

STRATEGIC SOFTWARE HOLDINGS LLC
Form SC 13D/A
February 04, 2003

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

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934
(Amendment No. 1)

MERCATOR SOFTWARE, INC.

(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.01 PER SHARE

(Title of Class of Securities)

587587106
(CUSIP Number)

Rodney Bienvenu
Strategic Software Holdings, LLC
1465 Post Road East, Second Floor
Westport, Connecticut 06880
Tel. No.: (203) 259-7387

with a copy to:
Kyle C. Badger
McDermott, Will & Emery
227 West Monroe
Chicago, Illinois 60606
Tel. (312) 372-2000

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

FEBRUARY 3, 2003

(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 statement because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box: []

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

CUSIP No. 587587106

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

1 NAME OF REPORTING PERSON
BROKEN ARROW I, L.P.

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) 38-3664612

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(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

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 1,675,500
	8	SHARED VOTING POWER -0-
	9	SOLE DISPOSITIVE POWER 1,675,500
	10	SHARED DISPOSITIVE POWER -0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,675,500

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
4.85%

14 TYPE OF REPORTING PERSON
PN

SCHEDULE 13D

CUSIP No. 587587106

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

1 NAME OF REPORTING PERSON
STRATEGIC SOFTWARE HOLDINGS, LLC

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) 30-0091524

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(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
CONNECTICUT

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER SEE ITEM 5
	8	SHARED VOTING POWER -0-
	9	SOLE DISPOSITIVE POWER SEE ITEM 5
	10	SHARED DISPOSITIVE POWER -0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

14 TYPE OF REPORTING PERSON
OO

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
BIENVENU MANAGEMENT, LLC

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(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
CONNECTICUT

NUMBER OF SHARES
BENEFICIALLY
OWNED BY EACH
REPORTING PERSON
WITH

7 SOLE VOTING POWER
SEE ITEM 5

8 SHARED VOTING POWER
-0-

9 SOLE DISPOSITIVE POWER
SEE ITEM 5

10 SHARED DISPOSITIVE POWER
-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

14 TYPE OF REPORTING PERSON
OO

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

SCHEDULE 13D

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
RODNEY BIENVENU

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(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

NUMBER OF SHARES 7 SOLE VOTING POWER
BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
SEE ITEM 5

8 SHARED VOTING POWER
-0-

9 SOLE DISPOSITIVE POWER
SEE ITEM 5

10 SHARED DISPOSITIVE POWER
-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

14 TYPE OF REPORTING PERSON
OO

SCHEDULE 13D

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
JAMES DENNEDY

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(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

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER SEE ITEM 5
	8	SHARED VOTING POWER -0-
	9	SOLE DISPOSITIVE POWER SEE ITEM 5
	10	SHARED DISPOSITIVE POWER -0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

14 TYPE OF REPORTING PERSON
OO

SCHEDULE 13D

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
EMPIRE CAPITAL PARTNERS, L.P.

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(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
DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7 SOLE VOTING POWER
SEE ITEM 5

8 SHARED VOTING POWER
-0-

9 SOLE DISPOSITIVE POWER
SEE ITEM 5

10 SHARED DISPOSITIVE POWER
-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

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

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

14 TYPE OF REPORTING PERSON
PN

SCHEDULE 13D

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
EMPIRE GP, L.L.C.

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS AF/00

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
SEE ITEM 5

NUMBER OF SHARES
BENEFICIALLY
OWNED BY EACH
REPORTING PERSON
WITH

8 SHARED VOTING POWER
-0-

9 SOLE DISPOSITIVE POWER
SEE ITEM 5

10 SHARED DISPOSITIVE POWER
-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

14 TYPE OF REPORTING PERSON
OO

SCHEDULE 13D

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
EMPIRE CAPITAL MANAGEMENT, L.L.C.

