

NexCen Brands, Inc.  
Form 424B3  
May 07, 2008

**Filed Pursuant to Rule 424(b)(3)**  
**Registration No. 333-149026**

**PROSPECTUS**

**3,697,671 Shares**  
**Common Stock**

This prospectus covers the resale of up to 3,697,671 shares of our common stock, par value \$0.01 per share. The shares covered by this prospectus include 3,497,671 currently outstanding shares owned by some of our stockholders and 200,000 shares issuable upon the exercise of an outstanding warrant held by a stockholder. These shares were acquired by our stockholders in connection with our acquisitions of UCC Capital Corp., UCC Consulting Corp. and UCC Servicing, LLC, and in our acquisition of the assets of Pretzel Time Franchising, LLC, and Pretzelmaker Franchising, LLC, and in connection with the extension of our existing credit facility.

We will not receive any proceeds from the sale of shares by our selling stockholders, but we will incur expenses in connection with the offering. We will, however, receive the exercise price of the warrant if and when the warrant is exercised by the selling stockholder. The warrant has not been exercised as of the date of this prospectus.

Our common stock is traded on the Nasdaq Global Market under the symbol NEXC. On May 6, 2008, the last reported sale price of our common stock on the Nasdaq Global Market was \$3.12 per share.

Our registration of the shares of common stock covered by this prospectus does not mean that the selling stockholders will offer or sell any of the shares. The selling stockholders may sell the shares of common stock covered by this prospectus in a number of different ways and at varying prices. We provide more information about how the selling stockholders may sell the shares in the section entitled "Plan of Distribution" beginning on page 6.

**Investing in our common stock involves risks. See "Risk Factors" on page 2.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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**The date of this prospectus is May 7, 2008**

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**TABLE OF CONTENTS**

	<b>Page</b>		<b>Page</b>
Our Company	1	Plan of Distribution	6
Risk Factors	2	Legal Matters	8
Forward-Looking Statements	3	Experts	8
		Where You Can Find More	
Selling Stockholders	4	Information	8
Use of Proceeds	6		

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You should rely only on the information contained in or incorporated by reference into this prospectus and any applicable prospectus supplements. We have not authorized anyone to provide you with different or additional information. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of common stock. This prospectus is not an offer to sell or solicitation of an offer to buy these shares of common stock in any circumstances under which the offer or solicitation is unlawful.

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**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the SEC under which the selling stockholders may offer from time to time up to an aggregate of 3,697,671 shares of our common stock in one or more offerings. If required, each time a selling stockholder offers common stock, in addition to this prospectus, we will provide you with a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. To the extent that any statement that we make in a prospectus supplement is inconsistent with statements made in this prospectus, the statements made in this prospectus will be deemed modified or superseded by those made in a prospectus supplement. You should read this prospectus and any prospectus supplement as well as additional information described under "Where You Can Find More Information" and "Incorporation of Documents by Reference."

The terms "NexCen," "we," "us," and "our" as used in this prospectus refer to NexCen Brands, Inc. and its subsidiaries. The phrase "this prospectus" refers to this prospectus and any applicable prospectus supplement, unless the context otherwise requires.

All trademarks, tradenames and service names referred to in this prospectus or incorporated by reference into this prospectus are property of their respective owners.

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## OUR COMPANY

*Because this is a summary, it does not contain all the information about us that may be important to you. You should read the more detailed information and the financial statements and related notes which are incorporated by reference in this prospectus.*

NexCen is a vertically integrated global brand management and franchising company. Our business is focused on managing, developing and acquiring intellectual property, which we refer to as IP, and IP-centric businesses operating in three segments: Consumer Branded Products, Retail Franchising and Quick Service Restaurant Franchising (which we refer to as “QSR” Franchising). We own, license, franchise and market a growing portfolio of brands including Bill Blass, Waverly, The Athlete's Foot, Shoebox New York, Great American Cookies, MaggieMoo's, Marble Slab, Pretzel Time, and Pretzelmaker. We license and franchise our brands to a network of leading retailers, manufacturers and franchisees that includes every major segment of retail distribution from the luxury market to the mass market in the United States and in over 50 countries around the world. Our franchise network consists of approximately 1,900 retail stores.

