purchasers in certain circumstances. Shares of Common Stock purchasable under the Standby Purchase Agreement were allocated 50% to AO Partners and 50% to Farnam Capital.

On May 1, 2014, the Company announced that it completed the rights offering, raising \$1.65 million before expenses. In connection with the rights offering, on April 30, 2014, Farnam Capital, as general partner of Farnam Fund, purchased 156,189 shares at a price of \$1.90 per share. No shares were purchased under the Standby Purchase Agreement.

Except as noted in this Schedule 13D, none of the Reporting Persons has any plans or proposals, which relate to, or would result in, any of the matters referred to in paragraphs (b) through (j), inclusive of Item (4) of Schedule 13D. Such persons may, at any time and from time to time, review or reconsider their positions and formulate plans or proposals with respect thereto.

Item 5. Interests in Securities of the Issuer.

(a) The Fund beneficially owns 510,560 shares of the outstanding Common Stock of the Issuer, representing approximately 12.1% of the Common Stock (based upon approximately 4,212,686 shares outstanding, computed as follows: 3,343,954 shares outstanding on March 17, 2014, as reported in the Issuer's prospectus dated March 24, 2014 and an additional 868,732 shares (after giving effect to the rights offering).

(b) The Fund does not share voting and dispositive power with respect to any shares.

Mr. Cabillot and Mr. Haeg share voting and dispositive power of the Common Stock beneficially owned by Farnam Fund by virtue of each entity's and person's relationship to the other as described in Item 2(a).

(c) As described in Item 4, on April 30, 2014, Farnam Capital, as general partner of Farnam Fund, purchased 156,189 shares through the Company's rights offering at a price of \$1.90 per share.

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

See Item 4 for a description of the Standby Purchase Agreement (incorporated herein by reference).

With respect to Farnam Fund, Farnam Capital is entitled to (1) an allocation of a portion of profits, if any, and (2) a management fee based upon a percentage of total capital.

Messrs. Cabillot and Haeg are indemnified by Farnam Fund and Farnam Capital for liabilities they may incur in connection with their respective duties for the Farnam Group.

Other than the foregoing agreements and arrangements and the Agreement to file jointly between the members of the Farnam Group (incorporated herein by reference), there are no contracts, arrangements, understandings or relationships among the persons named in Item 2 hereof and between such persons and any person with respect to any securities of the Issuer.

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Item 7. Material to be Filed as Exhibits.

Exhibit No.	Description
1	Agreement to file jointly. (Incorporated herein by reference to Exhibit No. 1 filed with Schedule 13D on November 28, 2012).
99.1	Standby Purchase Agreement (Incorporated herein by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-3, filed on December 17, 2013)

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CUSIP No. 74265M205

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.

Date: May 7, 2014

FARNAM STREET PARTNERS, L.P.

By: FARNAM STREET CAPITAL, INC.

General Partner

By: /s/ Raymond E. Cabillot

Raymond E. Cabillot

Chief Executive Officer

FARNAM STREET CAPITAL, INC.

By: /s/ Raymond E. Cabillot

Raymond E. Cabillot

Chief Executive Officer

By: /s/ Raymond E. Cabillot

Raymond E. Cabillot

By: /s/ Peter O. Haeg

Peter O. Haeg