

Edgar Filing: BUYERS UNITED INC - Form SC 13G

BUYERS UNITED INC  
Form SC 13G  
March 25, 2004

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

SCHEDULE 13G

Buyers United, Inc.

-----  
(Name of Issuer)

Common Stock, \$.0001 Par Value Per Share

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

12427M101

-----  
(CUSIP Number of Class of Securities)

March 11, 2004

-----  
(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)  
 RULE 13d-1(c)  
 RULE 13d-1(d)

CUSIP No. 12427M101

Page 2 of 13 Pages

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS

Wynnefield Partners Small Cap Value, L.P. 13-3688497

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a)   
(b)  Reporting person is affiliated with other persons.

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Edgar Filing: BUYERS UNITED INC - Form SC 13G

Delaware

---

NUMBER OF	5.	SOLE VOTING POWER
SHARES		71,000 Shares

---

BENEFICIALLY	6.	SHARED VOTING POWER
OWNED BY		
EACH	7.	SOLE DISPOSITIVE POWER
REPORTING		71,000 Shares

---

PERSON	8.	SHARED DISPOSITIVE POWER
WITH		

---

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

71,000 Shares

---

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

(See Instructions)

---

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

0.5% of Common Stock

---

12. TYPE OF REPORTING PERSON\*

PN

---

CUSIP No. 12427M101

Page 3 of 13 Pages

---

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (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)  Reporting person is affiliated with other persons.

---

3. SEC USE ONLY

Edgar Filing: BUYERS UNITED INC - Form SC 13G

---

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

---

NUMBER OF 5. SOLE VOTING POWER

SHARES 77,000 Shares

---

BENEFICIALLY 6. SHARED VOTING POWER

OWNED BY

---

EACH 7. SOLE DISPOSITIVE POWER

REPORTING 77,000 Shares

---

PERSON 8. SHARED DISPOSITIVE POWER

WITH

---

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

77,000 Shares

---

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

(See Instructions)

---

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

0.6% of Common Stock

---

12. TYPE OF REPORTING PERSON\*

PN

---

CUSIP No. 12427M101

Page 4 of 13 Pages

---

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (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)  Reporting person is affiliated with other persons.

---

3. SEC USE ONLY

Edgar Filing: BUYERS UNITED INC - Form SC 13G

---

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

---

NUMBER OF 5. SOLE VOTING POWER

SHARES 52,000 Shares

---

BENEFICIALLY 6. SHARED VOTING POWER

OWNED BY

---

EACH 7. SOLE DISPOSITIVE POWER

REPORTING 52,000 Shares

---

PERSON 8. SHARED DISPOSITIVE POWER

WITH

---

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

52,000 Shares

---

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

(See Instructions)

---

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

0.4% of Common Stock

---

12. TYPE OF REPORTING PERSON\*

CO

---

CUSIP No. 12427M101

Page 5 of 13 Pages

---

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Wynnefield Capital Management, LLC 13-4018186

---

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)  Reporting person is affiliated with other persons.

Edgar Filing: BUYERS UNITED INC - Form SC 13G

3. SEC USE ONLY

---

4. CITIZENSHIP OR PLACE OF ORGANIZATION

New York

---

NUMBER OF 5. SOLE VOTING POWER

SHARES 148,000 Shares (1)

---

BENEFICIALLY 6. SHARED VOTING POWER

OWNED BY

---

EACH 7. SOLE DISPOSITIVE POWER

REPORTING 148,000 Shares (1)

---

PERSON 8. SHARED DISPOSITIVE POWER

WITH

---

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

148,000 Shares (1)

---

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

(See Instructions)

---

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

1.1% of Common Stock (1)

---

12. TYPE OF REPORTING PERSON\*

OO (Limited Liability Company)

---

(1) Wynnefield Capital Management, LLC holds an indirect beneficial interest in these shares which are directly beneficially owned by Wynnefield Partners Small Cap Value, L.P. and Wynnefield Partners Small Cap Value, L.P. I.

CUSIP No. 12427M101

Page 6 of 13 Pages

---

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Wynnefield Capital, Inc. (No IRS Identification No.)

Edgar Filing: BUYERS UNITED INC - Form SC 13G

- 
2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*
- (a)
- (b)  Reporting person is affiliated with other persons.

