

Edgar Filing: SPECTRX INC - Form SC 13D/A

SPECTRX INC
Form SC 13D/A
May 29, 2007

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
RULE 13d-2(a)

(Amendment No. 1)
SpectRx, Inc.
(Name of Issuer)

Common Stock
(Title of Class of Securities)

847635109
(CUSIP Number)

David Musket
c/o ProMed Management Inc.
125 Cambridgepark Drive
Cambridge, Massachusetts 02140

(617) 441-8800
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

March 12, 2007
(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 Rule 13d-1(e), 13d-1(f) or 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.

(1) 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 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).

CUSIP No. 847635109

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1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

ProMed Partners, L.P.

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

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

1,216,515

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY

8 SHARED VOTING POWER

0

EACH
REPORTING
PERSON
WITH

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

1,216,515

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,216,515

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

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

8.65%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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CUSIP No. 847635109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

ProMed Partners II, L.P.

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

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

218,532

NUMBER OF SHARES
BENEFICIALLY OWNED BY

8 SHARED VOTING POWER

0

EACH REPORTING PERSON WITH

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

218,532

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

218,532

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

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

1.55%

14 TYPE OF REPORTING PERSON*

PN

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*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 847635109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

ProMed Offshore Fund, Ltd.

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

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

British Virgin Islands

7 SOLE VOTING POWER

195,686

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY

8 SHARED VOTING POWER

0

EACH
REPORTING
PERSON
WITH

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

195,686

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

195,686

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

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

1.39%

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14 TYPE OF REPORTING PERSON*

CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 847635109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

ProMed Offshore Fund II, Ltd.

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

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

British Virgin Islands

7 SOLE VOTING POWER

100,000

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

100,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

100,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

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

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.71%

14 TYPE OF REPORTING PERSON*

CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 847635109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

ProMed Management, Inc.

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

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF, WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Massachusetts

7 SOLE VOTING POWER

295,686

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

295,686

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

295,686

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

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13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.10%

14 TYPE OF REPORTING PERSON*
IA, CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 847635109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON
ProMed Asset Management, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) |X|
(b) |_|

3 SEC USE ONLY

4 SOURCE OF FUNDS*
AF, WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e) |_|

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

7 SOLE VOTING POWER
1,435,047

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
8 SHARED VOTING POWER
0

9 SOLE DISPOSITIVE POWER
0

10 SHARED DISPOSITIVE POWER
1,435,047

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,435,047

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12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

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

10.20%

14 TYPE OF REPORTING PERSON*

IA, CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 847635109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

David B. Musket

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

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

7 SOLE VOTING POWER

230,769

NUMBER OF
SHARES

8 SHARED VOTING POWER

BENEFICIALLY
OWNED BY

1,730,733

EACH
REPORTING

9 SOLE DISPOSITIVE POWER

PERSON
WITH

230,769

10 SHARED DISPOSITIVE POWER

1,730,733

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11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,961,502

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

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

14.64%

14 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 847635109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Barry Kurokawa

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

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

7 SOLE VOTING POWER

48,222

8 SHARED VOTING POWER
NUMBER OF SHARES

1,730,733
BENEFICIALLY OWNED BY

9 SOLE DISPOSITIVE POWER
EACH REPORTING PERSON

48,222

10 SHARED DISPOSITIVE POWER
WITH

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1,730,733

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,778,955

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

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

12.64%

14 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 847635109

Item 1. Security and Issuer.

The name of the issuer is SpectRx, Inc., a Delaware corporation (the "Issuer"). The address of the Issuer's offices is 4955 Avalon Ridge Parkway, Suite 300, Norcross, Georgia 30071. This Schedule 13D relates to the Issuer's Common Stock.

Item 2. Identify and Background.

(a-c,f) This Schedule 13D is being filed jointly by (i) ProMed Partners, L.P. a Delaware limited partnership ("ProMed I"), (ii) ProMed Partners II, L.P. a Delaware limited partnership ("ProMed II"), (iii) ProMed Offshore Fund, Ltd., a British Virgin Islands corporation ("ProMed Offshore"), (iv) ProMed Offshore Fund II, Ltd., a British Virgin Islands corporation ("ProMed Offshore Fund II, Ltd"), (v) ProMed Management, Inc., a Massachusetts corporation ("ProMed Management, Inc."), (vi) ProMed Asset Management, LLC, a Massachusetts limited liability company, (vii) David B. Musket, a United States citizen and (viii) Barry Kurokawa, a United States citizen (collectively, the "Reporting Persons").

