

NAUTILUS, INC.
Form SC 13D/A
March 27, 2008

As filed with the Securities and Exchange Commission on March 27, 2008

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 11)

Nautilus, Inc.
(Name of Issuer)

Common Stock, No Par Value
(Title of Class of Securities)

63910B102
(CUSIP Number)

Michael L. Zuppone, Esq.
Paul, Hastings, Janofsky & Walker LLP
75 East 55th Street
New York, New York 10022
(212) 318-6906

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

March 26, 2008
(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 Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box []

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).

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Sherborne Investors LP		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		(a) <input type="radio"/> (b) <input type="radio"/>
3	SEC USE ONLY		
4	SOURCE OF FUNDS OO		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)		<input type="radio"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware		
	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 8 9 10	SOLE VOTING POWER 0 SHARED VOTING POWER 8,438,426 SOLE DISPOSITIVE POWER 0 SHARED DISPOSITIVE POWER 8,438,426
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 8,438,426		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES		<input type="radio"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 26.7%		
14	TYPE OF REPORTING PERSON PN		

- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Sherborne Investors GP, LLC
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
OO
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO o
ITEMS 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
- | | | |
|--------------|----|--------------------------|
| NUMBER OF | 7 | SOLE VOTING POWER |
| SHARES | | 0 |
| BENEFICIALLY | 8 | SHARED VOTING POWER |
| OWNED BY | | 8,438,426 |
| EACH | 9 | SOLE DISPOSITIVE POWER |
| REPORTING | | 0 |
| PERSON | 10 | SHARED DISPOSITIVE POWER |
| WITH | | 8,438,426 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
8,438,426
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN o
SHARES
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
26.7%
- 14 TYPE OF REPORTING PERSON
OO
-

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Sherborne Investors Management LP		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		(a) <input type="radio"/> (b) <input type="radio"/>
3	SEC USE ONLY		
4	SOURCE OF FUNDS OO		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)		<input type="radio"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware		
	NUMBER OF SHARES	7	SOLE VOTING POWER 0
	BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER 8,438,426
		9	SOLE DISPOSITIVE POWER 0
		10	SHARED DISPOSITIVE POWER 8,438,426
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 8,438,426		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES		<input type="radio"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 26.7%		
14	TYPE OF REPORTING PERSON PN		

- 1 NAME OF REPORTING PERSON
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 Sherborne Investors Management GP, LLC
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
 (b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
 OO
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware
- | | | | |
|-------------------------------------|----|--------------------------|--|
| NUMBER OF
SHARES | 7 | SOLE VOTING POWER | |
| BENEFICIALLY
OWNED BY | 8 | SHARED VOTING POWER | |
| EACH
REPORTING
PERSON
WITH | 9 | SOLE DISPOSITIVE POWER | |
| | 10 | SHARED DISPOSITIVE POWER | |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 8,438,426
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 26.7%
- 14 TYPE OF REPORTING PERSON
 OO
-

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Sherborne Strategic Fund A, LLC
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
OO
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
- | | | |
|--|----|---------------------------------------|
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH | 7 | SOLE VOTING POWER
721,232.270 |
| | 8 | SHARED VOTING POWER
0 |
| | 9 | SOLE DISPOSITIVE POWER
721,232.270 |
| | 10 | SHARED DISPOSITIVE POWER
0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
721,232.270
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.3%
- 14 TYPE OF REPORTING PERSON
OO
-

1	NAME OF REPORTING PERSON		
	I.R.S. IDENTIFICATION NO. OF ABOVE PERSON		
	Sherborne Strategic Fund B, LLC		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		(a) <input type="radio"/> (b) <input type="radio"/>
3	SEC USE ONLY		
4	SOURCE OF FUNDS		
	OO		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO		o
	ITEMS 2(d) or 2(e)		
6	CITIZENSHIP OR PLACE OF ORGANIZATION		
	Delaware		
	NUMBER OF SHARES	7	SOLE VOTING POWER 1,081,848.405
	BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER 0
		9	SOLE DISPOSITIVE POWER 1,081,848.405
		10	SHARED DISPOSITIVE POWER 0
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	1,081,848.405		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN		o
	SHARES		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)		
	3.4%		
14	TYPE OF REPORTING PERSON		
	OO		

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Nottingham Investors LLC
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
OO
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO o
ITEMS 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
- | | | | |
|--|----|--|---|
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH | 7 | | SOLE VOTING POWER
6,635,345.321 |
| | 8 | | SHARED VOTING POWER
0 |
| | 9 | | SOLE DISPOSITIVE POWER
6,635,345.321 |
| | 10 | | SHARED DISPOSITIVE POWER
0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
6,635,345.321
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN o
SHARES
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
21.0%
- 14 TYPE OF REPORTING PERSON
OO
-

- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Edward J. Bramson
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS
OO
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO o
ITEMS 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
United Kingdom
- | | | |
|--|----|-------------------------------------|
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH | 7 | SOLE VOTING POWER
8,438,426 |
| | 8 | SHARED VOTING POWER
0 |
| | 9 | SOLE DISPOSITIVE POWER
8,438,426 |
| | 10 | SHARED DISPOSITIVE POWER
0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
8,438,426
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN o
SHARES
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
26.7%
- 14 TYPE OF REPORTING PERSON
IN
-

