

MEMSIC Inc
Form SC 13D/A
November 28, 2012

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

MEMSIC, Inc.

(Name of Issuer)

Common Stock, \$0.00001 par value
(Title of Class of Securities)

586264103
(CUSIP Number)

Paul J. Solit
Eric Singer
POTOMAC CAPITAL PARTNERS II, L.P.
825 Third Avenue, 33rd Floor
New York, New York 10022

With copies to:

Steven 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)

November 26, 2012
(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. 586264103

1 NAME OF REPORTING PERSON

POTOMAC CAPITAL PARTNERS II, L.P.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC, OO

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
		814,480
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		814,480

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

814,480

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

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

3.4%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 586264103

1 NAME OF REPORTING PERSON

POTOMAC CAPITAL MANAGEMENT II, L.L.C.

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
		814,480
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		814,480

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

814,480

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

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

3.4%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 586264103

1 NAME OF REPORTING PERSON

POTOMAC CAPITAL PARTNERS III, L.P.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC, OO

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
		253,622
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		253,622

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

253,622

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

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

1.0%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 586264103

1 NAME OF REPORTING PERSON

POTOMAC CAPITAL MANAGEMENT III, L.L.C.

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
		253,622
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		253,622

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

253,622

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

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

1.0%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 586264103

1 NAME OF REPORTING PERSON

PAUL J. SOLIT

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
		1,068,102
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		1,068,102

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,068,102

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

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

4.4%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 586264103

1 NAME OF REPORTING PERSON

ERIC SINGER

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
	8	- 0 - SHARED VOTING POWER
	9	1,068,102 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		1,068,102

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,068,102

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

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

4.4%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 586264103

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.

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 814,480 Shares owned directly by PCP II is approximately \$1,369,778, including brokerage commissions. The Shares owned directly by PCP II were acquired with its working capital.

The aggregate purchase price of the 253,622 Shares owned directly by PCP III is approximately \$384,246, including brokerage commissions. The Shares owned directly by PCP III were acquired with its working capital.

PCP II and PCP III each effect purchases of securities primarily through margin accounts maintained for them with prime brokers, which may extend margin credit to them 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.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On November 20, 2012, the Issuer issued a press release disclosing its receipt of an unsolicited, non-binding proposal from IDG-Accel China Growth II L.P. for itself and on behalf of its affiliated funds and certain nominees (collectively, “IDG”) to acquire all outstanding Shares not currently owned by the Issuer or its affiliates for cash in the amount of \$4.00 per Share. The Reporting Persons believe the IDG offer represents an attractive means to return capital to stockholders. The Reporting Persons encourage the Issuer’s Board of Directors to support the IDG’s offer unless it receives other superior offers.

Item 5. Interest in Securities of the Issuer.

Item 5(a) is hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each Reporting Person is based upon 24,199,585 Shares outstanding, which is the total number of Shares outstanding as of November 12, 2012 as reported in the Issuer’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012, filed with the Securities and Exchange Commission on November 14, 2012.

As of the close of business on November 27, 2012, PCP II beneficially owns 814,480 Shares, constituting approximately 3.4% of the Shares outstanding. By virtue of their relationships with PCP II discussed in further detail in Item 2, each of Potomac Management II and Messrs. Solit and Singer may be deemed to beneficially own the Shares beneficially owned by PCP II.

CUSIP NO. 586264103

As of the close of business on November 27, 2012, PCP III beneficially owns 253,622 Shares, constituting approximately 1.0% of the Shares outstanding. By virtue of their relationships with PCP III discussed in further detail in Item 2, each of Potomac Management III and Messrs. Solit and Singer may be deemed to beneficially own the Shares beneficially owned by PCP III.

Item 5(c) is hereby amended and restated to read as follows:

(c) Schedule A annexed hereto lists all transactions in the Shares since the filing of the initial Schedule 13D by the Reporting Persons. All of such transactions were effected in the open market, except as otherwise noted.

Item 5(e) is hereby amended and restated to read as follows:

(e) As of November 26, 2012, the Reporting Persons ceased to be the beneficial owners of more than 5% of the Shares of the Issuer.

CUSIP NO. 586264103

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: November 28, 2012

POTOMAC CAPITAL PARTNERS II, L.P.

By: Potomac Capital Management II, L.L.C.
General Partner

By: /s/ Paul J. Solit
Name: Paul J. Solit
Title: Co-Managing Member

POTOMAC CAPITAL MANAGEMENT II, L.L.C.

By: /s/ Paul J. Solit
Name: Paul J. Solit
Title: Co-Managing Member

POTOMAC CAPITAL PARTNERS III, L.P.

By: Potomac Capital Management III, L.L.C.
General Partner

By: /s/ Paul J. Solit
Name: Paul J. Solit
Title: Co-Managing Member

POTOMAC CAPITAL MANAGEMENT III, L.L.C.

By: /s/ Paul J. Solit
Name: Paul J. Solit
Title: Co-Managing Member

/s/ Paul J. Solit
PAUL J. SOLIT

/s/ Eric Singer
ERIC SINGER

CUSIP NO. 586264103

SCHEDULE A
Transactions in the Shares Since the Filing of the Schedule 13D

Shares of Common Stock Purchased/(Sold)	Price Per Share(\$)	Date of Purchase
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POTOMAC CAPITAL PARTNERS II, L.P.

(77,137)	3.1016	11/26/2012
(31,553)	3.1000	11/27/2012

POTOMAC CAPITAL MANAGEMENT II, L.L.C.
None

POTOMAC CAPITAL PARTNERS III, L.P.

(24,051)	3.1016	11/26/2012
(9,827)	3.1000	11/27/2012

POTOMAC CAPITAL MANAGEMENT III, L.L.C.
None

PAUL J. SOLIT
None