---

3. SEC USE ONLY

---

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

---

NUMBER OF 5. SOLE VOTING POWER

SHARES 52,000 Shares (1)

---

BENEFICIALLY 6. SHARED VOTING POWER

OWNED BY

---

EACH 7. SOLE DISPOSITIVE POWER

REPORTING 52,000 Shares (1)

---

PERSON 8. SHARED DISPOSITIVE POWER

WITH

---

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

52,000 Shares (1)

---

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

(See Instructions)

---

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

0.4% of Common Stock (1)

---

12. TYPE OF REPORTING PERSON\*

CO

---

(1) Wynnefield Capital, Inc. holds an indirect beneficial interest in 52,000 shares which are directly beneficially owned by Wynnefield Small Cap Value Offshore Fund, Ltd.

Edgar Filing: BUYERS UNITED INC - Form SC 13G

---

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Shannon River Partners, LP 05-0544322

---

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a)   
(b)  Reporting person is affiliated with other persons.

---

3. SEC USE ONLY

---

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

---

NUMBER OF	5. SOLE VOTING POWER
SHARES	241,129 Shares

---

BENEFICIALLY	6. SHARED VOTING POWER
OWNED BY	200,000 (1)

---

EACH	7. SOLE DISPOSITIVE POWER
REPORTING	241,129 Shares

---

PERSON	8. SHARED DISPOSITIVE POWER
WITH	200,000 (1)

---

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

441,129 Shares

---

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

(See Instructions)

---

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

3.4% of Common Stock

---

12. TYPE OF REPORTING PERSON\*

PN

---

(1) Shannon River Partners, L.P. holds an indirect beneficial interest in these

Edgar Filing: BUYERS UNITED INC - Form SC 13G

shares which are directly beneficially owned by Wynnefield Partners Small Cap Value, L.P., Wynnefield Partners Small Cap Value, L.P. I and Wynnefield Small Cap Value Offshore Fund, Ltd., as their Portfolio Manager.

CUSIP No. 12427M101

Page 8 of 13 Pages

---

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Shannon River Partners II, LP 20-0597408

---

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)  Reporting person is affiliated with other persons.

---

3. SEC USE ONLY

---

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

---

NUMBER OF	5. SOLE VOTING POWER
SHARES	333,871 Shares

---

BENEFICIALLY	6. SHARED VOTING POWER
OWNED BY	200,000 (1)

---

EACH	7. SOLE DISPOSITIVE POWER
REPORTING	333,871 Shares

---

PERSON	8. SHARED DISPOSITIVE POWER
WITH	200,000 (1)

---

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

533,871 Shares

---

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

(See Instructions)

---

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

4.1% of Common Stock

---



Edgar Filing: BUYERS UNITED INC - Form SC 13G

12. TYPE OF REPORTING PERSON\*

PN

---

1) Shannon River Partners II, L.P. holds an indirect beneficial interest in these shares which are directly beneficially owned by Wynnefield Partners Small Cap Value, L.P., Wynnefield Partners Small Cap Value, L.P. I and Wynnefield Small Cap Value Offshore Fund, Ltd., as their Portfolio Manager.

CUSIP No. 12427M101

Page 9 of 13 Pages

---

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Shannon River Capital Management, LLC

---

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)  Reporting person is affiliated with other persons.

---

3. SEC USE ONLY

---

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

---

NUMBER OF 5. SOLE VOTING POWER

SHARES 575,000 Shares (1)

---

BENEFICIALLY 6. SHARED VOTING POWER

OWNED BY 200,000 Shares (2)

---

EACH 7. SOLE DISPOSITIVE POWER

REPORTING 575,000 Shares (1)

---

PERSON 8. SHARED DISPOSITIVE POWER

WITH 200,000 Shares (2)

---

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

775,000 Shares

---

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

Edgar Filing: BUYERS UNITED INC - Form SC 13G

[ ]

(See Instructions)

---

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

6.0% of Common Stock

---

12. TYPE OF REPORTING PERSON\*

OO (Limited Liability Company)

---

(1) Shannon River Capital Management, LLC holds an indirect beneficial interest in these shares which are directly beneficially owned by Shannon River Partners, L.P and Shannon River Partners II, L.P.