The principal business address of (i) ProMed I, ProMed II, ProMed Management, ProMed Asset Management, David B. Musket and Barry Kurokawa is 125 Cambridge Park Drive, Cambridge, Massachusetts 02140 and ProMed Offshore Ltd., and ProMed Offshore Fund II, Ltd. is C/O Trident Trust Company (B.V.I.) Limited, Trident Chambers, Wickham Cay, Post Office Box 146, Road Town, Tortola, British Virgin Islands.

David B. Musket and Barry Kurokawa are the principals of ProMed Management, Inc. which is an investment management firm that serves as the investment manager to private investment funds, including ProMed I and ProMed II and ProMed.

(d) Neither of David B. Musket nor Barry Kurokawa has, during the last five years, been convicted in any criminal proceeding (excluding traffic violations or similar misdemeanors).

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(e) None of the Reporting Persons has, during the last five years, been 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 3. Source and Amount of Funds or Other Consideration.

The funds for the purchase of the Shares came from the working capital of ProMed I, ProMed II, ProMed Offshore Fund, Ltd. and ProMed Offshore Fund II, Ltd. over which David B. Musket and Barry Kurokawa, through their role at ProMed Management, Inc. exercise investment discretion.

No borrowed funds were used to purchase the Shares, other than any borrowed funds used for working capital purposes (including certain leverage arrangements) in the ordinary course of business.

Item 4. Purpose of Transaction.

The Reporting Persons previously filed a Schedule 13D relating to the Common Stock of the Issuer. This filing reflects additional shares that the Series A Preferred ("Preferred") can be converted into as a result of anti-dilution provisions that were triggered by the Amended and Restated Loan Agreement which was described in the Issuer's Form 8-K filed on March 12, 2007. The Reporting Persons continue to be active in discussions concerning the Issuer's business strategy, size and business strategy, size and composition of the Board of Directors, management structure and compensation. The Reporting Persons may seek to actively enlist other shareholders to facilitate such changes.

Item 5. Interest in Securities of the Issuer.

(a-e) The aforementioned shares were acquired for investment purposes in open markets and private transactions. As of date date hereof, (i) ProMed I may be deemed to be the beneficial owner of 1,216,515 Shares or 8.65% of the Shares of the Issuer, (ii) ProMed II may be deemed to be the beneficial owner of 218,532 Shares or 1.55% of the Shares of the Issuer, (iii) ProMed Offshore Funds, Ltd. may be deemed to be the beneficial owner of 195,686 Shares or 1.39% of the Shares of the Issuer, (iv) ProMed Offshore Fund II, Ltd. may be deemed to be the beneficial owner of 100,000 or .71% of the Shares of the Issuer, (v) ProMed Management, Inc. may be deemed to be the beneficial owner of 295,686 or 2.10% of the Shares of the Issuer, (vi) ProMed Asset Management, LLC may be deemed to be the beneficial owner of 1,435,047 or 10.2% of the Shares of the Issuer, (vii) David B. Musket may be deemed to be the beneficial owner of 230,769 or 2.34% of the Shares of the Issuer, (viii) Barry Kurokawa may be deemed to be the beneficial owner of 48,222 or .34% of the Shares of the Issuer, based upon the 11,948,631 Shares outstanding as of April 9, 2007.

As of the date hereof, (i) ProMed I has the shared power to vote or direct the vote of 1,216,515 Shares to which this filing relates, (ii) ProMed II has the shared power to vote or direct the vote of 218,532 Shares to which this filing relates, (iii) ProMed Offshore Fund, Ltd. has the shared power to vote or direct the vote of 195,686 Shares to which this filing relates, (iv) ProMed Offshore Fund II, Ltd. has the shared power to vote or direct the vote of 100,000 Shares to which this filing relates, (v) ProMed Management, Inc. has the shared power to vote or direct the vote of 295,686 Shares to which this filing relates, (vi) ProMed Asset Management, LLC has the shared power to vote or direct the vote of 1,435,047 Shares to which this filing relates, (vii) David B. Musket has the sole power to vote or direct the vote of 230,769 Shares and the

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shared power to vote or direct the vote of 1,730,733 Shares to which this filing relates and (viii) Barry Kurokawa has the sole power to vote or direct the vote of 48,222 Shares and the shared power to vote or direct the vote of 1,730,733 Shares to which this filing relates.