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF/OO

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

NUMBER OF SHARES 7 SOLE VOTING POWER
BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
SEE ITEM 5

8 SHARED VOTING POWER
-0-

9 SOLE DISPOSITIVE POWER
SEE ITEM 5

10 SHARED DISPOSITIVE POWER
-0-

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

14 TYPE OF REPORTING PERSON
OO

SCHEDULE 13D

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
SCOTT A. FINE

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS AF/OO

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

NUMBER OF SHARES 7 SOLE VOTING POWER
BENEFICIALLY -0-

OWNED BY EACH 8 SHARED VOTING POWER
REPORTING PERSON SEE ITEM 5

WITH 9 SOLE DISPOSITIVE POWER
-0-

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

10 SHARED DISPOSITIVE POWER
SEE ITEM 5

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

14 TYPE OF REPORTING PERSON
IN

SCHEDULE 13D

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
PETER J. RICHARDS

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS AF/00

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

NUMBER OF SHARES 7 SOLE VOTING POWER
BENEFICIALLY -0-

OWNED BY EACH 8 SHARED VOTING POWER
REPORTING PERSON SEE ITEM 5

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

WITH

9 SOLE DISPOSITIVE POWER
-0-

10 SHARED DISPOSITIVE POWER
SEE ITEM 5

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
SEE ITEM 5

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
SEE ITEM 5

14 TYPE OF REPORTING PERSON
IN

SCHEDULE 13D

CUSIP No. 587587106

1 NAME OF REPORTING PERSON
CHARTER OAK PARTNERS, L.P.

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

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [X]
(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
CONNECTICUT

7 SOLE VOTING POWER

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	906,900	

	8	SHARED VOTING POWER
		-0--

	9	SOLE DISPOSITIVE POWER
		-906,900-

	10	SHARED DISPOSITIVE POWER
		-0-

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	906,900	

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

13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
	2.6%	

14	TYPE OF REPORTING PERSON	
	PN	

SCHEDULE 13D

ITEM 1. SECURITY AND ISSUER

This Amendment No. 1 to Schedule 13D relates to the Common Stock, par value \$0.01 per share (the "Common Stock") of Mercator Software, Inc., a Delaware corporation (the "Issuer"), having its principal executive offices at 45 Danbury Road, Wilton, Connecticut 06897.

ITEM 2. IDENTITY AND BACKGROUND

(a), (b), (c) & (f)

This Amendment No. 1 to Schedule 13D is filed by Broken Arrow I, L.P., a Delaware limited partnership ("Broken Arrow"); Strategic Software Holdings, LLC, a Connecticut limited liability company ("SSH"); Bienvenu Management, LLC, a Connecticut limited liability company ("Bienvenu Management"), Rodney Bienvenu, James Dennedy, Empire Capital Partners, L.P., a Delaware limited partnership ("Empire Capital"); Empire GP, L.L.C., a Delaware limited liability company ("Empire GP"); Empire Capital Management, L.L.C., a Delaware limited liability company ("Empire Capital Management") Charter Oak Partners, L.P., a Connecticut limited partnership, Scott A. Fine, and Peter J. Richards ("Charter Oak" collectively with Broken Arrow, SSH, Empire Capital, Empire GP, Empire Capital Management and Messrs. Bienvenu, Dennedy, Fine and Richards, the "Reporting Persons").

The business address of Broken Arrow and SSH is 1465 East Post Road, Second Floor, Westport, Connecticut 06880.

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

The names, positions and principal business addresses of each of the managers and executive officers of SSH are as follows:

Name -----	Position with SSH -----	Principal Business Address -----
Rodney Bienvenu	Chairman and CEO	1465 East Post Road Second Floor Westport, Connecticut 06880
James Dennedy	President	1465 East Post Road Second Floor Westport, Connecticut 06880

The business address of Empire Capital, Empire Capital Management and Empire GP is 1 Gorham Island, Westport, Connecticut 06880.

The names, positions and principal business addresses of each of the managers and executive officers of Empire Capital Management and Empire GP are as follows:

Name -----	Position -----	Principal Business Address -----
Scott Fine	Managing Member	1 Gorham Island Westport, Connecticut 06880
Peter Richards	Managing Member	1 Gorham Island Westport, Connecticut 06880

The business address of Charter Oak is 10 Wright Street, Building B, 4th Floor, Westport, Connecticut 06880.

Broken Arrow is principally engaged in the business of investing and holding securities in various entities. SSH is principally involved in the business of acting as the general partner of Broken Arrow and investing and holding securities in various entities. The principal business of Empire Capital is serving as a private investment limited partnership. Empire Capital is the majority limited partner in Broken Arrow. The principal business of Empire GP is serving as general partner of Empire Capital. The principal business of Empire Capital Management is serving as the management company of Empire Capital. In addition, Empire Capital Management provides discretionary investment management services to a limited number of clients. The principal business of Charter Oak is serving as a private investment limited partnership. Empire Capital Management manages a portion of the assets of Charter Oak pursuant to a discretionary investment management agreement.

