

CROWN CRAFTS INC
Form SC 13D/A
August 16, 2011

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

SCHEDULE 13D/A
(Amendment No. 17)

Under the Securities Exchange Act of 1934

Crown Crafts, Inc.

(Name of Issuer)

Common Stock, \$0.01 par value per share

(Title of Class of Securities)

228309100

(CUSIP Number)

Wynnefield Partners Small Cap Value, L.P.
450 Seventh Avenue, Suite 509
New York, New York 10123
Attention: Mr. Nelson Obus

Copy to:

Jeffrey S. Tullman, Esq.
Kane Kessler, P.C.

1350 Avenue of the Americas, 26th Floor
New York, New York 10019
(212) 541-6222

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

August 9, 2011

(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 which 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. 228309100

13D/A

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Wynnefield Partners Small Cap Value, L.P.
13-3688497
 - 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)

(b)
 - 3 SEC USE ONLY
 - 4 SOURCE OF FUNDS (See Instructions)
WC
 - 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 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
568,908 (See Item 5) |
| | 8 | SHARED VOTING POWER
0 |
| | 9 | SOLE DISPOSITIVE POWER
568,908 (See Item 5) |
| | 10 | SHARED DISPOSITIVE POWER
0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
568,908 (See Item 5)
 - 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
 - 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
5.94%

14 TYPE OF REPORTING PERSON (See Instructions)
PN

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Wynnefield Partners Small Cap Value, L.P. I
13-3953291
 - 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)

(b)
 - 3 SEC USE ONLY
 - 4 SOURCE OF FUNDS (See Instructions)
WC
 - 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 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
641,030 (See Item 5) |
| | 8 | SHARED VOTING POWER
0 |
| | 9 | SOLE DISPOSITIVE POWER
641,030 (See Item 5) |
| | 10 | SHARED DISPOSITIVE POWER
0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
641,030 (See Item 5)
 - 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
 - 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
6.69%

14 TYPE OF REPORTING PERSON (See Instructions)
PN

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Wynnefield Small Cap Value Offshore Fund, Ltd.
(No IRS Identification No.)
 - 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)

(b)
 - 3 SEC USE ONLY
 - 4 SOURCE OF FUNDS (See Instructions)
WC
 - 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 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
350,035 (See Item 5) |
| | 8 | SHARED VOTING POWER
0 |
| | 9 | SOLE DISPOSITIVE POWER
350,035 (See Item 5) |
| | 10 | SHARED DISPOSITIVE POWER
0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
350,035 (See Item 5)
 - 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
 - 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.65%

14 TYPE OF REPORTING PERSON (See Instructions)
CO

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Wynnefield Capital Management, LLC
13-4018186
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)

(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (See Instructions)
AF
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
New York

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 1,209,938 (See Item 5)
	8	SHARED VOTING POWER 0
	9	SOLE DISPOSITIVE POWER 1,209,938 (See Item 5)
	10	SHARED DISPOSITIVE POWER 0

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,209,938 (See Item 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
12.63%

14 TYPE OF REPORTING PERSON (See Instructions)
OO (Limited Liability Company)

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Wynnefield Capital, Inc.
13-3688495

- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) o

(b) x

- 3 SEC USE ONLY

- 4 SOURCE OF FUNDS (See Instructions)
AF

- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 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 350,035 (See Item 5)
	8	SHARED VOTING POWER 0
	9	SOLE DISPOSITIVE POWER 350,035 (See Item 5)
	10	SHARED DISPOSITIVE POWER 0

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
350,035 (See Item 5)

- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)

- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.65%

14 TYPE OF REPORTING PERSON (See Instructions)
CO

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Channel Partnership II, L.P.
22-3215653
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (See Instructions)
WC
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
New York
- | | | |
|--|----|---|
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH | 7 | SOLE VOTING POWER
11,600 (See Item 5) |
| | 8 | SHARED VOTING POWER
0 |
| | 9 | SOLE DISPOSITIVE POWER
11,600 (See Item 5) |
| | 10 | SHARED DISPOSITIVE POWER
0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
11,600 (See Item 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.12%

14 TYPE OF REPORTING PERSON (See Instructions)
PN

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Nelson Obus
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (See Instructions)
AF
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States
- | | | |
|--|----|---|
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH | 7 | SOLE VOTING POWER
13,600 (See Item 5) |
| | 8 | SHARED VOTING POWER
1,559,973 |
| | 9 | SOLE DISPOSITIVE POWER
13,600 (See Item 5) |
| | 10 | SHARED DISPOSITIVE POWER
1,559,973 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,573,573 (See Item 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
16.42%
- 14 TYPE OF REPORTING PERSON (See Instructions)

IN

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Joshua Landes
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) o

(b) x
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (See Instructions)
AF
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 1,559,973 (See Item 5)
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 1,559,973 (See Item 5)

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,559,973 (See Item 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
16.28%

14 TYPE OF REPORTING PERSON (See Instructions)
IN

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- 1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)
Wynnefield Capital, Inc. Profit Sharing & Money Purchase Plan
 - 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) o

(b) x
 - 3 SEC USE ONLY
 - 4 SOURCE OF FUNDS (See Instructions)
WC
 - 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 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
2,000 (See Item 5) |
| | 8 | SHARED VOTING POWER
0 |
| | 9 | SOLE DISPOSITIVE POWER
2,000 (See Item 5) |
| | 10 | SHARED DISPOSITIVE POWER
0 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,000 (See Item 5)
 - 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
 - 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.02%
 - 14 TYPE OF REPORTING PERSON (See Instructions)

