

Information Services Group Inc.
Form SC 13D
June 09, 2008

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

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No.)***

Information Services Group, Inc.
(Name of Issuer)

Units (each consisting of one share of Common Stock, par value \$0.001 per share and
one redeemable common stock purchase warrant) and Common Stock

(Title of Class of Securities)
45675Y203 and 45675Y104
(CUSIP Number)

Ken Berkow
TCS Capital Management, LLC
888 Seventh Avenue
Suite 1504
New York, NY 10019
(212) 621-8760

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

- with copies to -

Eliot D. Raffkind
Akin, Gump, Strauss, Hauer & Feld, L.L.P.
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201-4618
(214) 969-2800
January 31, 2008

(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. ☐

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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).

CUSIP No. 45675Y203
45675Y104

NAMES OF REPORTING PERSONS

1

TCS Capital II, L.P.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

- (a) ☐
(b) ☐

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

WC

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

5

☐

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Delaware

SOLE VOTING POWER

7

NUMBER OF 2,681,600

SHARES SHARED VOTING POWER
BENEFICIALLY OWNED BY 8

EACH SOLE DISPOSITIVE POWER

9

REPORTING

PERSON 2,681,600

WITH SHARED DISPOSITIVE POWER

10

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

2,681,600

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

8.2% (based on the current outstanding shares of Common Stock plus the IPO Warrants held by the reporting person)

4.2% (based on the current outstanding shares of Common Stock plus all IPO Warrants)

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

PN

CUSIP No. 45675Y203
45675Y104

NAMES OF REPORTING PERSONS

1

TCS Capital Investments, L.P.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a) ☐

(b) ☐

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

WC

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

5

☐

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Cayman Islands

SOLE VOTING POWER

7

NUMBER OF 5,402,100

SHARES SHARED VOTING POWER
BENEFICIALLY OWNED BY 8

EACH SOLE DISPOSITIVE POWER

9

REPORTING

PERSON 5,402,100

WITH SHARED DISPOSITIVE POWER

10

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

5,402,100

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

16.0%(based on the current outstanding shares of Common Stock plus the IPO Warrants held by the reporting person)

8.5% (based on the current outstanding shares of Common Stock plus all IPO Warrants)

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

PN

CUSIP No. 45675Y203
45675Y104

NAMES OF REPORTING PERSONS

1

TCS Capital GP, LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

- (a) ☐
(b) ☐

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

AF

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

5

☐

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Delaware

SOLE VOTING POWER

7

NUMBER OF 8,573,600

SHARES SHARED VOTING POWER
BENEFICIALLY OWNED BY 8

EACH SOLE DISPOSITIVE POWER

9

REPORTING

PERSON 8,573,600

WITH SHARED DISPOSITIVE POWER

10

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

8,573,600

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

24.3%(based on the current outstanding shares of Common Stock plus the IPO Warrants held by the reporting person)

13.5% (based on the current outstanding shares of Common Stock plus all IPO Warrants)

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

OO

CUSIP No. 45675Y203
45675Y104

1 NAMES OF REPORTING PERSONS

Eric Semler

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

- 2**
- (a) ☐
 - (b) ☐

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

AF

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

5

☐

CITIZENSHIP OR PLACE OF ORGANIZATION

6

United States

SOLE VOTING POWER

7

NUMBER OF 8,573,600

SHARES
BENEFICIALLY OWNED BY **8** SHARED VOTING POWER

EACH
REPORTING **9** SOLE DISPOSITIVE POWER

PERSON 8,573,600

WITH SHARED DISPOSITIVE POWER

10

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

8,573,600

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

24.3% (based on the current outstanding shares of Common Stock plus the IPO Warrants held by the reporting person)

13.5% (based on the current outstanding shares of Common Stock plus all IPO Warrants)

