

ABX AIR INC
Form SC 13D/A
September 24, 2007

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 1)*

ABX AIR, INC.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

00080S101

(CUSIP Number)

Red Mountain Capital Partners LLC

Attn: Willem Mesdag

10100 Santa Monica Boulevard, Suite 925

Edgar Filing: ABX AIR INC - Form SC 13D/A

Los Angeles, California 90067

Telephone (310) 432-0200

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

September 24, 2007

(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. "

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 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 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).

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Red Mountain Capital Partners LLC

73-1726370

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) x

(b) ..

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)

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 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 3,623,154 shares (See Item 5)

OWNED BY 8 SHARED VOTING POWER

EACH

REPORTING None (See Item 5)
9 SOLE DISPOSITIVE POWER

PERSON

WITH

3,623,154 shares (See Item 5)
10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,623,154 shares (See Item 5)

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

6.2% (See Item 5)

14 TYPE OF REPORTING PERSON*

OO Limited Liability Company

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Red Mountain Capital Partners II, L.P.

20-4117535

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) x

(b) ..

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC (See Item 3)

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 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 1,192,170 shares (See Item 5)

OWNED BY 8 SHARED VOTING POWER

EACH

REPORTING None (See Item 5)
9 SOLE DISPOSITIVE POWER

PERSON

WITH

1,192,170 shares (See Item 5)
10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,192,170 shares (See Item 5)

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.0% (See Item 5)

14 TYPE OF REPORTING PERSON*

PN Limited Partnership

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Red Mountain Capital Partners III, L.P.

20-5329858

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) x

(b) ..

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, OO (See Item 3)

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 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 2,430,984 shares (See Item 5)

OWNED BY 8 SHARED VOTING POWER

EACH

REPORTING None (See Item 5)
9 SOLE DISPOSITIVE POWER

PERSON

WITH

2,430,984 shares (See Item 5)
10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,430,984 shares (See Item 5)

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.1% (See Item 5)

14 TYPE OF REPORTING PERSON*

PN Limited Partnership

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

RMCP GP LLC

20-4442412

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) x

(b) ..

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)

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 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 3,623,154 shares (See Item 5)

OWNED BY 8 SHARED VOTING POWER

EACH

REPORTING None (See Item 5)
9 SOLE DISPOSITIVE POWER

PERSON

WITH

3,623,154 shares (See Item 5)
10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,623,154 shares (See Item 5)

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

6.2% (See Item 5)

14 TYPE OF REPORTING PERSON*

OO Limited Liability Company

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Red Mountain Capital Management, Inc.

13-4057186

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)

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 7 SOLE VOTING POWER

SHARES

BENEFICIALLY 3,623,154 shares (See Item 5)

OWNED BY 8 SHARED VOTING POWER

EACH

REPORTING None (See Item 5)
9 SOLE DISPOSITIVE POWER

PERSON

WITH

3,623,154 shares (See Item 5)
10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,623,154 shares (See Item 5)

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

6.2% (See Item 5)

14 TYPE OF REPORTING PERSON*

CO Corporation

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Willem Mesdag

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

U.S. Citizen

7 SOLE VOTING POWER

NUMBER OF

SHARES

3,623,154 shares (See Item 5)

8 SHARED VOTING POWER

BENEFICIALLY

OWNED BY

None (See Item 5)

EACH

9 SOLE DISPOSITIVE POWER

REPORTING

PERSON

3,623,154 shares (See Item 5)

10 SHARED DISPOSITIVE POWER

WITH

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,623,154 shares (See Item 5)

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

6.2% (See Item 5)

14 TYPE OF REPORTING PERSON*

IN Individual

* See Instructions

CUSIP No. 00080S101

SCHEDULE 13D

PAGE 8 OF 12 PAGES

This Amendment No. 1 amends and supplements the Schedule 13D filed with the Securities and Exchange Commission (the "SEC") on November 20, 2006 (as amended hereby, this "Schedule 13D"), by (i) Red Mountain Capital Partners LLC, a Delaware limited liability company ("RMCP LLC"), (ii) Red Mountain Capital Partners II, L.P., a Delaware limited partnership ("RMCP II"), (iii) Red Mountain Capital Partners III, L.P., a Delaware limited partnership ("RMCP III"), (iv) RMCP GP LLC, a Delaware limited liability company ("RMCP GP"), (v) Red Mountain Capital Management, Inc., a Delaware corporation ("RMCM"), and (vi) Willem Mesdag, a natural person and citizen of the United States of America, with respect to the common stock, par value \$0.01 per share (the "Common Stock"), of ABX Air, Inc., a Delaware corporation ("ABX Air"). RMCP LLC, RMCP II, RMCP III and RMCP GP are sometimes collectively referred to herein as "Red Mountain." Red Mountain, RMCM and Mr. Mesdag are sometimes collectively referred to herein as the "Reporting Persons." The filing of any amendment to this Schedule 13D (including the filing of this Amendment No. 1) shall not be construed to be an admission by the Reporting Persons that a material change has occurred in the facts set forth in this Schedule 13D or that such amendment is required under Rule 13d-2 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

ITEM 4. PURPOSE OF TRANSACTION.

