

DIGITAL IMPACT INC /DE/
Form SC TO-T/A
March 01, 2005

SECURITIES AND EXCHANGE COMMISSION,

Washington, D.C. 20549

SCHEDULE TO

(RULE 14d-100)

TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1)

OF THE SECURITIES EXCHANGE ACT OF 1934

(Amendment No. 1)

DIGITAL IMPACT, INC.

(Name of Subject Company (Issuer))

DII ACQUISITION CORP.

***info*USA INC.**

(Names of Filing Persons Offerors)

COMMON STOCK, PAR VALUE \$0.001 PER SHARE

(Title of Class of Securities)

25385G 10 6

(CUSIP Number of Class of Securities)

Vinod Gupta

***info*USA Inc.**

5711 South 85th Circle

Omaha, Nebraska 68127

Telephone: (402) 593-4500

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications on Behalf of Filing Persons)

Copies to:

Steven J. Tonsfeldt

Heller Ehrman White & McAuliffe LLP

275 Middlefield Road
 Menlo Park, California 94025
 Telephone: (650) 324-7000

CALCULATION OF FILING FEE

| Transaction Valuation* | Amount of Filing Fee** |
|------------------------|------------------------|
| \$74,098,000 | \$8,722 |

* For purposes of calculating the amount of filing fee only. Based on the offer to purchase approximately 37,049,000 shares of Common Stock, par value \$0.001 per share, of Digital Impact, Inc. at a purchase price of \$2.00 per share, net to the seller in cash, without interest. Such number represents the total of approximately 36,900,000 shares issued and outstanding as of February 10, 2005 (as reported in Digital Impact, Inc.'s Quarterly Report on Form 10-Q for Digital Impact, Inc.'s fiscal quarter ended December 31, 2004) but does not include 1,637,000 shares held by *infoUSA*, and approximately 1,786,000 shares issuable upon the exercise of stock options with an exercise price below the \$2.00 purchase price in the offer outstanding as of March 31, 2004 (as reported in Digital Impact, Inc.'s Annual Report on Form 10-K for the year ending March 31, 2004).

** The amount of the filing fee is calculated in accordance with Regulation 240.0-11 of the Securities Exchange Act of 1934, as amended, and equals 0.00011770 of the transaction valuation based on Fee Rate Advisory #6 for Fiscal Year 2005 issued by the Securities and Exchange Commission (the Commission) on December 9, 2004.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

| | | | |
|---------------------------|-------------|---------------|---|
| Amount Previously Paid: | \$8,722 | Filing Party: | DII Acquisition Corp. and <i>infoUSA</i> Inc. |
| Form or Registration No.: | Schedule TO | Date Filed: | February 24, 2005 |

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer. Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

AMENDMENT NO. 1 TO SCHEDULE TO

This Amendment No. 1 to Tender Offer Statement on Schedule TO (this Amendment No. 1) is filed by *infoUSA* Inc., a Delaware corporation (*infoUSA*), and DII Acquisition Corp. (the Purchaser), a Delaware corporation and a wholly-owned subsidiary of *infoUSA*. This Schedule TO relates to the offer by the Purchaser to purchase all outstanding shares of common stock, par value \$0.001 per share (the Shares), of Digital Impact, Inc., a Delaware corporation (the Digital Impact), at \$2.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated February 24, 2005 (the Offer to Purchase), and in the related Letter of Transmittal, copies of which are attached to the Offer to Purchase as Exhibits (a)(1)(A) and (a)(1)(B), respectively (which, together with any amendments or supplements thereto, collectively constitute the Offer). The item numbers and responses thereto below are in accordance with the requirements of Schedule TO. Capitalized terms used and not defined herein shall have the meanings assigned to such terms in the Offer to Purchase or in the Schedule TO.

Item 2. Subject Company Information.

Item 2(b) of the Schedule TO is hereby amended and supplemented to include the following additional information:

Introduction

The third paragraph of Introduction on Page 5 of the Offer to Purchase is amended by deleting the last sentence and replacing the sentence with the following:

infoUSA, the Purchaser and those individuals set forth on Schedule I of this Offer to Purchase beneficially own an aggregate of 1,737,300 Shares representing approximately 4.7% of the outstanding Shares as of February 10, 2005.

Item 8. Interest in Securities of the Subject Company.

Item 8(a)-(b) of the Schedule TO is hereby amended and supplements to include the following additional information:

The Offer Certain Information Concerning *infoUSA* and Purchaser

The fifth and sixth paragraphs of The Offer Certain Information Concerning *infoUSA* and Purchaser on page 17 of the Offer to Purchase are amended and restated in their entirety as follows:

infoUSA, Purchaser and those individuals set forth on Schedule I to this Offer to Purchase beneficially own an aggregate of 1,737,000 Shares representing approximately 4.7% of the outstanding Shares as of February 10, 2005:

| Stockholder | Number of Shares Held |
|---|-----------------------|
| <i>infoUSA</i> Inc. | 1,637,300 |
| Vinod Gupta, Chief Executive of <i>infoUSA</i> Inc. | 100,000 |

None of *infoUSA*, Purchaser or any individual set forth on Schedule I to the Offer to Purchase has effected any transactions with respect to Shares in the 60 days preceding the date of this Offer to Purchase.

SIGNATURE

After due inquiry and to the best of their knowledge and belief, the undersigned hereby certify as of March 1, 2005 that the information set forth in this statement is true, complete and correct.

DII ACQUISITION CORP.

By: /s/ Raj Das

Name: Raj Das
Title: Chief Financial Officer

INFOUSA INC.

By: /s/ Raj Das

Name: Raj Das
Title: Chief Financial Officer

Exhibit Index

| Exhibit No. | Description |
|-------------|--|
| (a)(1)(A)* | Offer to Purchase dated February 24, 2005. |
| (a)(1)(B)* | Form of Letter of Transmittal. |
| (a)(1)(C)* | Form of Notice of Guaranteed Delivery. |
| (a)(1)(D)* | Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and other Nominees. |
| (a)(1)(E)* | Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Nominees. |
| (a)(1)(F)* | Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9. |
| (a)(1)(G)* | Press Release issued by <i>infoUSA</i> dated February 23, 2005. |
| (a)(1)(H)* | Summary Advertisement published February 24, 2005. |
| (b)* | Commitment Letter dated February 23, 2005. |
| (c) | Not applicable. |
| (d) | Not applicable. |
| (e) | Not applicable. |
| (f) | Not applicable. |
| (g) | Not applicable. |
| (h) | Not applicable. |

* Incorporated herein by reference to the Schedule TO filed by DII Acquisition Corp. and *infoUSA* Inc. on February 24, 2005.