We commenced our current business in June 2006, when we acquired UCC Capital Corporation, which we refer to as UCC. Upon the closing of that acquisition, Robert W. D'Loren, who was the president and chief executive officer of UCC, became our president and chief executive officer and a member of our Board of Directors.

In November 2006, we entered the retail franchising business by acquiring Athlete's Foot Brands, LLC, along with an affiliated company and certain related assets (“The Athlete's Foot” or “TAF”). The Athlete's Foot is one of the largest athletic footwear and apparel franchisors with approximately 640 franchised units in over 40 countries.

In February 2007, we entered the consumer branded products business by acquiring Bill Blass Holding Co., Inc. and two affiliated businesses (“Bill Blass”). The Bill Blass label represents timeless, modern American style.

Also in February 2007, we acquired MaggieMoo's International, LLC (“MaggieMoo's”) and the assets of Marble Slab Creamery, Inc. (“Marble Slab”), two well known and established brands within the hand-mixed, premium ice cream category, having a combined total of approximately 580 franchised units. With these acquisitions NexCen entered the QSR franchising business.

In May 2007, we expanded our consumer branded products business by acquiring all of the intellectual property and license contracts related to the Waverly brand. Waverly is a premier lifestyle brand with an array of licensed home furnishings products, including fabrics, wallpapers, paint, bedding, window treatments, and decorative accessories.

In August 2007, we acquired substantially all of the assets of Pretzel Time Franchising, LLC (“Pretzel Time”) and Pretzelmaker Franchising, LLC (“Pretzelmaker”), adding two hand-rolled pretzel chains with approximately 380 franchised units worldwide to our QSR franchising business.

In January 2008, we acquired the trademarks and other intellectual property of The Shoe Box, Inc. (“Shoebox”) in partnership with the Camuto Group, a premier women's fashion footwear company. Shoebox is a multi-brand luxury shoe retailer based in New York with nine locations. The partnership has begun franchising the Shoebox's luxury footwear concept domestically and internationally under the Shoebox New York brand.

In January 2008, we also acquired substantially all of the assets of Great American Cookie Company Franchising, LLC and Great American Manufacturing, LLC (collectively, “Great American Cookies”). This transaction added another premium treat brand and approximately 300 franchised units to our QSR portfolio.

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More detailed information about the Bill Blass, Waverly, The Athlete's Foot, Shoebox, Great American Cookies, MaggieMoo's, Marble Slab, Pretzel Time, and Pretzelmaker acquisitions can be found in our Annual Report on Form 10-K for the year ended December 31, 2007 and in our Current Report on Form 8-K filed on January 29, 2008, which are incorporated by reference into this prospectus.

NexCen is a Delaware corporation. Our principal executive offices are located at 1330 Avenue of the Americas, 34<sup>th</sup> Floor, New York, NY 10019, and our telephone number is (212) 277-1100. Our website address is [www.nexcenbrands.com](http://www.nexcenbrands.com). Information on our website should not be construed as being incorporated by reference into, or considered a part of, this prospectus.

1

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## RISK FACTORS

Our business is subject to significant risks. You should carefully consider the risks and uncertainties described in this prospectus and the documents incorporated by reference herein, including the risks and uncertainties described in our consolidated financial statements and the notes to those financial statements and the risks and uncertainties described under the caption “Risk Factors” included in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2007, which is incorporated by reference in this prospectus. The risks and uncertainties described in this prospectus and the documents incorporated by reference herein are not the only ones facing us. Additional risks and uncertainties that we do not presently know about or that we currently believe are not material may also adversely affect our business. If any of the risks and uncertainties described in this prospectus or the documents incorporated by reference herein actually occur, our business, financial condition and results of operations could be adversely affected in a material way. This could cause the trading price of our common stock to decline, perhaps significantly, and you may lose part or all of your investment.