(2) Shannon River Capital Management, LLC holds an indirect beneficial interest in these shares in which Shannon River Partners, L.P. and Shannon River Partners II, L.P. have an indirect beneficial interest, as Portfolio Manager of the entities reported herein as directly beneficially owning such shares.

ITEM 1(a). Name of Issuer:  
Buyers United, Inc.

ITEM 1(b). Address of Issuer's Principal Executive Offices:  
14870 Pony Express Road, Bluffdale, Utah 84065

ITEM 2(a). Names of Persons Filing:  
Wynnefield Partners Small Cap Value, L.P. ("Partners")

-----  
Wynnefield Partners Small Cap Value, L.P. I ("Partners I")

-----  
Wynnefield Small Cap Offshore Fund, Ltd. ("Fund")

-----  
Wynnefield Capital Management, LLC ("WCM")

-----  
Wynnefield Capital, Inc. ("WCI")

-----  
Shannon River Partners, LP ("SRP")

-----  
Shannon River Partners II, LP ("SRP II")

-----  
Shannon River Capital Management, LLC ("SRCM")

ITEM 2(b). Address of Principal Business Office Or, If None, Residence:  
450 Seventh Avenue, Suite 509, New York, New York 10123

ITEM 2(c). Citizenship:  
Partners and Partners I are Delaware Limited Partnerships

-----  
Fund and WCI are Cayman Islands Companies

-----  
WCM is a New York Limited Liability Company

## Edgar Filing: BUYERS UNITED INC - Form SC 13G

-----  
SRP and SRP II are Delaware Limited Partnerships  
-----

SRCM is a Delaware Limited Liability Company  
-----

ITEM 2(d). Title of Class of Securities:  
Common Stock, \$.0001 Par Value Per Share  
-----

ITEM 2(e). CUSIP Number: 12427M101

ITEM 3. If this Statement is filed pursuant to Rules 13d-1(b) or 13d-2(b) or (c), check whether the person filing is:

None of the reporting persons is an entity specified in Rule 13d-1(b)(1)(ii).

ITEM 4. Ownership:

(a) Amount beneficially owned by all reporting persons: 775,000 Shares

(b) Percent of class: 6.0% of Common Stock

(c) Number of shares as to which the reporting persons have:

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

775,000 Shares

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

200,000

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

775,000 Shares

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

200,000

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.  
Not applicable.

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.

None of the reporting persons who have filed this schedule is a person, as defined in Rule 13d-1(b)(1)(ii), promulgated pursuant to the Securities Exchange Act of 1934. The persons filing this statement are identified in Item 2 hereof.

ITEM 9. Notice of dissolution of group.  
Not applicable.

ITEM 10. Certifications.

Edgar Filing: BUYERS UNITED INC - Form SC 13G

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above 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 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, I certify that the information set forth in this statement is true, complete and correct.

Dated: March 24, 2004

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P.

By: Wynnefield Capital Management, LLC,  
General Partner

By: /s/ Nelson Obus

-----  
Nelson Obus, Managing Member

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I

By: Wynnefield Capital Management, LLC,  
General Partner

By: /s/ Nelson Obus

-----  
Nelson Obus, Managing Member

WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.

By: Wynnefield Capital, Inc.

By: /s/ Nelson Obus

-----  
Nelson Obus, President

WYNNEFIELD CAPITAL MANAGEMENT, LLC

By: /s/ Nelson Obus

-----  
Nelson Obus, Managing Member

WYNNEFIELD CAPITAL, INC.

By: /s/ Nelson Obus

-----  
Nelson Obus, President

SHANNON RIVER PARTNERS, L.P.

By: Shannon River Capital Management, LLC,  
General Partner

Edgar Filing: BUYERS UNITED INC - Form SC 13G

By: /s/ Spencer Waxman

-----  
Spencer Waxman, Managing Member

SHANNON RIVER PARTNERS II, L.P.

By: Shannon River Capital Management, LLC,  
General Partner

By: /s/ Spencer Waxman

-----  
Spencer Waxman, Managing Member

SHANNON RIVER CAPITAL MANAGEMENT, LLC

By: /s/ Spencer Waxman

-----  
Spencer Waxman, Managing Member