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CAPTARIS INC
Form SC 13D/A
March 17, 2008

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13D*
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO
RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE
13d-2(a)

Under the Securities Exchange Act of 1934
(Amendment No. 1)

Captaris, Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

14071N104

(CUSIP Number)

Mr. Charles Frumberg
Emancipation Capital

1120 Avenue of the Americas, Suite 1504
New York, NY 10036
(212) 626-2641

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

March 12, 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. []

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

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parties to whom copies are to be sent. (Continued on following pages)

 * 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).

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(1) NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NO.
 OF ABOVE PERSONS (ENTITIES ONLY)
 Emancipation Capital, LP

(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 PROCEEDING IS REQUIRED PURSUANT TO
 ITEM 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 1,694,541

EACH (9) SOLE DISPOSITIVE POWER
 REPORTING -0-

PERSON WITH (10) SHARED DISPOSITIVE POWER
 1,694,541

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED
 BY EACH REPORTING PERSON
 1,694,541

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

(13) PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW (11) 6.36%

(14) TYPE OF REPORTING PERSON *
PN

* SEE INSTRUCTIONS BEFORE FILLING OUT!

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(1) NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO.
OF ABOVE PERSONS (ENTITIES ONLY)
Emancipation Capital, 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 PROCEEDING IS REQUIRED PURSUANT TO
ITEM 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 1,694,541

EACH (9) SOLE DISPOSITIVE POWER
REPORTING -0-

PERSON WITH (10) SHARED DISPOSITIVE POWER
1,694,541

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED
BY EACH REPORTING PERSON 1,694,541

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

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(13) PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW (11) 6.36%

(14) TYPE OF REPORTING PERSON * 00

* SEE INSTRUCTIONS BEFORE FILLING OUT!

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(1) NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO.
OF ABOVE PERSONS (ENTITIES ONLY) Emancipation Capital Master, Ltd.

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

(3) SEC USE ONLY

(4) SOURCE OF FUNDS* 00

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO
ITEM 2(d) or 2(e) []

(6) CITIZENSHIP OR PLACE OF ORGANIZATION Cayman Islands

NUMBER OF (7) SOLE VOTING POWER -0-
SHARES

BENEFICIALLY (8) SHARED VOTING POWER 1,694,541
OWNED BY

EACH (9) SOLE DISPOSITIVE POWER -0-
REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER 1,694,541

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED
BY EACH REPORTING PERSON 1,694,541

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

(13) PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW (11) 6.36%

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(14) TYPE OF REPORTING PERSON *
CO

* SEE INSTRUCTIONS BEFORE FILLING OUT!

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(1) NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO.
OF ABOVE PERSONS (ENTITIES ONLY)
Charles Frumberg

(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 PROCEEDING IS REQUIRED PURSUANT TO
ITEM 2(d) or 2(e) []

(6) CITIZENSHIP OR PLACE OF ORGANIZATION
United States

NUMBER OF (7) SOLE VOTING POWER
SHARES -0-

BENEFICIALLY (8) SHARED VOTING POWER
OWNED BY 1,694,541

EACH (9) SOLE DISPOSITIVE POWER
REPORTING -0-

PERSON WITH (10) SHARED DISPOSITIVE POWER
1,694,541

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED
BY EACH REPORTING PERSON
1,694,541

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

(13) PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW (11)
6.36%

(14) TYPE OF REPORTING PERSON *

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Item 1. Security and Issuer.

This Amendment No. 1 ("Amendment No. 1") hereby amends the Schedule 13D filed with the Securities and Exchange Commission on January 31, 2008 (the "Original 13D," and together with this Amendment No. 1, the "Schedule 13D") relating to the shares ("Shares") of common stock, \$0.01 par value, of Captaris, Inc. (the "Issuer").

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

Item 3 of the Schedule 13D is hereby amended and restated in its entirety as follows:

As of March 14, 2008, the aggregate amount of funds used to purchase the Shares held by the Reporting Persons was approximately \$6.8 million. The Shares beneficially owned by the Reporting Persons were acquired with investment funds in accounts under management.

Item 4. Purpose of Transaction.

