

KONA GRILL INC  
Form SC 13D/A  
July 01, 2014

---

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

---

**SCHEDULE 13D/A**

**Under the Securities Exchange Act of 1934**

**(Amendment No. 7)\***

**Kona Grill, Inc.**  
**(Name of issuer)**

**Common Stock, par value \$0.01**  
**(Title of class of securities)**

**50047H201**  
**(CUSIP number)**

**Berke Bakay**

**BBS Capital Management, LP**

**5524 E. Estrid Avenue**

**Scottsdale, AZ 85254**

**- with copies to -**

**Douglas T. Holod**

**Maslon Edelman Borman & Brand, LLP**

**90 South 7<sup>th</sup> Street, Suite 3300**

**Minneapolis, MN 55402**

**(612) 672-8313**

**(Name, address and telephone number of person authorized to receive notices and communications)**

**June 25, 2014**

**(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 Rule 13d-7 for other parties to whom copies are to be sent.

---

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).

---

---

---

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 2 of 8 Pages

1	NAME OF REPORTING PERSONS
	BBS Capital Fund, LP CHECK THE APPROPRIATE BOX IF
2	A MEMBER <sup>(a)</sup> OF A GROUP <sup>(b)</sup> (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO

ITEMS  
2(d) or  
2(e)

CITIZENSHIP OR  
PLACE OF  
ORGANIZATION

**6**

Delaware

SOLE  
VOTING  
POWER

**NUMBER OF 7**

**SHARES**

1,230,000  
SHARED  
VOTING  
POWER

**BENEFICIALLY  
OWNED BY 8  
EACH**

0  
SOLE  
DISPOSITIVE  
POWER

**REPORTING  
PERSON 9**

**WITH**

1,230,000  
SHARED  
DISPOSITIVE  
POWER

**10**

0  
AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY EACH  
REPORTING PERSON

**11**

1,230,000

**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** 11.2%  
TYPE OF REPORTING  
PERSON (SEE  
INSTRUCTIONS)

PN

---

---

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 3 of 8 Pages

NAME OF  
REPORTING  
PERSONS

1

BBS Capital  
Management, LP  
CHECK  
THE  
APPROPRIATE  
BOX IF

2

A  
MEMBER<sup>(a)</sup>  
OF A  
GROUP<sup>(b)</sup>  
(SEE  
INSTRUCTIONS)

3

SEC USE ONLY  
SOURCE OF FUNDS  
(SEE INSTRUCTIONS)

4

5

AF  
CHECK  
BOX IF  
DISCLOSURE

OF  
 LEGAL  
 PROCEEDINGS  
 IS  
 REQUIRED  
 PURSUANT  
 TO  
 ITEMS  
 2(d) or  
 2(e)

CITIZENSHIP OR  
 PLACE OF  
 ORGANIZATION

**6**

Texas

SOLE  
 VOTING  
 POWER

**NUMBER OF  
 SHARES**

0  
 SHARED  
 VOTING  
 POWER

**BENEFICIALLY  
 OWNED BY**

1,230,000  
 SOLE  
 DISPOSITIVE  
 POWER

**EACH**

**REPORTING  
 PERSON**

0  
 SHARED  
 DISPOSITIVE  
 POWER

**WITH**

**10**

**11** 1,230,000  
 AGGREGATE  
 AMOUNT



BENEFICIALLY  
OWNED BY EACH  
REPORTING PERSON

1,230,000  
CHECK  
BOX IF  
THE  
AGGREGATE  
AMOUNT  
IN  
ROW  
(9)  
**12** EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

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

11.2%  
**14** TYPE OF REPORTING  
PERSON (SEE  
INSTRUCTIONS)

PN, IA

---

---

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 4 of 8 Pages

1	NAME OF REPORTING PERSONS
	BBS Capital GP, LP CHECK THE APPROPRIATE BOX IF
2	A MEMBER <sup>(a)</sup> OF A GROUP <sup>(b)</sup> (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO

ITEMS  
2(d) or  
2(e)

