P COM INC Form SC 13G February 06, 2004

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

> > SCHEDULE 13G (RULE 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULES 13d-1(b) (c), AND (d) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(b)

(AMENDMENT NO.)*

P-COM, Inc.

(Name of Issuer)

Common Stock, par value \$0.0001 per share

(Title of Class of Securities)

693262206

(CUSIP Number)

October 1, 2003

(Date of Event Which Requires Filing of this Statement)

- [] Rule 13d-1(b)
- [X] 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 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

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

NAME OF REPORTING PERSON

	SDS Capital (Group SPC	C, Ltd.(1)					
2	CHECK THE API	PROPRIATE	BOX IF A MEMBER OF A GROUP*		[X]			
3	SEC USE ONLY							
4	CITIZENSHIP (Cayman Islan)		OF ORGANIZATION					
NUMBER OF SHARES BENEFICIALLY OWNED BY		5	SOLE VOTING POWER 19,420,000(2)					
EZ REPOI PEI	ACH RTING RSON ITH	6	SHARED VOTING POWER					
		7	SOLE DISPOSITIVE POWER 19,420,000(2)					
		8	SHARED DISPOSITIVE POWER					
9	AGGREGATE AMO	UNT BENEF	ICIALLY OWNED BY EACH REPORTING PERSON					
	19,420,000(2)							
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES							
	[]							
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9							
	8.4%							
12	TYPE OF REPORT	TING PERS	;0N*					
	СО							

*SEE INSTRUCTIONS BEFORE FILLING OUT

On October 1, 2003, SDS Merchant Fund, L.P., a Delaware limited partnership, assigned and transferred all of the shares of common stock of the issuer beneficially owned by SDS Merchant Fund, L.P. to SDS Capital Group SPC, Ltd.
 Represents the number of shares of common stock of the issuer issuable upon the conversion of preferred stock and upon the exercise of warrants held by SDS Capital Group SPC, Ltd.

CUSIP No.	693262206			 13G	Page	3	of	9 I	Pages
1	NAME OF S.S. OR SDS Mana	I.R.S.	IDENT	RSON IFICATION NO. OF ABOVE F	PERSON				
2	CHECK TI	HE APPRO	OPRIAT	E BOX IF A MEMBER OF A C	GROUP*				[X]
								(b)	[]
3	SEC USE	ONLY							
	CITIZEN	SHIP OR	PLACE	OF ORGANIZATION					
	Delaware	Э							
NUMI	 BER OF								
SI BENEI	SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON		5	SOLE VOTING POWER 0					
			6	SHARED VOTING POWER					
				19,420,000					
WITH -			 7	SOLE DISPOSITIVE POWER					
			,	0	·				
			8	SHARED DISPOSITIVE POW	 Ver				
				19,420,000					
9	AGGREGATI	E AMOUN	I BENE	FICIALLY OWNED BY EACH F	REPORTING	G PE	 RSON		
	19,420,00	0 0							
10	CHECK BO	X IF THI	 E AGGR	EGATE AMOUNT IN ROW (9)	EXCLUDES	 5 CE	 RTAIN	SH/	ARES*
	[]								
11				ESENTED BY AMOUNT IN ROW					
	8.4%								
	TYPE OF 1								
12	CO		.,,						

*SEE INSTRUCTIONS BEFORE FILLING OUT

USIP No.	693262206		13G	Page	4 of	9 E	ages
1		REPORTING P I.R.S. IDEN	PERSON ITIFICATION NO. OF ABO	VE PERSON			
	Mr. Steve	en Derby					
2	CHECK TH	E APPROPRIA	TE BOX IF A MEMBER OF	A GROUP*		(a)	[X]
						(b)	[]
3	SEC USE (ONLY					
4	CITIZENSI	HIP OR PLAC	E OF ORGANIZATION				
	United St	tates					
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		5	SOLE VOTING POWER 0				
		6	SHARED VOTING POWE	 R			
			19,420,000				
		7	SOLE DISPOSITIVE P	OWER			
			0				
		8	SHARED DISPOSITIVE	POWER			
			19,420,000				
9	AGGREGATE	AMOUNT BEN	EFICIALLY OWNED BY EA	CH REPORTING	PERSON		
	19,420,000	o 					
10	CHECK BOX	IF THE AGG	REGATE AMOUNT IN ROW	(9) EXCLUDES	CERTAI	N SHA	ARES
	[]						
11	PERCENT OF	F CLASS REP	RESENTED BY AMOUNT IN	ROW 9			
	8.4%						
12	TYPE OF RI	EPORTING PE	RSON*				
	IN						