In addition to the foregoing, you should also consider the following risk factor:

***Our stock price may be volatile, and the market price of our common stock may decline.***

The stock market in general, and the market for stocks of companies similar to ours, has been highly volatile. As a result, the market price of our common stock is likely to be similarly volatile, and investors in our common stock may experience a decrease, which could be substantial, in the value of their stock, including decreases unrelated to our operating performance or prospects, and could lose part or all of their investment. The price of our common stock could be subject to wide fluctuations in response to a number of factors, including those described elsewhere in this prospectus or the documents incorporated by reference herein and others such as:

- variations in our operating performance and the performance of our competitors;
- actual or anticipated fluctuations in our quarterly or annual operating results;
- publication of research reports by securities analysts about us or our competitors or our industry;
- our failure or the failure of our competitors to meet analysts’ projections or guidance that we or our competitors may give to the market;
- additions and departures of key personnel;
- strategic decisions by us or our competitors, such as acquisitions, strategic investments or changes in business strategy;
- speculation in the press or investment community;
- changes in accounting principles;
- terrorist acts, acts of war or periods of widespread civil unrest;
- changes in general market and economic conditions; and
- the factors discussed in the bullet points under “Forward-Looking Statements” below.

In the past, securities class action litigation has often been initiated against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs and divert our management's attention and resources, and could also require us to make substantial payments to satisfy judgments or to settle litigation.



forward-looking statement to reflect events or circumstances after the date on which the statement was made or to reflect the occurrence of unanticipated events.

3

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## SELLING STOCKHOLDERS

The shares to be offered by the selling stockholders are "restricted" securities under applicable federal and state securities laws and are being registered under the Securities Act to give the selling stockholders the opportunity to sell these shares publicly. The registration of these shares does not require that any of the shares be offered or sold by the selling stockholders. The selling stockholders may from time to time offer and sell all or a portion of their shares indicated below in privately negotiated transactions or on the Nasdaq Global Market or any other market on which our common stock may subsequently be listed.

The registered shares may be sold directly or through brokers or dealers, or in a distribution by one or more underwriters on a firm commitment or best effort basis. To the extent required, the names of any agent or broker-dealer and applicable commissions or discounts and any other required information with respect to any particular offer will be set forth in a prospectus supplement. See "Plan of Distribution," beginning on page 6. The selling stockholders and any agents or broker-dealers that participate with the selling stockholders in the distribution of registered shares may be deemed to be "underwriters" within the meaning of the Securities Act, and any commissions received by them and any profit on the resale of the registered shares may be deemed to be underwriting commissions or discounts under the Securities Act.

No estimate can be given as to the amount or percentage of our common stock that will be held by the selling stockholders after any sales made pursuant to this prospectus because the selling stockholders are not required to sell any of the shares being registered under this prospectus. The following table assumes that the selling stockholders will sell all of the shares listed in this prospectus.

The following table sets forth information with respect to the beneficial ownership of our common stock held, as of April 21, 2008, by the selling stockholders and the number of shares being offered hereby and information with respect to shares to be beneficially owned by the selling stockholders after completion of this offering. The percentages in the following table reflect the shares beneficially owned by the selling stockholders as a percentage of the total number of shares of our common stock outstanding as of April 21, 2008.

Name	Shares Beneficially Owned Prior to the Offering (1)		Shares Offered Hereby	Shares Beneficially Owned After the Offering (2)	
	Number	Percentage	Number	Number	Percentage
Robert W. D'Loren (3) (7)	7,330,175	12.6%	425,692	5,579,123	9.6%
D'Loren Realty LLC (7)	1,775,193	3.1%	1,325,360	449,833	*
Robert D'Loren Family Trust (7)	537,308	*	268,654	268,654	*
Barry J. Levien (7)	399,490	*	226,545	172,945	*
James F. Haran (7) (9)	711,428	1.3%	253,749	457,679	*
PTF, LLC (4) (8)	606,584	1.1%	606,584	0	*
PMF, LLC (5) (8)	391,087	*	391,087	0	*
BTMU Capital Corporation (6)	200,000	*	200,000	0	*

\* Less than one percent.

(1) Includes 3,497,671 shares of common stock issued and outstanding as of the date of this prospectus and 200,000 shares of common stock issuable upon exercise of an outstanding warrant. The warrant held by BTMU Capital Corporation is currently exercisable at any time prior to January 29, 2018.

