

PRO DEX INC
Form SC 13D/A
March 14, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 1)*

PRO-DEX, INC.

(Name of Issuer)

Common Stock, no par value

(Title of Class of Securities)

74265M205

(CUSIP Number)

Farnam Street Partners, L.P.

3033 Excelsior Boulevard, Suite 320

Minneapolis, MN 55426

Phone: (612) 353-6707

With a copy to:

Martin R. Rosenbaum, Esq.

Maslon Edelman Borman & Brand, LLP

3300 Wells Fargo Center

90 South Seventh Street

Minneapolis, MN 55402-4140

Phone: (612) 672-8200

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

February 28, 2013

(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 .

CUSIP No. 74265M205

NAME OF
REPORTING
PERSONS

1

Farnam Street Partners,
L.P.
CHECK
THE
APPROPRIATE
BOX IF

2

A
MEMBER ^(a)
OF A ^(b)
GROUP ^(b)
(SEE
INSTRUCTIONS)

3

SEC USE ONLY
SOURCE OF FUNDS
(SEE
INSTRUCTIONS)

4

5

OO (Investment
proceeds)
CHECK
BOX IF
DISCLOSURE
OF
LEGAL
PROCEEDINGS
IS
REQUIRED
PURSUANT
TO
ITEMS

2(d) or
2(e)

CITIZENSHIP OR
PLACE OF
ORGANIZATION

6

Minnesota

SOLE
VOTING
POWER

NUMBER OF 7

SHARES

0

BENEFICIALLY SHARED
VOTING
POWER

OWNED BY 8

EACH

REPORTING 194,390
SOLE
DISPOSITIVE
POWER

PERSON

WITH 9

0
SHARED
DISPOSITIVE
POWER

10

194,390
AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
REPORTING
PERSON

11

194,390

12 CHECK
BOX IF
THE
AGGREGATE
AMOUNT
IN
ROW
(9)
EXCLUDES
CERTAIN
SHARES
(SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW
(9)

14 5.8%
TYPE OF
REPORTING
PERSON (SEE
INSTRUCTIONS)

PN

CUSIP No. 74265M205

NAME OF
REPORTING
PERSONS

1

Farnam Street Capital,
Inc.

CHECK
THE
APPROPRIATE
BOX IF

A
MEMBER^(a)

2

OF A
GROUP ^(b)

(SEE
INSTRUCTIONS)

3

SEC USE ONLY
SOURCE OF FUNDS
(SEE
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CITIZENSHIP OR
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Minnesota

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7

NUMBER OF
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BENEFICIALLY

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PERCENT OF CLASS
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AMOUNT IN ROW (9)

13

5.8%
TYPE OF
REPORTING PERSON
(SEE
INSTRUCTIONS)

14

CO

3

CUSIP No. 74265M205

- 1** NAME OF REPORTING PERSONS
- Raymond E. Cabillot
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER^(a) OF A GROUP^(b) (SEE INSTRUCTIONS)
- 3** SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
- 4**
- 5** OO (Investment proceeds) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS

2(d) or
2(e)

CITIZENSHIP OR
PLACE OF
ORGANIZATION

6

United States
SOLE
VOTING
POWER

7

NUMBER OF
SHARES
BENEFICIALLY

0
SHARED
VOTING
POWER

8

OWNED BY
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REPORTING

194,390
SOLE
DISPOSITIVE
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AGGREGATE
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12

194,390 ..

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SHARES
(SEE
INSTRUCTIONS)

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

13

5.8%
TYPE OF
REPORTING PERSON
(SEE
INSTRUCTIONS)

14

IN

4

CUSIP No. 74265M205

- 1** NAME OF REPORTING PERSONS

- 2** Peter O. Haeg
CHECK THE APPROPRIATE BOX IF A MEMBER^(a) OF A GROUP^(b) (SEE INSTRUCTIONS)

- 3** SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)

- 4**

- 5** OO (Investment proceeds) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO

ITEMS
2(d) or
2(e)

CITIZENSHIP OR
PLACE OF
ORGANIZATION

6

United States
SOLE
VOTING
POWER

7

**NUMBER OF
SHARES
BENEFICIALLY** 0
SHARED
VOTING
POWER

8

**OWNED BY
EACH
REPORTING** 194,390
SOLE
DISPOSITIVE
POWER

9

PERSON

WITH 0
SHARED
DISPOSITIVE
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(SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (9)

14 5.8%
TYPE OF
REPORTING PERSON
(SEE
INSTRUCTIONS)

IN

5

CUSIP No. 74265M205

Item 1. Security and Issuer.

(a) This Schedule 13D relates to shares of the Common Stock, no par value, of Pro-Dex, Inc., a Colorado corporation (the “Issuer” or the “Company”). The address of the principal executive offices of the Issuer is 2361 McGaw Avenue, Irvine, California 92614.

Item 2. Identity and Background.

This Schedule 13D is being filed jointly by

Farnam Street Partners, L.P., a Minnesota limited partnership (“Farnam Fund”).

Farnam Street Capital, Inc., a Minnesota corporation and General Partner of Farnam Fund (“Farnam Capital”).

Raymond E. Cabillot as the Chief Executive Officer and a director of Farnam Capital and as a nominee for director of the Issuer

Peter O. Haeg as the President and Secretary and a director of Farnam Capital

(collectively, the “Farnam Group”).

