

CASTLE A M & CO
Form SC 13D/A
January 26, 2015

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

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No. 1)¹

A. M. Castle & Co.

(Name of Issuer)

Common Stock, \$0.01 par value
(Title of Class of Securities)

148411101
(CUSIP Number)

STEVE WOLOSKY, ESQ.
OLSHAN FROME WOLOSKY LLP
Park Avenue Tower
65 East 55th Street
New York, New York 10022
(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

January 22, 2015
(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 " .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

¹ 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).

CUSIP NO. 148411101

1 NAME OF REPORTING PERSON

Raging Capital Master Fund, Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		3,772,256
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		3,772,256

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,772,256

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

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

16.0%

14 TYPE OF REPORTING PERSON

CO

CUSIP NO. 148411101

1 NAME OF REPORTING PERSON

Raging Capital Management, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 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
		- 0 -
	8	SHARED VOTING POWER
		3,772,256
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		3,772,256

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,772,256

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

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

16.0%

14 TYPE OF REPORTING PERSON

IA

CUSIP NO. 148411101

1 NAME OF REPORTING PERSON

William C. Martin

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		3,772,256
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		3,772,256

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,772,256

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

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

16.0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 148411101

1 NAME OF REPORTING PERSON

Kenneth H. Traub

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

PF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		18,888
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		18,888
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

18,888

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

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

Less than 1%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 148411101

1 NAME OF REPORTING PERSON

Steven W. Scheinkman

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	- 0 - SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

- 0 -

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

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

- 0 -

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 148411101

1 NAME OF REPORTING PERSON

Allan J. Young

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

- 0 -

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

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

- 0 -

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 148411101

The following constitutes Amendment No. 1 to the Schedule 13D filed by the undersigned (“Amendment No. 1”). This Amendment No. 1 amends the Schedule 13D as specifically set forth herein.

Item 2. Identity and Background.

Item 2 is hereby amended and restated to read as follows:

(a) This statement is filed by Raging Capital Master Fund, Ltd., a Cayman Islands exempted company (“Raging Master”), Raging Capital Management, LLC, a Delaware limited liability company (“Raging Capital”), William C. Martin, Kenneth H. Traub, Steven W. Scheinkman and Allan J. Young. Each of the foregoing is referred to as a “Reporting Person” and collectively as the “Reporting Persons.” The Reporting Persons are parties to that certain Joint Filing and Solicitation Agreement, as further described in Item 6. Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D.

Raging Capital is the Investment Manager of Raging Master. William C. Martin is the Chairman, Chief Investment Officer and Managing Member of Raging Capital. By virtue of these relationships, each of Raging Capital and William C. Martin may be deemed to beneficially own the Shares owned directly by Raging Master.

Set forth on Schedule A annexed to the initial Schedule 13D filing (“Schedule A”) is the name and present principal business, occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted of the executive officers and directors of Raging Master and Raging Capital. To the best of the Reporting Persons’ knowledge, except as otherwise set forth herein, none of the persons listed on Schedule A beneficially owns any securities of the Issuer or is a party to any contract, agreement or understanding required to be disclosed herein.

(b) The address of the principal office of each of Raging Capital, William C. Martin and Allan J. Young is Ten Princeton Avenue, P.O. Box 228, Rocky Hill, New Jersey 08553. The address of the principal office of Raging Master is c/o Ogier Fiduciary Services (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman KY 1-9007, Cayman Islands. The principal business address of Kenneth H. Traub is c/o Ethos Management LLC, 90 Nassau Street, Suite 500, Princeton, NJ 08542. The principal business address of Steven W. Scheinkman is c/o Innovative Building Systems LLC, 4900 Ritter Road, Suite 130, Mechanicsburg, PA 17055.