(d) & (e)

During the last five years, none of the Reporting Persons nor, to the knowledge of the Reporting Persons, any general partner, manager or executive officer of the Reporting Persons, has been (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors); or (ii) a party to a civil proceeding of a judicial or administrative body resulting in 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 violations with respect to such laws.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

The shares of Common Stock purchased by Broken Arrow were purchased with working capital. None of the shares of Common Stock directly owned by Broken Arrow may be pledged as collateral for loans made by banks or brokerage firms.

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

The shares of Common Stock purchased by Empire Capital Management, on behalf of Charter Oak, were purchased with working capital of Charter Oak. All or part of the shares of Common Stock owned by Charter Oak may from time to time be pledged with one or more banking institutions or brokerage firms as collateral for loans made by such bank(s) or brokerage firm(s) to Empire Capital Management, on behalf of Charter Oak. Such loans bear interest at a rate based upon the broker's call rate from time to time in effect. Such indebtedness may be refinanced with other banks or broker-dealers.

ITEM 4. PURPOSE OF TRANSACTION

SSH, on behalf of Broken Arrow, acquired the shares of Common Stock for the purpose of obtaining a significant equity position in the Issuer. SSH considered the Common Stock to be an attractive investment at the price levels at which it acquired the shares of Common Stock.

SSH's primary interest is to maximize the value of its investment on behalf of Broken Arrow. To this end, SSH intends continually to review the Issuer's business affairs and financial position and future prospects, as well as conditions in the securities markets and general economic and industrial conditions. Based on such evaluation and review and other factors (including, without limitation, the attitude of the Board of Directors and management of the Issuer), SSH will continue to consider various alternative courses of action and

will in the future take such actions with respect to its investment in the Issuer as it deems appropriate in light of the circumstances existing from time to time. Such actions may include seeking representation on the Board of Directors of the Issuer, making recommendations to members of management concerning various business strategies, acquisitions, dividend policies and other matters, seeking to acquire control of the Issuer through a merger, proxy solicitation, tender offer, exchange offer or otherwise, or such other actions as SSH may deem appropriate. Such actions may involve the purchase of additional Common Stock or, alternatively, may involve the sale of all or a portion of the Common Stock held by Broken Arrow in the open market or in privately negotiated transactions to one or more purchasers.

In a series of conversations beginning December 5, 2002, and continuing through January 9, 2003, representatives of SSH requested that management of the Issuer retain an investment banker to consider alternatives for maximizing the value of the Issuer to its current shareholders, including considering a sale of the Issuer to a strategic or financial third party. Representatives of SSH and management of the Issuer scheduled a meeting for January 10, 2003 to discuss SSH's ideas with respect to these matters. On January 9, 2003, a senior officer of the Issuer informed Mr. Bienvenu that the Issuer was canceling the scheduled meeting. As of the date hereof, no further meetings have been scheduled. Given the market conditions as of this filing, SSH continues to believe that management should retain an investment banker to consider alternatives for maximizing the value of the Issuer to its current shareholders. SSH currently intends to continue to press this point with management of the Issuer.

Bienvenu Management does not directly own any shares of Common Stock but because it is the manager of SSH Bienvenu Management may be deemed to be a beneficial owner of the shares of Common Stock.

Empire Capital does not directly own any shares of Common Stock but because its interest in Broken Arrow represents a majority ownership interest in the fund and because the shares of Common Stock represent nearly all of the assets of Broken Arrow Empire Capital may be deemed to be a beneficial owner of the shares of Common Stock.

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

Empire Capital Management, an affiliate of Empire GP, the general partner of Empire Capital, acquired shares of the Common Stock, on behalf of Charter Oak, for the purpose of obtaining an equity position in the Issuer. Empire Capital Management considered the Common Stock to be an attractive investment at the price levels at which it acquired the Common Stock. While it is not restricted from doing so in the future, it is not anticipated that Empire Capital Management, on behalf of Charter Oak, will acquire any additional shares of Common Stock. Pursuant to its discretionary investment management agreement with Charter Oak, Empire Capital Management is responsible for the voting of proxies solicited with respect to the Common Stock and for determining whether to acquire or dispose of shares of Common Stock. In that regard, Empire Capital Management may vote such proxies in a manner consistent with the voting of such proxies by SSH, on behalf of Broken Arrow, and may acquire or dispose of shares of Common Stock in such amounts and at such times as may assist SSH in effectuating the investment program of Broken Arrow, subject, in each case, to the determination by Empire Capital Management that such actions are consistent with its obligations under the discretionary investment management agreement.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

(a) and (b)

Broken Arrow beneficially owns, as of the date hereof, 1,675,500 shares of Common Stock, representing 4.85% of the outstanding shares of Common Stock. Broken Arrow and SSH have the sole power to vote and dispose of the Common Stock beneficially owned by them.