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

IN

SCHEDULE 13D

This Schedule 13D (the "Schedule 13D") is being filed on behalf of TCS Capital Investments, L.P., a Cayman Islands exempted limited partnership ("TCS Offshore"), TCS Capital II, L.P., a Delaware limited partnership ("TCS Capital II"), TCS Capital GP, LLC, a Delaware limited liability company ("TCS GP") and Eric Semler (together with TCS Offshore, TCS Capital II and TCS GP, the "Reporting Persons"). This Schedule 13D relates to units (the "Units") and common stock, par value \$0.001 per share (the "Common Stock") of Information Services Group, Inc., a Delaware corporation (the "Issuer"). Each Unit consists of one share of Common Stock and one redeemable common stock purchase warrant (the "Warrants" or the "IPO Warrants").

This Schedule 13D relates to (A) Units and Common Stock purchased by Eric Semler and TCS GP for the accounts of (i) TCS Capital, L.P., a Delaware limited partnership ("TCS Capital"), (ii) TCS Capital II and (iii) TCS Offshore; (B) Units and Common Stock held by TCS Capital II and (C) Units and Common Stock held by TCS Offshore. TCS GP acts as general partner to each of TCS Capital, TCS Capital II and TCS Offshore. Eric Semler, as manager of TCS GP, controls the investment decisions of TCS GP.

On January 31, 2008, the Warrants held by the Reporting Persons became exercisable and therefore the underlying Common Stock was deemed to be beneficially owned by the Reporting Persons. The Reporting Persons have previously filed a Schedule 13G and amendments thereto pursuant to Rule 13d-1(c) and are filing this Schedule 13D solely because of Rule 13d-1(f).

Item 1. Security and Issuer

Securities acquired: Units (each consisting of one share of Common Stock and one Warrant) and Common Stock
Issuer: Information Services Group, Inc.

Item 2. Identity and Background

- (a) This statement is filed by: (i) TCS Offshore, (ii) TCS Capital II, (iii) TCS GP and (iv) Eric Semler.
 - (b) The business address of the Reporting Persons is 888 Seventh Avenue, Suite 1504, New York, NY 10019.
 - (c) TCS Offshore and TCS Capital II are collective investment vehicles. TCS GP provides investment management services. The principal occupation of Eric Semler is investment management.
 - (d) None of the Reporting Persons have, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).
 - (e) None of the Reporting Persons have, 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.
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(f) TCS Capital II is a Delaware limited partnership. TCS Offshore is a Cayman Islands exempted limited partnership. TCS GP is a Delaware limited liability company. Eric Semler is a United States citizen.

Item 3. Source and Amount of Funds

The Reporting Persons, in the aggregate, have invested \$35,890,788 in the Issuer. The above amount includes any commissions incurred in making the investments. The source of these funds was the working capital of the Reporting Persons.

Item 4. Purpose of the Transaction

The purpose of the acquisition of the Units and Common Stock is for investment, and the acquisitions of the Units and Common Stock were made in the ordinary course of business and were not made for the purpose of acquiring control of the Issuer. The Reporting Persons at any time and from time to time may acquire additional securities of the Issuer or dispose of any or all of its current holdings of the Issuer depending upon an ongoing evaluation of the investment in the Issuer, prevailing market conditions, other investment opportunities, other investment considerations and/or other factors. Although the Reporting Persons have no current intentions to do so, they retain the ability to seek representation on the board of directors of the Issuer or work with the Issuer's management and board of directors regarding potential strategies to increase shareholder value. Although the Reporting Persons have no current intentions to do so, they retain the ability to engage in communications with one or more shareholders of the Issuer, one or more officers of the Issuer or one or more members of the board of directors of the Issuer, regarding, among other items, its business, operations, policies, management, structure, operations or capitalization of the Issuer. Except to the extent the foregoing may be deemed a plan or proposal, the Reporting Persons have no plans or proposals which relate to, or could result in, any of the matters referred to in paragraphs (a) through (j), inclusive, of the instructions to Item 4 of Schedule 13D. The Reporting Persons may, at any time and from time to time, review or reconsider its position and/or change its purpose and/or formulate plans or proposals with respect thereto.

