

Edgar Filing: HANDLEMAN CO /MI/ - Form SC 13G/A

HANDLEMAN CO /MI/  
Form SC 13G/A  
January 21, 2011

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

SCHEDULE 13G  
Under the Securities Exchange Act of 1934  
(Amendment No. 2)\*

Handleman Company

-----  
(Name of Issuer)

Common Stock

-----  
(Title of Class of Securities)

410252100

-----  
(CUSIP Number)

December 31, 2010

-----  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

/ / 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 ("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).

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

CUSIP No. 410252100  
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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).

Underhill Partners, L.P.  
13-4153955  
-----

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2. Check the Appropriate Box if a Member of a Group

(a) -----

(b) -----

3. SEC Use Only -----

4. Citizenship or Place of Organization

Delaware  
-----

Number of Shares Beneficially Owned by Each Reporting Person With:

5. Sole Voting Power	0
6. Shared Voting Power	1,800,926
7. Sole Dispositive Power	0
8. Shared Dispositive Power	1,800,926

9. Aggregate Amount Beneficially Owned by Each Reporting Person

1,800,926  
-----

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares

-----

11. Percent of Class Represented by Amount in Row (9)

8.8%  
-----

12. Type of Reporting Person

PN  
-----

CUSIP No. 410252100  
-----

1. Names of Reporting Persons.

I.R.S. Identification Nos. of above persons (entities only).

Underhill Capital, L.L.C.  
13-4153948  
-----

2. Check the Appropriate Box if a Member of a Group

(a) -----

(b) -----

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-----  
3. SEC Use Only  
-----

4. Citizenship or Place of Organization  
Delaware  
-----

Number of Shares Beneficially Owned by Each Reporting Person With:

5.	Sole Voting Power	0
6.	Shared Voting Power	1,800,926
7.	Sole Dispositive Power	0
8.	Shared Dispositive Power	1,800,926

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
1,800,926  
-----

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares  
-----

11. Percent of Class Represented by Amount in Row (9)  
8.8%  
-----

12. Type of Reporting Person  
OO  
-----

Item 1.

(a) Name of Issuer  
Handleman Company  
-----

(b) Address of Issuer's Principal Executive Offices  
500 Kirts Boulevard  
Troy, Michigan 48084-5225  
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Item 2.

(a) Name of Persons Filing  
Underhill Partners, L.P., and  
Underhill Capital, L.L.C.

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(b) Address of Principal Business Office or, if none,  
Residence

61 Broadway, New York, NY 10006  
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(c) Citizenship

Underhill Partners, L.P. Delaware  
Underhill Capital, L.L.C. Delaware  
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(d) Title of Class of Securities

Common Stock  
-----

(e) CUSIP Number

410252100  
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Item 3. This statement is filed pursuant to Rule 13d-1(b), and the Person Filing is a:

Not applicable.

Item 4. Ownership

I. Underhill Partners, L.P.

(a) Amount beneficially owned: 1,800,926 shares.

(b) Percent of Class: 8.8%.

(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote:

0

(ii) shared power to vote or to direct the vote:

1,800,926

(iii) sole power to dispose or to direct the disposition of:

0

(iv) shared power to dispose or to direct the disposition of:

1,800,926

II. Underhill Partners, L.L.C.

(a) Amount beneficially owned: 1,800,926 shares.

(b) Percent of Class: 8.8%.

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(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote:

0

(ii) shared power to vote or to direct the vote:

1,800,926

(iii) sole power to dispose or to direct the disposition of:

0

(iv) shared power to dispose or to direct the disposition of:

1,800,926

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

Reported under shared voting power for Underhill Capital, L.L.C. and under shared dispositive power for Underhill Capital, L.L.C. are 1,800,926 shares owned by Underhill Partners, L.P.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company

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

By signing below each of the undersigned certifies that, to the best of his or its knowledge and belief, the securities referred to above as beneficially owned by him or it 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.

SIGNATURE

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

January 21, 2011

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-----  
Date

Underhill Partners, L.P.

By: Underhill Capital, L.L.C.,  
as General Partner

By: /s/ Keith S. Lane-Zucker  
Keith S. Lane-Zucker  
Member

Underhill Capital, L.L.C.

By: /s/ Keith S. Lane-Zucker  
Keith S. Lane-Zucker  
Member

-----  
INDEX TO EXHIBITS

The following is filed as an Exhibit hereto:

1. Joint Filing Agreement of the Reporting Persons.

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EXHIBIT 1 TO SCHEDULE 13G

The undersigned hereby agree that the Schedule 13G, as amended, to which this is an Exhibit is filed on behalf of each of them.

Date: January 21, 2011

Underhill Partners, L.P.

By Underhill Capital, L.L.C., as General Partner

By: /s/ Keith S. Lane-Zucker  
Keith S. Lane-Zucker  
Member

Underhill Capital, L.L.C.

By: /s/ Keith S. Lane-Zucker  
Keith S. Lane-Zucker  
Member