In its capacity as the general partner of Broken Arrow, SSH has the power to determine how to vote and whether or not to dispose of any shares of Common Stock owned by Broken Arrow. Consequently, SSH has the power to vote or direct the vote and the power to dispose or direct the disposition of 1,675,500 shares of Common Stock, representing 4.85% of the outstanding shares of Common Stock. Bienvenu Management does not directly own any shares of Common Stock, but as the manager of SSH, it may be deemed to be a beneficial owner of 1,675,500 shares of Common Stock representing 4.85% of the outstanding shares of Common Stock. Messrs. Bienvenu and Dennedy, as the sole members of Bienvenu Management, direct the operations of Bienvenu Management. Neither Mr. Bienvenu nor Mr. Dennedy directly owns any shares of Common Stock. By reason of the provisions of Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "1934 Act"), each may be deemed to beneficially own the shares deemed beneficially owned by Bienvenu Management.

Empire Capital does not directly own any shares of Common Stock but because its interest in Broken Arrow represents a majority ownership interest in Broken Arrow and because the shares of Common Stock represent nearly all of the assets of Broken Arrow, Empire Capital may be deemed to be a beneficial owner of 1,675,500 shares of Common Stock representing 4.85% of the outstanding shares of Common Stock. Empire GP, as the general partner of Empire Capital, may be deemed to be the beneficial owner of 1,675,500 shares of Common Stock representing 4.85% of the outstanding shares of Common Stock. Furthermore, Empire GP, as an affiliate of Empire Capital Management, may be deemed to be the beneficial owner of an additional 906,900 shares of Common Stock representing 2.6% of the outstanding shares of Common Stock, as described below. Messrs. Fine and Richards, as the sole members of Empire GP, direct the operations of Empire GP. Neither Mr. Fine nor Mr. Richards directly owns any shares of Common Stock. By reason of the provisions of Rule 13d-3 of the 1934 Act, each may be deemed to beneficially own the shares deemed beneficially owned by Empire Capital and Empire GP.

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

Charter Oak beneficially owns, as of the date hereof, 906,900 shares of Common Stock representing 2.6% of the outstanding shares of Common Stock. Pursuant to its discretionary investment management agreement with Charter Oak, Empire Capital Management has the power to determine how to vote any shares of Common Stock that it has acquired on behalf of Charter Oak, unless otherwise instructed by Charter Oak. Empire Capital Management has the sole authority to determine whether to dispose of any shares of Common Stock that it has acquired on behalf of Charter Oak. Consequently, Empire Capital Management has the power to vote or direct the vote and the power to dispose or direct the disposition of 906,900 shares of Common Stock, representing 2.6% of the outstanding shares of Common Stock. Furthermore, Empire Capital Management, as an affiliate of Empire GP, may be deemed to be the beneficial owner of an additional 1,675,500 shares of Common Stock representing 4.85% of the outstanding shares of Common Stock. Messrs. Fine and Richards, as the managing members of Empire Capital Management, direct the operations of Empire Capital Management. By reason of the provisions of Rule 13d-3 of the 1934 Act, each may be deemed to beneficially own the shares deemed beneficially owned by Empire Capital Management.

To the best knowledge of the Reporting Persons, none of the other persons or entities listed in Item 2 beneficially owns any other shares of the Issuer.

(c) The following transactions in the Issuer's Common Stock were effected by the Reporting Persons since the date of their most recent filing on Schedule 13D. All of such transactions represent open market transactions.