(c) The principal business of Raging Master is investing in securities. The principal business of Raging Capital is serving as the Investment Manager of Raging Master. The principal occupation of William C. Martin is serving as the Chairman, Chief Investment Officer and Managing Member of Raging Capital. The principal occupation of Allan J. Young is serving as a Managing Partner at Raging Capital. The principal occupation of Kenneth H. Traub is serving as President and Chief Executive Officer of Ethos Management LLC, which specializes in investing in and advising undervalued companies to execute strategies to build and unlock stockholder value. The principal occupation of Steven W. Scheinkman is serving as the President and Chief Executive Officer of Innovative Building Systems LLC, a multi-factory manufacturer of custom modular homes.

(d) No Reporting Person nor any person listed on Schedule A has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

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(e) No Reporting Person nor any person listed on Schedule A has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Raging Master is organized under the laws of the Cayman Islands. Raging Capital is organized under the laws of the State of Delaware. Each of William C. Martin, Kenneth H. Traub, Steven W. Scheinkman and Allan J. Young is a citizen of the United States of America.

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

Item 3 is hereby amended and restated to read as follows:

The aggregate purchase price of the 3,772,256 Shares owned directly by Raging Master is approximately \$27,105,996, including brokerage commissions. Such Shares were acquired with the working capital of Raging Master.

Raging Master effects purchases of securities primarily through margin accounts maintained for it with prime brokers, which may extend margin credit to it as and when required to open or carry positions in the margin accounts, subject to applicable federal margin regulations, stock exchange rules and the prime brokers' credit policies. In such instances, the positions held in the margin accounts are pledged as collateral security for the repayment of debit balances in the accounts.

The aggregate purchase price of the 18,888 Shares owned directly by Kenneth H. Traub is approximately \$121,340, including brokerage commissions. Such Shares were acquired with Mr. Traub's personal funds.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On January 22, 2015, Raging Master delivered a letter (the "Nomination Letter") to the Issuer nominating a slate of three highly-qualified director candidates, including Kenneth H. Traub, Steven W. Scheinkman and Allan J. Young (the "Nominees"), for election to the Board of Directors of the Issuer (the "Board") at the Issuer's 2015 annual meeting of stockholders (the "Annual Meeting"). Raging Capital believes that a reconstitution of the Board is required to effect the changes necessary to protect and maximize stockholder value. Representatives of Raging Capital have engaged, and intend to continue to engage, in discussions with the Board regarding matters relating to the composition of the Board.

Item 5. Interest in Securities of the Issuer.

Items 5(a) and (c) are hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 23,504,449 Shares outstanding as of October 24, 2014, which is the total number of Shares outstanding as reported in the Issuer's Form 10-Q filed with the Securities and Exchange Commission on October 29, 2014.

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As of the close of business on the date hereof, Raging Master directly owned 3,772,256 Shares, constituting approximately 16.0% of the Shares outstanding. By virtue of their relationships with Raging Master discussed in further detail in Item 2, each of Raging Capital and William C. Martin may be deemed to beneficially own the Shares directly owned by Raging Master.

As of the close of business on the date hereof, Kenneth H. Traub directly owned 18,888 Shares, constituting less than 1% of the Shares outstanding.

As of the close of business on the date hereof, Messrs. Scheinkman and Young did not own any Shares.

Each of the Reporting Persons, as a member of a “group” with the other Reporting Persons for purposes of Rule 13d-5(b)(1) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), may be deemed to beneficially own the securities of the Issuer owned by the other Reporting Persons. The filing of this Schedule 13D shall not be deemed an admission that the Reporting Persons are, for purposes of Section 13(d) of the Exchange Act, the beneficial owners of any securities of the Issuer he or it does not directly own. Each of the Reporting Persons specifically disclaims beneficial ownership of the securities of the Issuer reported herein that he or it does not directly own.

(c) Schedule B annexed hereto lists all transactions in the Shares by Raging Master and Mr. Traub since the filing of the initial Schedule 13D. All of such transactions were effected in the open market. Messrs. Scheinkman and Young did not transact in the Shares during the past 60 days.