CITIZENSHIP OR  
PLACE OF  
ORGANIZATION

**6**

	Texas	
<b>NUMBER OF</b>		SOLE
<b>SHARES</b>	<b>7</b>	VOTING
		POWER
<b>BENEFICIALLY</b>		0
<b>OWNED BY</b>	<b>8</b>	SHARED
<b>EACH</b>		VOTING
		POWER
<b>REPORTING</b>		1,230,000
<b>PERSON</b>	<b>9</b>	SOLE
<b>WITH</b>		DISPOSITIVE
		POWER
	<b>10</b>	0
		SHARED
		DISPOSITIVE
		POWER
<b>11</b>		1,230,000
		AGGREGATE
		AMOUNT
		BENEFICIALLY
		OWNED BY EACH
		REPORTING PERSON
		1,230,000

**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** 11.2%  
TYPE OF REPORTING  
PERSON (SEE  
INSTRUCTIONS)

PN

---

---

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 5 of 8 Pages

1	NAME OF REPORTING PERSONS
2	BBS Capital, LLC CHECK THE APPROPRIATE BOX IF A MEMBER <sup>(a)</sup> OF A GROUP <sup>(b)</sup> (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO

ITEMS  
2(d) or  
2(e)

CITIZENSHIP OR  
PLACE OF  
ORGANIZATION

**6**

	Texas	
<b>NUMBER OF</b>		SOLE
<b>SHARES</b>	<b>7</b>	VOTING
		POWER
<b>BENEFICIALLY</b>		0
<b>OWNED BY</b>	<b>8</b>	SHARED
<b>EACH</b>		VOTING
		POWER
<b>REPORTING</b>		1,230,000
<b>PERSON</b>	<b>9</b>	SOLE
<b>WITH</b>		DISPOSITIVE
		POWER
	<b>10</b>	0
		SHARED
		DISPOSITIVE
		POWER
<b>11</b>		1,230,000
		AGGREGATE
		AMOUNT
		BENEFICIALLY
		OWNED BY EACH
		REPORTING PERSON
		1,230,000

**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** 11.2%  
TYPE OF REPORTING  
PERSON (SEE  
INSTRUCTIONS)

OO

---

---

SCHEDULE 13D/A

CUSIP No. 50047H201 Page 6 of 8 Pages

1	NAME OF REPORTING PERSONS
	Berke Bakay CHECK THE APPROPRIATE BOX IF
2	A MEMBER <sup>(a)</sup> OF A GROUP <sup>(b)</sup> (SEE INSTRUCTIONS)
3	SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS)
4	
5	AF, PF 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

**NUMBER OF**  
**SHARES**

**7**

126,250  
 SHARED  
 VOTING  
 POWER

**BENEFICIALLY**  
**OWNED BY**

**8**

**EACH**

1,230,000  
 SOLE  
 DISPOSITIVE  
 POWER

**REPORTING**  
**PERSON**

**9**

126,250  
 SHARED  
 DISPOSITIVE  
 POWER

**WITH**

**10**

1,230,000

**11**

AGGREGATE  
 AMOUNT  
 BENEFICIALLY

OWNED BY EACH  
REPORTING PERSON

1,356,250  
CHECK  
BOX IF  
THE  
AGGREGATE  
AMOUNT  
IN  
ROW  
(9)  
**12** EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

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

12.2%  
**14** TYPE OF REPORTING  
PERSON (SEE  
INSTRUCTIONS)

IN

---

---

Page 7 of 8 Pages

**AMENDMENT NO. 7 TO SCHEDULE 13D**

This Amendment No. 7 to Schedule 13D (this “*Amendment*”) is being filed on behalf of BBS Capital Fund, LP (the “*Fund*”), BBS Capital Management, LP (“*BBS Management*”), BBS Capital GP, LP (“*BBS GP*”), BBS Capital, LLC (“*BBS Capital*”) and Berke Bakay (collectively, the “*Reporting Persons*”), relating to shares of common stock of Kona Grill, Inc. (the “*Issuer*”), par value \$0.01 per share (the “*Common Stock*”). This Amendment modifies the original Schedule 13D filed with the Securities and Exchange Commission (the “*SEC*”) on June 17, 2009, as amended by Amendment No. 1 filed with the SEC on September 4, 2009, as amended by Amendment No. 2 filed with the SEC on October 29, 2009, as amended by Amendment No. 3 filed with the SEC on November 2, 2010, as amended by Amendment No. 4 filed with the SEC on November 26, 2010, as amended by Amendment No. 5 filed with the SEC on January 31, 2012, and as amended by Amendment No. 6 filed with the SEC on February 14, 2014 (the “*13D*”).