As of the date hereof, (i) ProMed I has the shared power to dispose or direct the disposition of 1,213,264 Shares to which this filing relates, (ii) ProMed II has the shared power to dispose or direct the disposition of 218,532 Shares to which this filing relates, (iii) ProMed Offshore Fund, Ltd. has the

shared power to dispose or direct the disposition of 195,686 Shares to which this filing relates, (iv) ProMed Offshore Fund II, Ltd. has the shared power to dispose or direct the disposition of 100,000 Shares to which this filing relates, (v) ProMed Management, Inc. has the shared power to dispose or direct the disposition of 295,686 Shares to which this filing relates, (vi) ProMed Asset Management has the shared power to dispose or direct the disposition of 1,435,047 Shares to which this filing relates, (vii) David B. Musket has the shared power to dispose or direct the disposition of 1,961,502 Shares to which this filing relates and (viii) Barry Kurokawa has the shared power to dispose or direct the disposition of 1,778,955 Shares to which this filing relates.

The aforementioned Shares were acquired for investment purposes. Each of David B. Musket and Barry Kurokawa, either in an individual capacity or on behalf of the private investment vehicles over which they have investment discretion through their role at ProMed Management, may acquire additional Shares, dispose of all or some of these Shares from time to time, in each case in open markets or private transactions, block sales or purchases otherwise, or may continue to hold the Shares.

During the past 60 days, the Reporting Persons have effected those transactions listed in Exhibit A with respect to the Shares of the Issuer.

The Reporting Persons specifically disclaim beneficial ownership in the Shares reported herein except to the extent of their pecuniary interest therein.

Item 6. Contracts, Arrangement, Understandings or Relationships with Respect to Securities of the Issuer.

N/A

Item 7. Material to be Filed as Exhibits.

N/A

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.

March 12, 2007

(Date)

/s/ David B. Musket*

David B. Musket

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/s/ Barry Kurokawa*

Barry Kurokawa

ProMed Partners, L.P.*

By: ProMed Asset Management, LLC,
its general partner

By: DBM Corporate Consulting Group,
Ltd., a Managing Member

By: /s/ David B. Musket
Name: David B. Musket
Title: President

ProMed Partners II, L.P.*

By: ProMed Asset Management, LLC,
its general partner

By: DBM Corporate Consulting Group,
Ltd., a Managing Member

By: /s/ David B. Musket

Name: David B. Musket
Title: President

ProMed Offshore Fund, Ltd.*

By: /s/ David B. Musket

Name: David B. Musket
Title: Director

ProMed Offshore Fund II, Ltd.

By: /s/ David B. Musket

Name: David B. Musket
Title: Director

ProMed Management, Inc.*

By: /s/ David B. Musket

Name: David B. Musket
Title: President

ProMed Asset Management, LLC

By: /s/ David B. Musket

Name: David B. Musket
Title: Managing Member

AGREEMENT

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The undersigned agree that this Schedule 13D dated March 12, 2007 relating to the Common Stock of SpectRx, Inc. shall be filed on behalf of the undersigned.

/s/ David B. Musket*

David B. Musket

/s/ Barry Kurokawa*

Barry Kurokawa

ProMed Partners, L.P.*

By: ProMed Asset Management, LLC,
its general partner

By: DBM Corporate Consulting Group,
Ltd., a Managing Member

By: /s/ David B. Musket

Name: David B. Musket
Title: President

ProMed Partners II, L.P.*

By: ProMed Asset Management, LLC,
its general partner

By: DBM Corporate Consulting Group,
Ltd., a Managing Member

By: /s/ David B. Musket

Name: David B. Musket
Title: President

ProMed Offshore Fund, Ltd.*

By: /s/ David B. Musket

Name: David B. Musket
Title: Director

ProMed Offshore Fund II, Ltd.

By: /s/ David B. Musket

Name: David B. Musket
Title: Director

ProMed Management, Inc.*

By: /s/ David B. Musket

Name: David B. Musket
Title: President

ProMed Asset Management, LLC

By: /s/ David B. Musket

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Name: David B. Musket
Title: Managing Member

March 12, 2007