

BLUE HOLDINGS, INC.
Form 4
November 30, 2007

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
GUEZ PAUL

(Last) (First) (Middle)

C/O BLUE HOLDINGS, INC., 5804
E. SLAUSON AVENUE

(Street)

COMMERCE, CA 90040

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
BLUE HOLDINGS, INC. [BLUE]

3. Date of Earliest Transaction
(Month/Day/Year)

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount Number Shares
				Code	V				
Series A Convertible Preferred Stock	(2)	11/28/2007	P	1,000,000		11/28/2007	(1)	Common Stock	4,623

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GUEZ PAUL C/O BLUE HOLDINGS, INC. 5804 E. SLAUSON AVENUE COMMERCE, CA 90040	X	X		

Signatures

/s/ Paul Guez 11/30/2007

**Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The Amended and Restated Series A Convertible Preferred Stock has no expiration date.

On 11/28/07, Issuer rescinded the purchase transaction of the Series A Preferred Stock (effective as of 11/13/07) and entered into a new transaction with Reporting Person pursuant to an agreement dated 11/28/07, whereby Issuer issued 1,000,000 shares of Series A Convertible Preferred Stock (New Series A Preferred) in consideration for (i) cancellation of \$2,556,682 of advances made to Issuer by

- (2) Reporting Person, and (ii) a cash investment of \$125,000. Each New Series A Preferred share is convertible into a share of the common stock of Issuer based on a conversion formula equal to the price per share (\$2.681682) divided by the conversion price (\$0.58), subject to adjustment in accordance with the certificate of designation for the New Series A Preferred. The conversion price equals the consolidated closing bid price for a share of Issuer's common stock prior to the signing of the definitive agreement governing the transaction.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.