**Item 2. Identity and Background**

Item 2 of the 13D is hereby amended and restated to read as follows:

This statement is filed by: (a) BBS Capital Fund, LP, a Delaware limited partnership, (b) BBS Capital Management, LP, a Texas limited partnership which serves as the investment manager of the Fund, (c) BBS Capital GP, LP, a Texas limited partnership which serves as the general partner of the Fund, (d) BBS Capital, LLC, a Texas limited liability company which serves as the general partner of BBS Management and BBS GP, and (e) Berke Bakay, the manager and principal of BBS Capital, a Director and CEO of Kona Grill, Inc. (the “*Issuer*”) and a citizen of the United States (together with the Fund, BBS Management, BBS GP, and BBS Capital, the “*Reporting Persons*”).

The Fund is a collective investment vehicle. BBS Management is primarily engaged in the business of acting as the investment manager of the Fund. BBS GP is primarily engaged in the business of acting as the general partner of the Fund. BBS Capital is primarily engaged in the business of serving as the general partner of BBS Management and BBS GP.

Each of the Reporting Persons has its principal business office and receives its mail at 5524 E. Estrid Avenue, Scottsdale, Arizona 85254.

None of the Reporting Persons has, during the last five years, been either (a) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (b) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or State securities laws or finding any violation with respect to such laws.

#### **Item 4. Purpose of the Transaction**

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

On June 25, 2014, BBS Capital Fund, LP sold 100,000 shares at \$17.575 pursuant to a prospectus dated June, 19, 2014.

#### **Item 5. Interest in Securities of the Issuer**

Item 5 of the 13D is hereby amended and restated to read as follows:

(a) The Fund is the beneficial owner of the 1,230,000 shares of Common Stock it beneficially holds, which represents 11.2% of the Issuer's outstanding shares of Common Stock. BBS Management, BBS GP, and BBS Capital are each the beneficial owners of the 1,230,000 shares of Common Stock of the Issuer held by the Fund, which represents 11.2% of the Issuer's outstanding shares of Common Stock.

Mr. Bakay is deemed to own the above shares, 10,000 shares of common stock and options to purchase common stock in the amount of 116,250 shares that are presently exercisable or become exercisable within 60 days of the date hereof. Thus, he is deemed to own 1,356,250 shares of Common Stock, which represents 12.2% of the Issuer's outstanding Common Stock. The above percentages were calculated on the basis of the 10,960,667 shares of Common Stock issued and outstanding as of June 25, 2014, after giving effect to the Issuer's offering of Common Stock pursuant to a prospectus dated June 19, 2014.

(b) The Fund has the sole power to vote and dispose of the 1,230,000 shares of Common Stock it currently holds. BBS Management, as the investment manager of the Fund, has the shared power to vote and dispose of the 1,230,000 shares of Common Stock held by the Fund. BBS GP, as the general partner of the Fund, has the shared power to vote and dispose of the 1,230,000 shares of Common Stock held by the Fund. BBS Capital, as the general partner of BBS Management and BBS GP, has the shared power to vote and dispose of the 1,230,000 shares of Common Stock held by the Fund. Berke Bakay, as the manager of BBS Capital, has the shared power to vote and dispose of the 1,230,000 shares of Common Stock held by the Fund and the sole power to vote the 10,000 shares of Common Stock he owns and the 116,250 shares of Common Stock that are issuable upon the exercise options that are currently vested or that vest within 60 days.

(c) On June 25, 2014, BBS Capital Fund, LP sold 100,000 shares at \$17.575 pursuant to a prospectus dated June, 19, 2014.

(d) Not Applicable.

(e) Not Applicable.

---

Page 8 of 8 Pages

**Signature**

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

Date: July 1, 2014

**BBS Capital Fund, LP**

By: BBS Capital GP, LP, its general partner

By: BBS Capital, LLC, its general partner

By: /s/ Berke Bakay

Name: Berke Bakay

Title: Manager

**BBS Capital Management, LP**

By: BBS Capital, LLC, its general partner

By: /s/ Berke Bakay

Name: Berke Bakay

Title: Manager

**BBS Capital GP, LP**

By: BBS Capital, LLC, its general partner

By: /s/ Berke Bakay

Name: Berke Bakay  
Title: Manager

**BBS Capital, LLC**

By: /s/ Berke Bakay  
Name: Berke Bakay  
Title: Manager

/s/  
Berke  
Bakay  
Berke  
Bakay

1049267