CO

This Amendment No. 17 (the “Amendment”) amends the Statement of Beneficial Ownership on Schedule 13D originally filed with the Securities and Exchange Commission on May 17, 2002, as further amended by Amendment No. 1 filed on January 28, 2003, as further amended by Amendment No. 2 filed on February 20, 2003, as further amended by Amendment No. 3 filed on May 12, 2003, as further amended by Amendment No. 4 filed on June 28, 2007, as further amended by Amendment No. 5 filed on July 31, 2007, as further amended by Amendment No. 6 filed on October 11, 2007, as further amended by Amendment No. 7 filed on December 4, 2007, as further amended by Amendment No. 8 filed on June 30, 2008, as further amended by Amendment No. 9 filed on July 7, 2008, as further amended by Amendment No. 10 filed on August 18, 2009, as further amended by Amendment No. 11 filed on May 3, 2010, as further amended by Amendment No. 12 filed on June 28, 2010, as further amended by Amendment No. 13 filed on January 10, 2011, as further amended by Amendment No. 14 filed on May 26, 2011, as further amended by Amendment No. 15 filed on June 1, 2011 and as further amended by Amendment No. 16 filed on July 18, 2011 (collectively, the “Schedule 13D”) by the Wynnefield Reporting Persons (as defined in the Schedule 13D) with respect to shares of common stock, par value \$0.01 (the “Common Shares”) of Crown Crafts, Inc. (the “Issuer”), whose principal executive offices are located at 916 South Burnside Avenue, Gonzales, Louisiana 70737. Unless specifically amended hereby, the disclosures set forth in the Schedule 13D shall remain unchanged. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Schedule 13D.

Item 4. Purpose of Transaction.

Item 4 of the Schedule 13D is hereby amended by the addition of the following:

At the Issuer’s Annual Meeting of Shareholders held on August 9, 2011 (the “Meeting”), a representative of the Wynnefield Reporting Persons addressed the Meeting and detailed what the Wynnefield Reporting Persons believe to be significant deficiencies in the Issuer’s corporate governance and financial performance, which, in the view of the Wynnefield Reporting Persons, has resulted in stagnant shareholder value. The Wynnefield Reporting Persons suggested the Issuer’s Board of Directors (the “Board”) take immediate steps to address these deficiencies, including:

1. Adopting and publicly announcing a CEO succession plan;
2. Eliminating the staggered Board and electing all directors annually;
3. Revising the golden parachutes and severance payable to senior executives, upon a change-in-control, which the Wynnefield Reporting Persons believe are excessive;
4. Separating the positions of Chairman and CEO;
5. Appointing newly elected director, Ms. Pat Stensrud, to the Board’s Nominating and Governance Committee; and
6. Seeking public assurance from the Board that any contact, oral or written, concerning a possible strategic transaction received by the Issuer’s management be communicated promptly to the entire Board for consideration and evaluation.

Given the overwhelming support the Wynnefield Reporting Persons’ nominees have received from shareholders the past two years, the Wynnefield Reporting Persons believe that if, contrary to their recommendation to the Board, Ms. Stensrud is not appointed to the Nominating and Governance Committee, the Board will once again have confirmed its desire to maintain the status quo and frustrate the will of shareholders.

The Wynnefield Reporting Persons reiterated their long standing offer to work collaboratively with the Board to address these issues, to facilitate implementation of these changes and to create value for all shareholders. The Wynnefield Reporting Persons hope that the Board will react more positively to rectifying these deficiencies than it has to similar requests in the past.

The full text of the Wynnefield Reporting Persons' address to the Meeting is annexed hereto as Exhibit "13".

Other than as set forth in this Item 4, the Wynnefield Reporting Persons do not have any current plans, proposals or negotiations that relate to or would result in any of the matters referred to in paragraphs (a) through (j) of Item 4 of the Schedule 13D. The Wynnefield Reporting Persons intend to review their investment in the Issuer on a continuing basis, and to the extent permitted by law, may seek to engage in discussions with other stockholders and/or with management and the Board of Directors of the Issuer concerning the business, operations or future plans of the Issuer. Depending on various factors including, without limitation, the Issuer's financial position, the price levels of the Common Shares, conditions in the securities markets and general economic and industry conditions, the Wynnefield 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 additional Common Shares, selling Common Shares, engaging in short selling of or any hedging or similar transaction with respect to the Common Shares, taking any other action with respect to the Issuer or any of its securities in any manner permitted by law or changing its intention with respect to any and all matters referred to in paragraphs (a) through (j) of Item 4.

Item 7. Material to be Filed as Exhibits.

Item 7 of the Schedule 13D is hereby amended by the addition of the following:

Exhibit 13 Wynnefield Reporting Persons' address to the Issuer's 2011 Annual Meeting of Shareholders

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Schedule 13D is true, complete and correct.

Date: August 16, 2011

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P.

By: Wynnefield Capital Management, LLC, General Partner

By: /s/ Nelson Obus
Nelson Obus, Co-Managing Member

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I

By: Wynnefield Capital Management, LLC, General Partner

By: /s/ Nelson Obus
Nelson Obus, Co-Managing Member

WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.

By: Wynnefield Capital, Inc.

By: /s/ Nelson Obus
Nelson Obus, President

CHANNEL PARTNERSHIP II, L.P.

By: /s/ Nelson Obus
Nelson Obus, General Partner

WYNNEFIELD CAPITAL MANAGEMENT, LLC

By: /s/ Nelson Obus
Nelson Obus, Co-Managing Member

CUSIP No. 228309100

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WYNNEFIELD CAPITAL, INC.

By: /s/ Nelson Obus
Nelson Obus, President

WYNNEFIELD CAPITAL, INC. PROFIT SHARING
& MONEY PURCHASE PLAN

By: /s/ Nelson Obus
Nelson Obus, Portfolio Manager

/s/ Nelson Obus
Nelson Obus, Individually

/s/ Joshua H. Landes
Joshua H. Landes, Individually
