

JAMBA, INC.
Form SC 13D
June 17, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

Jamba, Inc.
(Name of Issuer)

Common Stock, Par Value \$0.001 Per Share
(Title of Class of Securities)

47023A101
(CUSIP Number)

Mistral Capital Management, LLC
Attn: Robert J. Fioretti
Managing Director
Mistral Equity Partners
650 Fifth Avenue, 31st Floor
New York, NY 10019
(212) 616-9600
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

with a copy to:

Jeffrey D. Marell, Esq.
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064
(212) 373-3000

June 16, 2009

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(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 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.

*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).

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CUSIP No. 47023A101

Page 3 of 19 Pages

1 NAME OF REPORTING PERSON

Mistral Equity Partners, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

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
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

7 SOLE VOTING POWER

-0-

8 SHARED VOTING POWER

11,852,400⁽¹⁾

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

11,852,400⁽¹⁾

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11,852,400⁽¹⁾

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

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

17.8% ⁽¹⁾

14 TYPE OF REPORTING PERSON

PN

- (1) Mistral Equity Partners, LP ("MEP") beneficially owns, and is the record holder of, 118,524 shares of Series B-1 Convertible Preferred Stock, \$0.001 par value per share, of Jamba, Inc. (the "Company") and, the Series B-1 Convertible Preferred Stock, the "Series B-1 Preferred"). Shares of Series B-1 Preferred, as well as shares of Series B-2 Convertible Preferred Stock, \$0.001 par value per share, of the Company (the "Series B-2")
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Preferred” and, together with the Series B-1 Preferred, the “Preferred Stock”), are convertible at the election of the holders, at any time, into shares of common stock, \$0.001 par value per share, of the Company (the “Common Stock”) at a rate equal to \$115 per share of Preferred Stock divided by the initial conversion price of \$1.15 per share, which rate is subject to customary anti-dilution adjustments for stock splits, dividends and the like. The holders of the shares of Preferred Stock have the right to vote on any matters submitted to a vote of the stockholders of the Company and are entitled to cast that number of votes equal to the aggregate number of shares of Common Stock issuable upon the conversion of such holders’ shares of Preferred Stock at the then-applicable conversion price.

Based on the foregoing and as of the date hereof, the 118,524 shares of Series B-1 Preferred beneficially owned by MEP represent, on an as-converted basis, both (i) 13.9% of the total voting power of the voting stock of the Company and (ii) 11,852,400 shares of Common Stock, or 17.8% of the outstanding shares of Common Stock (based on the 54,690,728 shares of Common Stock outstanding as of May 22, 2009 as reported in the Form 10-Q (File No. 001-32552) of the Company for the quarter ended April 21, 2009, filed with the Securities and Exchange Commission (the “SEC”) on May 28, 2009) calculated in accordance with Rule 13d-3(d).

1 NAME OF REPORTING PERSON

Mistral Equity Partners QP, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

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

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

8 SHARED VOTING POWER

4,270,200⁽¹⁾

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

4,270,200⁽¹⁾

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,270,200⁽¹⁾

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

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

7.2% ⁽¹⁾

14 TYPE OF REPORTING PERSON

PN

- (1) Mistral Equity Partners QP, LP ("MEP QP") beneficially owns, and is the record holder of, 42,702 shares of Series B-1 Preferred. Shares of Series B-1 Preferred, as well as shares of Series B-2 Preferred, are convertible at the election of the holders, at any time, into shares of Common Stock at a rate equal to \$115 per share of Preferred Stock divided by the initial conversion price of \$1.15 per share, which rate is subject to customary anti-dilution adjustments for stock splits, dividends and the like. The holders of the shares of
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Preferred Stock have the right to vote on any matters submitted to a vote of the stockholders of the Company and are entitled to cast that number of votes equal to the aggregate number of shares of Common Stock issuable upon the conversion of such holders' shares of Preferred Stock at the then-applicable conversion price.

Based on the foregoing and as of the date hereof, the 42,702 shares of Series B-1 Preferred beneficially owned by MEP QP represent, on an as-converted basis, both (i) 5.0% of the total voting power of the voting stock of the Company and (ii) 4,270,200 shares of Common Stock, or 7.2% of the outstanding shares of Common Stock (based on the 54,690,728 shares of Common Stock outstanding as of May 22, 2009 as reported in the Form 10-Q (File No. 001-32552) of the Company for the quarter ended April 21, 2009, filed with the SEC on May 28, 2009) calculated in accordance with Rule 13d-3(d).

1 NAME OF REPORTING PERSON

Mistral Equity GP, LLC

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

Delaware

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

7 SOLE VOTING POWER

-0-

8 SHARED VOTING POWER

16,122,600⁽¹⁾

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

16,122,600⁽¹⁾

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

16,122,600⁽¹⁾

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

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

22.8% ⁽¹⁾

14 TYPE OF REPORTING PERSON

OO

- (1) Mistral Equity GP, LLC ("ME GP") is the general partner of MEP and MEP QP who, collectively, beneficially own, and are the record holders of, 161,226 shares of Series B-1 Preferred. Shares of Series B-1 Preferred, as well as shares of Series B-2 Preferred, are convertible at the election of the holders, at any time, into shares of Common Stock at a rate equal to \$115 per share of Preferred Stock divided by the initial conversion price of \$1.15 per share, which rate is subject to customary anti-dilution adjustments for stock
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splits, dividends and the like. The holders of the shares of Preferred Stock have the right to vote on any matters submitted to a vote of the stockholders of the Company and are entitled to cast that number of votes equal to the aggregate number of shares of Common Stock issuable upon the conversion of such holders' shares of Preferred Stock at the then-applicable conversion price.