- (2) Assumes that the selling stockholders dispose of all the shares of common stock covered by this prospectus, and do not acquire beneficial ownership of any additional shares. The registration of these shares does not necessarily mean that the selling stockholders will sell all or any portion of the shares covered by this prospectus.
- (3) Includes (i) 1,041,384 shares owned directly by Mr. D'Loren, (ii) 1,775,193 shares owned by D'Loren Realty LLC, which is solely owned and managed by Mr. D'Loren, (iii) 875,526 shares owned by D'Loren 2008 Retained Annuity Trust, (iv) immediately exercisable warrants to purchase 41,666 shares, (v) immediately exercisable options to purchase 745,658 shares, (vi) warrants and options to purchase 937,325 shares that will become immediately exercisable within 60 days of April 21, 2008, and (vii) 1,913,423 shares over which Mr. D'Loren exercises voting control pursuant to the terms of two voting agreements entered into in connection with NexCen's acquisition of The Athlete's Foot in November 2006. The shares held by Mr. D'Loren exclude 537,308 shares held by the Robert D'Loren Family Trust Dated March 29, 2002 (the "Family Trust"), the beneficiaries of which are two minor children of Mr. D'Loren. The Family Trust is irrevocable, the trustee is not a member of Mr. D'Loren's immediate family, and the trustee has independent authority to vote and dispose of the shares held by the Family Trust. As a result, Mr. D'Loren disclaims any beneficial ownership of the shares held by the Family Trust. Beneficial ownership after the offering reflects the sale of 1,325,360 shares by D'Loren Realty LLC.

- (4) Includes 241,450 shares held in escrow until May 8, 2008 and 136,054 shares held in escrow until November 8, 2008 to secure indemnification obligations under the Asset Purchase Agreement, dated August 7, 2007, by and among NexCen Brands, Inc., NexCen Asset Acquisition, LLC, Pretzel Time Franchising, LLC, Pretzelmaker Franchising, LLC, and Mrs. Fields Famous Brands, LLC (“Pretzel Purchase Agreement”). The number of shares held in escrow until May 8, 2008 has been reduced by 1,972 shares which will be returned to us in satisfaction of a purchase price adjustment.
- (5) Includes 155,671 shares held in escrow until May 8, 2008 to secure indemnification obligations under the Pretzel Purchase Agreement. The number of shares held in escrow until May 8, 2008 has been reduced by 1,272 shares which will be returned to us in satisfaction of a purchase price adjustment.
- (6) Consists of shares issuable upon exercise of a currently exercisable warrant to purchase shares of common stock. In his capacity as the Chief Financial Officer of BTMU Capital Corporation, Paul F. Nolan exercises the sole voting and dispositive powers with respect to the shares to be offered for resale by BTMU Capital Corporation. BTMU Capital Corporation is affiliated with a registered broker-dealer. BTMU Capital Corporation has confirmed to us that they acquired the warrant underlying the shares to be resold under this prospectus (and will acquire the shares to be acquired upon exercise of the warrant) in the ordinary course of business and had no agreements, understandings or arrangements with any other person, either directly or indirectly, to dispose of securities at the time of the acquisition.
- (7) The shares being registered for resale were issued to the former UCC securityholders on September 5, 2007 as additional merger consideration upon satisfaction of an earn-out associated with the acquisition of UCC in June 2006. These shares are being registered pursuant to a registration rights agreement entered into in connection with the acquisition of UCC.
- (8) On or about August 17, 2007, Pretzel Time Franchising, LLC and Pretzelmaker Franchising, LLC changed their names to PTF, LLC and PMF, LLC, respectively. In his capacity as the Chairman of the Board of Directors of Mrs. Fields’ Companies, Inc., the indirect parent of PTF, LLC and PMF, LLC, Herbert S. Winokur, Jr. exercises the sole voting and dispositive powers with respect to the shares to be offered for resale by PTF, LLC and PMF, LLC.
- (9) Includes (i) 517,499 shares owned directly by Mr. Haran and (ii) options to purchase 193,929 shares that will become immediately exercisable within 60 days of April 21, 2008.