Item 4 of this Schedule 13D is hereby amended to add the following information:

On September 24, 2007, Red Mountain sent the letter that is being filed herewith as Exhibit 2 to this Schedule 13D to the Chairman of the Board of Directors of ABX Air. The contents of such letter are hereby incorporated by reference in their entirety in response to this Item 4.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Items 5(a) and 5(b) of this Schedule 13D are hereby amended and restated as follows:

- (a)-(b) RMCP II beneficially owns, in the aggregate, 1,192,170 shares of Common Stock, which represent approximately 2.0% of the outstanding Common Stock. ⁽¹⁾ RMCP II has the sole power to vote or direct the vote, and the sole power to dispose or direct the disposition, of all such 1,192,170 shares of Common Stock.

RMCP III beneficially owns, in the aggregate, 2,430,984 shares of Common Stock, which represent approximately 4.1% of the outstanding Common Stock. RMCP III has the sole power to vote or direct the vote, and the sole power to dispose or direct the disposition, of all such 2,430,984 shares of Common Stock.

The shares of Common Stock beneficially owned by RMCP II and RMCP III, when aggregated together, total 3,623,154 shares, which represent approximately 6.2% of the outstanding Common Stock.

Because each of RMCP GP, RMCP LLC, RMCM and Mr. Mesdag may be deemed to control RMCP II and RMCP III, each of RMCP GP, RMCP LLC, RMCM and Mr. Mesdag may be deemed to beneficially own, and to have the power to vote or direct the vote, or dispose or direct the disposition of, all of the Common Stock beneficially owned by RMCP II and RMCP III.

⁽¹⁾ All calculations of percentage ownership in this Schedule 13D are based on 58,678,437 shares of Common Stock estimated to be outstanding as of August 9, 2007, as reported in the Quarterly Report on Form 10-Q for the Quarterly Period ended June 30, 2007, which was filed by ABX Air with the SEC on August 14, 2007.

CUSIP No. 00080S101

SCHEDULE 13D

PAGE 9 OF 12 PAGES

Other than shares of Common Stock beneficially owned by RMCP II or RMCP III, none of the Reporting Persons or J. Christopher Teets may be deemed to beneficially own any shares of Common Stock.

Each of RMCP LLC, RMCP II, RMCP III and RMCP GP affirms membership in a group with each other but disclaims membership in a group with RMCM or Mr. Mesdag. Each of RMCM and Mr. Mesdag disclaims membership in a group with any person.

The filing of this Schedule 13D shall not be construed as an admission that any Reporting Person is the beneficial owner of any of the shares of Common Stock that such Reporting Person may be deemed to beneficially own. Without limiting the foregoing sentence, each of RMCM and Mr. Mesdag disclaims beneficial ownership of all shares of Common Stock reported in this Schedule 13D. In addition, the filing of this Schedule 13D shall not be construed as an admission that any partner, member, director, officer or affiliate of any Reporting Person is the beneficial owner of any of the shares of Common Stock that such partner, member, director, officer or affiliate may be deemed to beneficially own. Without limiting the foregoing sentence, Mr. Teets disclaims beneficial ownership of all shares of Common Stock reported in this Schedule 13D.

Item 5(c) of this Schedule 13D is hereby amended to add the following information:

- (c) On August 17, 2007, RMCP III sold 34,600 shares of Common Stock on the open market at an average price of \$7.0095 per share.

ITEM 7. MATERIALS TO BE FILED AS EXHIBITS.

Item 7 of this Schedule 13D is hereby amended to add the following information:

Exhibit No. Description of Exhibit

2 Letter, dated as of September 24, 2007, by Red Mountain to the Chairman of the Board of the Directors of ABX Air (filed herewith).

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.

Dated: September 24, 2007

RED MOUNTAIN CAPITAL PARTNERS LLC

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RED MOUNTAIN CAPITAL PARTNERS II, L.P.

By: RMCP GP LLC, its general partner

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RED MOUNTAIN CAPITAL PARTNERS III, L.P.

By: RMCP GP LLC, its general partner

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RMCP GP LLC

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RED MOUNTAIN CAPITAL MANAGEMENT, INC.

/s/ Willem Mesdag
By: Willem Mesdag
Title: President

WILLEM MESDAG

/s/ Willem Mesdag

Exhibit No. Description of Exhibit

- 1 Joint Filing Agreement, dated as of November 20, 2006, by and among the Reporting Persons (incorporated by reference to Exhibit 1 to the Schedule 13D filed by the Reporting Persons with the SEC on November 20, 2006).
- 2 Letter, dated as of September 24, 2007, by Red Mountain to the Chairman of the Board of Directors of ABX Air (filed herewith).