Reporting Person	Buy/Sell	Trade Date	Shares	Price/Share (\$)
Broken Arrow I	Buy	12/13/02	25,000	0.9600
Broken Arrow I	Buy	12/13/02	7,800	0.9800
Broken Arrow I	Buy	12/13/02	5,000	0.9890
Broken Arrow I	Buy	12/13/02	12,200	0.9900
Broken Arrow I	Buy	12/23/02	30,000	0.9000
Charter Oak	Buy	12/31/02	9,800	0.9559
Charter Oak	Sell	01/10/03	9,800	1.3302
Charter Oak	Sell	01/22/03	5,000	1.7500
Charter Oak	Sell	01/23/03	39,400	1.8709
Broken Arrow I	Sell	01/23/03	10,000	1.9025
Broken Arrow I	Sell	01/23/03	15,000	1.9000
Broken Arrow I	Sell	01/24/03	3,200	1.8100
Charter Oak	Sell	01/24/03	9,700	1.9144
Broken Arrow I	Sell	01/24/03	3,700	1.8329
Broken Arrow I	Sell	01/24/03	6,300	1.8103
Broken Arrow I	Sell	01/24/03	10,000	1.8192
Broken Arrow I	Sell	01/24/03	10,000	1.8760
Broken Arrow I	Sell	01/24/03	10,000	1.8580
Broken Arrow I	Sell	01/24/03	15,000	1.8500
Broken Arrow I	Sell	01/24/03	20,900	1.8200
Broken Arrow I	Sell	01/24/03	20,900	1.8300
Charter Oak	Sell	01/28/03	39,000	1.9000
Broken Arrow I	Sell	01/28/03	7,500	1.9000
Broken Arrow I	Sell	01/29/03	5,000	1.8500
Broken Arrow I	Sell	01/30/03	3,000	1.7200
Broken Arrow I	Sell	01/30/03	10,000	1.7300
Broken Arrow I	Sell	01/30/03	17,000	1.7100
Broken Arrow I	Sell	01/30/03	80,000	1.7000
Broken Arrow I	Sell	01/31/03	200	1.5700
Broken Arrow I	Sell	01/31/03	1,100	1.5900
Broken Arrow I	Sell	01/31/03	2,300	1.5600
Broken Arrow I	Sell	01/31/03	4,100	1.6100

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

Broken Arrow I	Sell	01/31/03	4,200	1.6500
Broken Arrow I	Sell	01/31/03	5,000	1.6600
Broken Arrow I	Sell	01/31/03	5,000	1.6554
Broken Arrow I	Sell	01/31/03	5,100	1.5800
Broken Arrow I	Sell	01/31/03	5,400	1.6000
Broken Arrow I	Sell	01/31/03	7,500	1.6200
Broken Arrow I	Sell	01/31/03	16,300	1.6300
Broken Arrow I	Sell	01/31/03	26,300	1.5500
Broken Arrow I	Sell	02/03/03	40,000	1.7300
Broken Arrow I	Sell	02/03/03	34,500	1.68/1.69

(d) Not applicable.

(e) On January 31, 2003, each of Broken Arrow, SSH, Bienvenu Management, Rodney Bienvenu and James Dennedy ceased to be the beneficial owner of more than 5% of the Issuer's Common Stock.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Other than the Joint Acquisition Statement which was attached as Exhibit A to the Reporting Persons' original Schedule 13D filed on November 29, 2002, none of the Reporting Persons nor any general partners, managers or executive officers of the Reporting Persons has any contracts, arrangements, understandings or relationships (legal or otherwise) with any person with respect to the Common Stock, including transfer or voting thereof, finder's

fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

None.

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: February 3, 2003

By: /s/ Rodney Bienvenu

Rodney Bienvenu, individually, and as
Chairman & CEO of Strategic Software
Holdings, LLC, for itself and as general
partner of Broken Arrow I., L.P., and as
a member of Bienvenu Management, LLC

By: /s/ James Dennedy

Edgar Filing: STRATEGIC SOFTWARE HOLDINGS LLC - Form SC 13D/A

James Dennedy, individually, and as a member of Bienvenu Management, LLC

By: /s/ Scott A. Fine

Scott A. Fine, individually, and as managing member of Empire GP, L.L.C., and as general partner of Empire Capital Partners, L.P.; and as managing member of Empire Capital Management, L.L.C., and as attorney-in-fact of Charter Oak Partners, L.P.

By: /s/ Peter J. Richards

Peter J. Richards, individually, and as managing member of Empire GP, L.L.C., and as general partner of Empire Capital Partners, L.P.; and as managing member of Empire Capital Management, L.L.C., and as attorney-in-fact of Charter Oak Partners, L.P.