### **Summary of Resale Restrictions**

The shares to be offered hereby are owned by or issuable to the selling stockholders in connection with the UCC, Pretzel Time and Pretzelmaker acquisitions. In the UCC, Pretzel Time and Pretzelmaker acquisitions, we entered into a registration rights agreement with the selling stockholders under which we agreed to register shares of our common stock held by or issuable to the selling stockholders. Additionally, the selling stockholders who received their shares in the Pretzel Time and Pretzelmaker acquisition agreed to certain resale restrictions which will continue to restrict the resale of the shares registered by this prospectus.

The warrant held by BTMU was issued in connection with the extension of our existing credit facility on January 29, 2008. Under the terms of the warrant, we agreed to register the shares issuable upon exercise of the warrant.

### ***Pretzel Time and Pretzelmaker Acquisition***

Pursuant to the Pretzel Purchase Agreement, at the closing, we issued 1,000,915 shares of our common stock to PTF, LLC and PMF, LLC. The shares issued at the closing include 533,175 shares held in escrow to secure indemnification obligations under the Pretzel Purchase Agreement of which 397,121 shares will be released on May 8, 2008 and

136,054 shares will be released on November 8, 2008 if no claims have been made prior to such dates. The number of shares registered under this prospectus excludes 3,244 shares issued to PTF, LLC and PMF, LLC that will be returned to us in satisfaction of a purchase price adjustment. As part of the acquisition, PTF, LLC and PMF, LLC agreed to the following restrictions on the timing of selling the shares we issued to them in the acquisition, even though the shares are registered and eligible for resale under this prospectus, as follows:

5

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<b>Selling Stockholder</b>	<b>Total Shares Registered by this Prospectus Due to the Pretzel Time and Pretzelmaker Acquisition</b>	<b>Shares Eligible for Resale as of August 7, 2008</b>	<b>Total Shares Eligible for Resale as of November 8, 2008</b>	<b>Total Shares Eligible for Resale as of February 8, 2009</b>	<b>Total Shares Eligible for Resale as of May 8, 2009</b>
PTF, LLC	606,584	151,646	303,292	454,938	606,584
PMF, LLC	391,087	97,772	195,544	293,315	391,087

### USE OF PROCEEDS

We will not receive any proceeds from the sale of the common stock by the selling stockholders pursuant to this prospectus. However, we will pay the expenses of registration of all of the shares that are offered pursuant to this prospectus, including legal and accounting fees. We will receive the exercise price of the warrant from the selling stockholder upon the exercise of the warrant. If the warrant is fully exercised, we will receive net proceeds of approximately \$2,000. We expect to use the proceeds received from the exercise of the warrant for general corporate purposes. General corporate purposes may include capital expenditures, the repayment of debt, investments in our subsidiaries, working capital, repurchases of stock, or the financing of possible acquisitions or business opportunities.

### PLAN OF DISTRIBUTION

We are registering 3,697,671 shares of our common stock for possible sale by the selling stockholders. Unless the context otherwise requires, as used in this prospectus, "selling stockholders" includes the selling stockholders named in the table above and donees, pledgees, transferees or other successors-in-interest selling shares received from the selling stockholders as a gift, pledge, partnership distribution or other transfer after the date of this prospectus. Upon being notified by a selling stockholder that a donee, pledge, transferee or other successor-in-interest intends to sell more than 500 shares, we will, to the extent required, promptly file a supplement to this prospectus to name specifically such person as a selling stockholder.

The selling stockholders may offer and sell all or a portion of the shares covered by this prospectus from time to time, in one or more or any combination of the following transactions:

- on the Nasdaq Global Market, in the over-the-counter market or on any other national securities exchange on which our shares are listed or traded;
- in privately negotiated transactions;
- in underwritten transactions;
- in a block trade in which a broker-dealer will attempt to sell the offered shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- through purchases by a broker-dealer as principal and resale by the broker-dealer for its account pursuant to this prospectus;

- in ordinary brokerage transactions and transactions in which the broker solicits purchasers; and
- through the writing of options (including put or call options), whether the options are listed on an options exchange or otherwise.

The selling stockholders may sell the shares at prices then prevailing or related to the then current market price or at negotiated prices. The offering price of the shares from time to time will be determined by the selling stockholders and, at the time of the determination, may be higher or lower than the market price of our common stock on the Nasdaq Global Market or any other exchange or market.