Item 5. Interest in Securities of the Issuer

According to the Issuer's Form 10-Q filed on May 14, 2008, there are 31,357,511 shares of Common Stock outstanding. In addition, according to an amendment to the Issuer's Form S-1 filed on February 5, 2008, there are 32,066,150 shares of Common Stock that are issuable upon the exercise of the IPO Warrants issued in connection with the Issuer's initial public offering.

For purposes of calculating beneficial ownership of the Issuer, the Reporting Persons have included (i) actual Common Stock purchased by the Reporting Persons, (ii) Common Stock acquired by the Reporting Persons through the purchase of Units and (iii) Common Stock issuable upon the exercise of Warrants acquired by the Reporting Persons through the purchase of Units. The Reporting Persons have calculated and reported their ownership percentage based on both (i) the shares of Common Stock currently outstanding plus the shares of Common Stock represented by the IPO Warrants held by the Reporting Persons and (ii) the shares of Common Stock currently outstanding plus the shares of Common Stock represented by all IPO Warrants.

- (a) (i) TCS Capital II is the beneficial owner of the 2,681,600 shares of Common Stock it holds, which represents 8.2% of the Issuer's outstanding shares of Common Stock plus the IPO Warrants held by the Reporting Person and 4.2% of the Issuer's outstanding shares of Common Stock plus all IPO Warrants.
- (ii) TCS Offshore is the beneficial owner of the 5,402,100 shares of Common Stock it holds, which represents 16.0% of the Issuer's outstanding shares of Common Stock plus the IPO Warrants held by the Reporting Person and 8.5% of the Issuer's outstanding shares of Common Stock plus all IPO Warrants.
- (iii) TCS GP is the beneficial owner of the 8,573,600 shares of Common Stock held by TCS Capital, TCS Capital II and TCS Offshore, which represents 24.3% of the Issuer's outstanding shares of Common Stock plus the IPO Warrants held by the Reporting Person and 13.5% of the Issuer's outstanding shares of Common Stock plus all IPO Warrants.
- (iv) Eric Semler is the beneficial owner of the 8,573,600 shares of Common Stock held by TCS Capital, TCS Capital II and TCS Offshore, which represents 24.3% of the Issuer's outstanding shares of Common Stock plus the IPO Warrants held by the Reporting Person and 13.5% of the Issuer's outstanding shares of Common Stock plus all IPO Warrants.
- (b) TCS Capital II has the power to vote and dispose of the 2,681,600 shares of Common Stock it holds; TCS Offshore has the power to vote and dispose of the 5,402,100 shares of Common Stock it holds; TCS GP, as general partner, has the power to vote and dispose of the 8,573,600 shares of Common Stock held by TCS Capital, TCS Capital II and TCS Offshore; and Eric Semler, as the principal of TCS GP, has the power to vote and dispose of the 8,573,600 shares of Common Stock held by TCS Capital, TCS Capital II and TCS Offshore.
- (c) Transactions in the Issuer's securities by the Reporting Persons during the last sixty days are listed in Annex A attached hereto.
- (d) Not Applicable.
- (e) Not Applicable.

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

Not Applicable.

Item 7. Material to be Filed as Exhibits

Exhibit 1. Joint filing agreement by and among the Reporting Persons.

SIGNATURES

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: June 6, 2008

TCS CAPITAL II, L.P.

By: TCS Capital GP, LLC, general partner

By: /s/ Eric Semler

Name: Eric Semler

Title: Managing Member

TCS CAPITAL INVESTMENTS, L.P.

By: TCS Capital GP, LLC, general partner

By: /s/ Eric Semler

Name: Eric Semler

Title: Managing Member

TCS CAPITAL GP, LLC

By: /s/ Eric Semler

Name: Eric Semler

Title: Managing Member

ERIC SEMLER

By: /s/ Eric Semler

EXHIBIT INDEX

**Exhibit
No.**

Description

Exhibit 1. Joint filing agreement by and among the Reporting Persons.