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

Item 6 is hereby amended to add the following:

On January 22, 2015, the Reporting Persons entered into a Joint Filing and Solicitation Agreement pursuant to which, among other things, (i) the Reporting Persons agreed to the joint filing on behalf of each of them of statements on Schedule 13D, and any amendments thereto, with respect to the securities of the Issuer, (ii) the Reporting Persons agreed to solicit proxies or written consents for the election of the Nominees to the Board at the Annual Meeting (the “Solicitation”), and (iii) Raging Capital and its affiliates agreed to bear all expenses incurred in connection with the Solicitation. The Joint Filing and Solicitation Agreement is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

On January 22, 2015, Raging Master entered into letter agreements pursuant to which it and its affiliates agreed to indemnify each of the Nominees against claims arising from the Solicitation and any related transactions. A form of the indemnification letter agreement is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

On January 22, 2015, Raging Capital entered into a compensation letter agreement with Mr. Scheinkman pursuant to which it agreed to pay him \$25,000 in cash upon the submission of the Nomination Letter. Pursuant to the compensation letter agreement, Mr. Scheinkman has agreed to use such compensation to acquire securities of the Issuer (the “Nominee Shares”) as set forth therein. If elected or appointed to serve as a director of the Issuer, Mr. Scheinkman has agreed not to sell, transfer or otherwise dispose of any Nominee Shares within two (2) years of his election or appointment as a director; provided, however, in the event that the Issuer enters into any merger, consolidation, business combination, sale of substantially all its assets or similar transaction with or involving a third party (a “Liquidity Event”), Mr. Scheinkman may sell, transfer or exchange the Nominee Shares in accordance with the terms of such Liquidity Event. This compensation letter agreement is attached hereto as Exhibit 99.3 and is incorporated herein by reference.

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On January 22, 2015, Raging Capital entered into an oral understanding with Mr. Traub pursuant to which it agreed to pay him 30% of the Incentive Allocation, attributable solely to the performance of Raging Master's investment in Shares of the Issuer, that is earned by Raging Capital at the end of any given year if Mr. Traub is elected or appointed to the Board.

As of the close of business on the date hereof, Raging Master directly owned \$21,500,000 principal amount of the Issuer's 12.75% Senior Secured Notes due December 15, 2016.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following exhibits:

Exhibit No.	Description
99.1	Joint Filing and Solicitation Agreement by and among Raging Capital Master Fund, Ltd., Raging Capital Management, LLC, William C. Martin, Kenneth H. Traub, Steven W. Scheinkman and Allan J. Young dated January 22, 2015.
99.2	Form of Indemnification Letter Agreement dated January 22, 2015.
99.3	Compensation Letter Agreement by and between Raging Capital Management, LLC and Steven W. Scheinkman dated January 22, 2015.
99.4	Powers of Attorney.

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SIGNATURES

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

Dated: January 26, 2015

Raging Capital Master Fund, Ltd.

By: Raging Capital Management, LLC
Investment Manager

By: /s/ Frederick C. Wasch
Name: Frederick C. Wasch
Title: Chief Financial Officer

Raging Capital Management, LLC

By: /s/ Frederick C. Wasch
Name: Frederick C. Wasch
Title: Chief Financial Officer

/s/ Frederick C. Wasch
Frederick C. Wasch, as attorney-in-fact for William C.
Martin, Kenneth H. Traub, Steven W. Scheinkman and
Allan J. Young

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SCHEDULE B

Transactions in the Shares Since the Filing of the Initial Schedule 13D

Class of Security	Shares Purchased	Price (\$)	Date of Purchase
RAGING CAPITAL MASTER FUND, LTD.			
Common Stock	73,616	5.8321	01/16/2015
Common Stock	87,676	5.8652	01/20/2015
Common Stock	27,800	5.9455	01/21/2015
Common Stock	90,673	6.0785	01/22/2015
Common Stock	24,300	5.9622	01/23/2015
Common Stock	62,600	6.0510	01/26/2015

KENNETH H. TRAUB

Common Stock	3,585	5.8980	01/16/2015
Common Stock	1,500	5.7233	01/20/2015
Common Stock	10,000	5.9500	01/21/2015