*SEE INSTRUCTIONS BEFORE FILLING OUT

CUSIP No. 69326	2206 13G Page 5 of 9 Pages							
ITEM 1(a).	NAME OF ISSUER:							
	P-COM, Inc.							
ITEM 1(b).	ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES:							
	3175 S. Winchester Boulevard Campbell, California 95008							
ITEM 2(a). ITEM 2(b). ITEM 2(c).	NAME OF PERSON FILING. ADDRESS OF PRINCIPAL BUSINESS OFFICE OR, IF NONE, RESIDENCE. CITIZENSHIP.							
	SDS Capital Group SPC, Ltd. (the "Reporting Person") RK Consulting (Cayman) Ltd. P.O. Box 174865 Cayman Corporate Center 27 Hospital Road Georgetown, Grand Cayman Cayman Islands Cayman Islands corporation							
	SDS Management, LLC (the "Investment Manager") 53 Forest Avenue, 2nd Floor Old Greenwich, CT 06870 Delaware limited liability company							
	Mr. Steven Derby ("Mr. Derby") Sole Managing Member of the Investment Manager 53 Forest Avenue, 2nd Floor Old Greenwich, CT 06870 United States citizen							
ITEM 2(d).	TITLE OF CLASS OF SECURITIES:							
	Common Stock, par value \$0.0001 per share							
ITEM 2(e).	CUSIP NUMBER:							
	693262206							
ITEM 3.	IF THIS STATEMENT IS FILED PURSUANT TO RULES $13d-1(b)$, OR $13d-2(b)$ OR (c) CHECK WHETHER THE PERSON FILING IS A:							
	Not Applicable							

ITEM 4. OWNERSHIP.

The following is information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1 as of February 5, 2004:

- 1. The Reporting Person.
- (a) Amount beneficially owned: 19,420,000 shares of common stock.
- (b) Percent of Class: 8.4%
- (c) Number of shares as to which such person has:
 - (i) sole power to vote or direct the vote: 19,420,000
 - (ii) shared power to vote or direct the vote: 0
 - (iii) sole power to dispose or direct the disposition
 of: 19,420,000
 - (iv) shared power to dispose or direct the disposition of: 0 $\,$
- 2. The Investment Manager same as Mr. Derby, see below.
- 3. Mr. Derby.
- (a) Amount beneficially owned: 19,420,000 shares of common stock.
- (b) Percent of Class: 8.4%
- (c) Number of shares as to which such person has:
 - (i) sole power to vote or direct the vote: 0
 - (ii) shared power to vote or direct the vote: 19,420,000
 - (iii) sole power to dispose or direct the disposition of: $\boldsymbol{0}$
 - (iv) shared power to dispose or direct the disposition
 of: 19,420,000

On October 1, 2003, SDS Merchant Fund, L.P., a Delaware limited partnership, assigned and transferred all of the shares of common stock of the issuer beneficially owned by SDS Merchant Fund, L.P. to the Reporting Person.

The 19,420,000 shares of common stock of the issuer are issuable upon the conversion of preferred stock and the exercise of warrants held by the Reporting Person.

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ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

Not Applicable

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Not Applicable

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY OR CONTROL PERSON.

Not Applicable

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP.

Not Applicable

ITEM 9. NOTICE OF DISSOLUTION OF GROUP.

Not Applicable

ITEM 10. CERTIFICATION.

Certification pursuant to Rule 13d-1(c):

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above 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.

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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.

Dated: February 6, 2004

SDS CAPITAL GROUP SPC, LTD. By: SDS Management, LLC its Investment Manager

By: /s/ Steven Derby

Name: Steven Derby Title: Managing Member

SDS MANAGEMENT, LLC

By: /s/ Steven Derby

Name: Steven Derby Title: Managing Member

/s/ Steven Derby

Steven Derby

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EXHIBIT A JOINT FILING AGREEMENT

This Agreement is filed as an exhibit to this Schedule 13G being filed by SDS Capital Group SPC, Ltd., SDS Management, LLC and Mr. Steven Derby in compliance with Rule 13d-1(k) of the Securities and Exchange Commission, which requires an agreement in writing indicating that this Schedule 13G to which this Agreement is attached is filed on behalf of the below-named companies, that they are each responsible for the timely filing of the Schedule 13G and any amendments thereto and for the completeness and accuracy of the information concerning such persons contained therein.

This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

Dated: February 6, 2004

SDS CAPITAL GROUP SPC, LTD. By: SDS Management, LLC its Investment Manager

By: /s/ Steven Derby

Name: Steven Derby

Title: Managing Member

SDS MANAGEMENT, LLC

By: /s/ Steven Derby

Name: Steven Derby Title: Managing Member

/s/ Steven Derby

Steven Derby