On January 22, 2013, the Issuer announced that Raymond E. Cabillot was elected to serve on the Issuer’s Board of Directors.

Previously, the Farnam Group (except for Mr. Haeg), William James Farrell III, another nominee, and the AO Partners Group (as defined below), jointly filed a Schedule 13D and amendments thereto (as amended, the “AO Partners/Farnam Schedule 13D”) and may have been deemed to constitute a “group” for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). With the Company’s shareholder meeting completed, and Mr. Cabillot elected as a director, these parties are no longer filing a joint Schedule 13D. The Farnam Group expressly disclaims the existence of any ongoing arrangement with the AO Partners Group that could constitute a “group” and disclaims any beneficial ownership of securities held by Mr. Farrell and the AO Partners Group.

The “AO Partners Group” consists of the following:

AO Partners I, L.P., a Delaware limited partnership (“AO Partners Fund”).

AO Partners, LLC, a Delaware limited liability company and General Partner of AO Partners Fund (“AO Partners”).

Glenhurst Co., a Minnesota corporation and wholly owned by Nicholas J. Swenson (“Glenhurst”).

Nicholas J. Swenson as the Managing Member of AO Partners, as the sole owner of Glenhurst and as an individual.

(b) The principal office and place of business for all of the Reporting Persons is 3033 Excelsior Boulevard, Suite 320, Minneapolis, Minnesota 55416.

(c) Farnam Fund was organized in January 1998 as a Minnesota Limited Partnership. Its principal business activities involve investing in equity securities of publicly traded companies, as well as other types of securities. Mr. Cabillot serves as Chief Executive Officer and a director of Farnam Capital, the General Partner of Farnam Street Partners, L.P., a private investment partnership located in Minneapolis, Minnesota. Mr. Peter O. Haeg is President and Secretary of Farnam Capital.

(d) - (e) During the last five years, neither Farnam Fund nor the principals of its General Partner have been convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors) nor have the parties been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such individual was or is subject to a judgment, decree, or final order enjoining future violations of, or prohibiting, or mandating activity subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Farnam Fund is a Minnesota limited partnership. Farnam Capital is a Minnesota corporation. Messrs. Cabillot and Haeg are citizens of the United States of America.

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

The Farnam Group acquired the Common Stock of the Issuer in open market purchases with working capital of Farnam Fund. The amount of funds expended to acquire these shares is \$745,674.80.

Item 4. Purpose of Transaction.

The Farnam Group acquired shares of Common Stock because it believes that the Common Stock was undervalued and represented an attractive investment.

The Reporting Persons may make further purchases of shares of Common Stock. The Reporting Persons may dispose of any or all the shares of Common Stock held by them.

To the extent the actions described herein may be deemed to constitute a “control purpose” with respect to the Securities Exchange Act of 1934, as amended, and the regulations thereunder, the Reporting Persons have such a purpose. Except as noted in this Schedule 13D, none of the Reporting Persons has any plans or proposals, which relate to, or would result in, any of the matters referred to in paragraphs (b) through (j), inclusive of Item (4) of Schedule 13D. Such persons may, at any time and from time to time, review or reconsider their positions and formulate plans or proposals with respect thereto.

Item 5. Interests in Securities of the Issuer.

(a) The Fund beneficially owns 194,390 shares of the outstanding Common Stock of the Issuer, representing approximately 5.8% of the Common Stock (based upon 3,340,684 shares outstanding on February 1, 2013, as reported in the Issuer's most recent Quarterly Report on Form 10-Q for the quarter ended December 31, 2012).

(b) The Fund does not share voting and dispositive power with respect to any shares.

Mr. Cabillot and Mr. Haeg share voting and dispositive power of the Common Stock beneficially owned by Farnam Fund by virtue of such entity's and person's relationship to the other as described in Item 2(a).

(c) Farnam Fund has made the following purchases during the past 60 days:

Trade Date	Number of Shares Purchased	Price Per Share
3/6/2013	4,221	\$2.00
3/7/2013	9,500	\$2.00
3/8/2013	11,839	\$2.00

All purchases were open market purchases, under a 10b5-1 trading plan adopted on January 30, 2013.

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

With respect to Farnam Fund, Farnam Capital is entitled to (1) an allocation of a portion of profits, if any, and (2) a management fee based upon a percentage of total capital.

Mr. Cabillot is indemnified by Farnam Fund and Farnam Capital for liabilities he may incur in connection with his duties for the Farnam Group.

Other than the foregoing agreements and arrangements and the Agreement to file jointly between the members of the Farnam Group (incorporated herein by reference), there are no contracts, arrangements, understandings or relationships among the persons named in Item 2 hereof and between such persons and any person with respect to any securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

Exhibit No.	Description
1	Agreement to file jointly. (Incorporated herein by reference to Exhibit No. 1 filed with Schedule 13D on November 28, 2012).

8

CUSIP No. 74265M205

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.

Date: March 14, 2013

FARNAM STREET PARTNERS, L.P.

By: FARNAM STREET CAPITAL, INC.

General Partner

By: /s/ Raymond E. Cabillot

Raymond E. Cabillot

Chief Executive Officer

FARNAM STREET CAPITAL, INC.

By: /s/ Raymond E. Cabillot

Raymond E. Cabillot

Chief Executive Officer

By: /s/ Raymond E. Cabillot

Raymond E. Cabillot

By: /s/ Peter O. Haeg

Peter O. Haeg