Item 4 of Schedule 13D is hereby amended and restated in its entirety as follows:

The Reporting Persons originally acquired Shares for investment in the ordinary course of business. As previously indicated in its Original 13D, the Reporting Persons believe that the Shares at current market prices are undervalued and that the maximum value of the Issuer may best be realized through strategic alternatives. The Reporting Persons are supportive of the Issuer's announcement to explore strategic alternatives as well as Vector Capital Corporation's ("Vector") proposal to acquire all the outstanding Shares. The Reporting Persons intend to engage in discussions, as deemed appropriate by the Reporting Persons, with the management and board of directors of the Issuer requesting them to give serious consideration to Vector's proposal and any other acquisition proposals. In the ordinary course of their investment business, from time to time, representatives of the Reporting Persons engage in discussions with the management of companies in which they have invested concerning the business and operations of the company and potential approaches to maximizing shareholder value. The Reporting Persons have engaged, and intend to continue to engage, in such discussions with the Issuer, other holders of the Issuer's Shares and/or third parties.

The Reporting Persons have no present plan or proposal that would relate to or result in any of the matters set forth in subparagraphs (a)-(j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon completion of any of the actions discussed herein. The Reporting Persons intend to review their investment in the Issuer on a continuing basis. Depending on various factors including, without limitation, the Issuer's financial position and strategic direction, price levels of the Shares, conditions in the securities market and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, purchasing

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additional Shares or selling some or all of their Shares, hedging their positions and/or otherwise changing their intentions with respect to any and all matters referred to herein.

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Item 5. Interest in Securities of the Company.

Item 5, sections (a) through (c), of the Schedule 13D are hereby amended and restated in their entirety as follows:

(a) As of March 14, 2008, the Reporting Persons beneficially owned, in the aggregate, approximately 6.36% of the Issuer's outstanding Shares. The aggregate percentage of Shares reported to be beneficially owned by the Reporting Persons is based upon 26,645,544 Shares outstanding, which is the total number of Shares outstanding as of November 1, 2007, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007.

(b) The Reporting Persons have the following voting and dispositive powers over the Shares reported herein:

(i) Emancipation Capital: Beneficial owner, with shared power to vote or direct the vote and to dispose or direct the disposition, of 1,694,541 Shares, or an aggregate of 6.36% of outstanding Shares.

(ii) Emancipation Capital LLC: Beneficial owner, with shared power to vote or direct the vote and to dispose or direct the disposition, of 1,694,541 Shares, or an aggregate of 6.36% of outstanding Shares.

(iii) Emancipation Master Ltd: Beneficial owner, with shared power to vote or direct the vote and to dispose or direct the disposition, of 1,694,541 Shares, or an aggregate of 6.36% of outstanding Shares.

(iv) Mr. Frumberg: Beneficial owner, with shared power to vote or direct the vote and to dispose or direct the disposition, of 1,694,541 Shares and, or an aggregate of 6.36% of outstanding Shares.

(c) The following table sets forth all transactions with respect to the Shares effected since the filing of the Original 13D by any of the Reporting Persons, inclusive of the transactions effected through 4:00 pm, New York City time, on March 14, 2008. All such transactions were effected in the open market.

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Name	Date	No. of Shares	Price Per Share (4)	Transaction Type
Emancipation Capital	02/28/2008	25,500	3.54	Purchase

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Emancipation Capital	02/29/2008	13,700	3.52	Purchase
Emancipation Capital	03/03/2008	35,243	3.48	Purchase
Emancipation Capital	03/04/2008	17,756	3.46	Purchase
Emancipation Capital	03/05/2008	23,231	3.44	Purchase
Emancipation Capital	03/06/2008	6,800	3.38	Purchase
Emancipation Capital	03/07/2008	70,000	3.44	Purchase
Emancipation Capital	03/11/2008	5,150	3.52	Purchase
Emancipation Capital	03/12/2008	100,000	3.60	Purchase
Emancipation Capital	03/14/2008	25,405	3.50	Purchase

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SIGNATURES

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: March 17, 2008

EMANCIPATION CAPITAL, LP

By: Emancipation Capital, LLC, its
general partner

By: /s/ Charles Frumberg

Name: Charles Frumberg
Title: Managing Member

EMANCIPATION CAPITAL MASTER LTD.

By: /s/ Charles Frumberg

Name: Charles Frumberg
Title: Director

EMANCIPATION CAPITAL, LLC

By: /s/ Charles Frumberg

Name: Charles Frumberg
Title: Managing Member

CHARLES FRUMBERG

/s/ Charles Frumberg