Explanatory Note: This Amendment No. 11 (this “Amendment”) to Schedule 13D is filed by the Reporting Persons (as defined below in this Explanatory Note) pursuant to Rule 13d-2(a) under the Securities Exchange Act of 1934, as amended. This Amendment amends and supplements the Schedule 13D filed with the U.S. Securities and Exchange Commission (the “Commission”) on July 26, 2007 (the “Initial 13D”) as amended and supplemented by:

- Amendment 1 to the Initial 13D filed with the Commission on July 31, 2007,
- Amendment 2 to the Initial 13D filed with the Commission on August 24, 2007,
- Amendment 3 to the Initial 13D filed with the Commission on September 4, 2007,
- Amendment 4 to the Initial 13D filed with the Commission on September 14, 2007,
- Amendment 5 to the Initial 13D filed with the Commission on September 21, 2007,
 - Amendment 6 to the Initial 13D filed with the Commission on October 9, 2007,
 - Amendment 7 to the Initial 13D filed with the Commission on October 17, 2007,
 - Amendment 8 to the Initial 13D filed with the Commission on October 19, 2007,
- Amendment 9 to the Initial 13D filed with the Commission on January 2, 2008, and
- Amendment 10 to the Initial 13D filed with the Commission on March 3, 2008,

and relates to the common stock, no par value (“Shares”) of Nautilus, Inc., a Washington corporation (the “Issuer”).

The Reporting Persons are:

- (i) Sherborne Investors LP, a Delaware limited partnership and managing member of each of the Funds (as defined below) (“Managing Member” or “Sherborne Investors”);
 - (ii) Sherborne Investors GP, LLC, a Delaware limited liability company and general partner of the Managing Member (“Sherborne Investors GP”);
 - (iii) Sherborne Investors Management LP, a Delaware limited partnership and investment manager to the Funds (“Sherborne Management”);
 - (iv) Sherborne Investors Management GP, LLC, a Delaware limited liability company and general partner of Sherborne Management (“Sherborne Management GP”);
 - (v) Sherborne Strategic Fund A, LLC, a Delaware limited liability company (“Strategic Fund A”);
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- (vi) Sherborne Strategic Fund B, LLC, a Delaware limited liability company (“Strategic Fund B”);
- (vii) Nottingham Investors LLC, a Delaware limited liability company (“Nottingham” and, together with Strategic Fund A and Strategic Fund B, the “Funds”); and
- (viii) Edward J. Bramson (“Bramson”), a citizen of the United Kingdom and the managing member of Sherborne Investors GP and Sherborne Management GP as well as a director of the Issuer.

The Covered Persons, for whom information is required to be provided pursuant to Instruction C to Schedule 13D, are Bramson, Mr. Craig L. McKibben and Mr. Gerard L. Eastman (collectively, the “Covered Persons”). Messrs. McKibben and Eastman are managing directors of Sherborne Investors GP and Sherborne Management GP.

Item 4. Purpose of Transaction.

The Reporting Persons supplement Item 4 with the following information:

On March 26, 2008, Mr. Bramson assumed the additional duties of chief executive officer, replacing Robert S. Falcone, who had served in that capacity since August 13, 2007 when the Issuer’s board of directors asked him to step in to run the Issuer following the termination of the Issuer’s previous chief executive officer.

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: March 27, 2008

SHERBORNE INVESTORS LP

By: SHERBORNE INVESTORS GP, LLC, its
general partner

By: /s/ Craig L. McKibben
Name: Craig L. McKibben
Title: Managing Director

SHERBORNE INVESTORS GP, LLC

By: /s/ Craig L. McKibben
Name: Craig L.
McKibben
Managing
Title: Director

SHERBORNE INVESTORS MANAGEMENT LP

By: SHERBORNE INVESTORS MANAGEMENT
GP, LLC, its general partner

By: /s/ Craig L. McKibben
Name: Craig L. McKibben
Title: Managing Director

SHERBORNE INVESTORS MANAGEMENT
GP, LLC

By: /s/ Craig L. McKibben
Name: Craig L.
McKibben

Title: Managing
Director

SHERBORNE STRATEGIC FUND A, LLC

By: SHERBORNE INVESTORS LP, its managing member

By: SHERBORNE INVESTORS GP, LLC, its general partner

By: /s/ Craig L. McKibben
Name: Craig L. McKibben
Title: Managing Director

SHERBORNE STRATEGIC FUND B, LLC

By: SHERBORNE INVESTORS LP, its managing member

By: SHERBORNE INVESTORS GP, LLC, its general partner

By: /s/ Craig L. McKibben
Name: Craig L. McKibben
Title: Managing Director

NOTTINGHAM INVESTORS LLC

By: SHERBORNE INVESTORS LP, its managing member

By: SHERBORNE INVESTORS GP, LLC, its general partner

By: /s/ Craig L. McKibben
Name: Craig L. McKibben
Title: Managing Director

EDWARD BRAMSON

/s/ Edward Bramson
Edward Bramson