Based on the foregoing and as of the date hereof, the 161,226 shares of Series B-1 Preferred beneficially owned by MEP and MEP QP, collectively, represent, on an as-converted basis, both (i) 18.9% of the total voting power of the voting stock of the Company and (ii) 16,122,600 shares of Common Stock, or 22.8% of the outstanding shares of Common Stock (based on the 54,690,728 shares of Common Stock outstanding as of May 22, 2009 as reported in the Form 10-Q (File No. 001-32552) of the Company for the quarter ended April 21, 2009, filed with the SEC on May 28, 2009) calculated in accordance with Rule 13d-3(d).

1 NAME OF REPORTING PERSON

Andrew R. Heyer

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

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

8 SHARED VOTING POWER

17,000,000⁽¹⁾

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

17,000,000⁽¹⁾

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

17,000,000⁽¹⁾

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

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

23.7% ⁽¹⁾

14 TYPE OF REPORTING PERSON

IN

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- (1) Andrew R. Heyer is the sole managing member of ME GP and MEP Co-Invest, LLC (“MEP C-I”). ME GP is the general partner of MEP and MEP QP who, collectively, beneficially own, and are the record holders of, 161,226 shares of Series B-1 Preferred. MEP C-I (who is not a Reporting Person for purposes of this Schedule 13D) beneficially owns, and is the record holder of, 8,774 shares of Series B-1 Preferred. Shares of Series B-1 Preferred, as well as shares of Series B-2 Preferred, are convertible at the election of
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the holders, at any time, into shares of Common Stock at a rate equal to \$115 per share of Preferred Stock divided by the initial conversion price of \$1.15 per share, which rate is subject to customary anti-dilution adjustments for stock splits, dividends and the like. The holders of the shares of Preferred Stock have the right to vote on any matters submitted to a vote of the stockholders of the Company and are entitled to cast that number of votes equal to the aggregate number of shares of Common Stock issuable upon the conversion of such holders' shares of Preferred Stock at the then-applicable conversion price.

Based on the foregoing and as of the date hereof, the 8,774 shares of Series B-1 Preferred beneficially owned by MEP C-I represent, on an as-converted basis, both (i) 1.0% of the total voting power of the voting stock of the Company and (ii) 877,400 shares of Common Stock, or 1.6% of the outstanding shares of Common Stock (based on the 54,690,728 shares of Common Stock outstanding as of May 22, 2009 as reported in the Form 10-Q (File No. 001-32552) of the Company for the quarter ended April 21, 2009, filed with the SEC on May 28, 2009) calculated in accordance with Rule 13d-3(d). When taken together with shares of Series B-1 Preferred beneficially owned by MEP and MEP QP, as of the date hereof, the 170,000 shares of Series B-1 Preferred beneficially owned by MEP, MEP QP and MEP C-I, collectively, represent, on an as-converted basis, both (i) 19.8% of the total voting power of the voting stock of the Company and (ii) 17,000,000 shares of Common Stock, or 23.7% of the outstanding shares of Common Stock (based on the 54,690,728 shares of Common Stock outstanding as of May 22, 2009 as reported in the Form 10-Q (File No. 001-32552) of the Company for the quarter ended April 21, 2009, filed with the SEC on May 28, 2009) calculated in accordance with Rule 13d-3(d).

Item 1. Security and Issuer.

This statement on Schedule 13D (the "Schedule 13D") relates to common stock, \$0.001 par value per share ("Common Stock"), of Jamba, Inc., a Delaware corporation (the "Company"), whose principal executive offices are located at 6475 Christie Avenue, Suite 150, Emeryville, CA 94608.

Item 2. Identity and Background.

(a)-(f) This Schedule 13D is being filed on behalf of each of the following persons (each, a "Reporting Person"):

- (i) Mistral Equity Partners, LP ("MEP"), a Delaware limited partnership whose principal office is located at 650 Fifth Avenue, 31st Floor, New York, NY 10019. MEP is principally in the business of making private equity investments;
- (ii) Mistral Equity Partners QP, LP ("MEP QP"), a Delaware limited partnership, whose principal office is located at 650 Fifth Avenue, 31st Floor, New York, NY 10019. MEP QP is principally in the business of making private equity investments;
- (iii) Mistral Equity GP, LLC ("ME GP"), a Delaware limited liability company, whose principal office is located at 650 Fifth Avenue, 31st Floor, New York, NY 10019. ME GP is the general partner of MEP and MEP QP; and
- (iv) Andrew R. Heyer, a United States citizen, whose business address is located at 650 Fifth Avenue, 31st Floor, New York, NY, 10019. Mr. Heyer is the chief executive officer, sole managing member and a managing director of ME GP. Mr. Heyer is also the sole managing member of MEP Co-Invest, LLC ("MEP C-I"), a Delaware limited liability company, as well as the managing member and a managing director of Mistral Capital Management, LLC (the "Mistral Manager"), a Delaware limited liability company, the investment manager of MEP and MEP QP. The principal office of both the Mistral Manager and MEP C-I is located at 650 Fifth Avenue, 31st Floor, New York, NY, 10019. Neither the Mistral Manager nor MEP C-I is a "Reporting Person" for purposes of this Schedule 13D or with respect to its beneficial ownership.

The agreement among the Reporting Persons to file this Schedule 13D jointly in accordance with Rule 13d-1(k)(1) of the Securities Exchange Act of 1934, as amended, is listed hereto as Exhibit 1.

None of the Reporting Persons has during the last five years (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been party to a civil proceeding of a judicial or administrative body of a 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.

On May 31, 2009, the Company, MEP, MEP QP, MEP C-I (together with MEP and MEP QP, the "Mistral Purchasers") and a company controlled by the Serruya family ("Serruya") entered into a Securities Purchase Agreement (the "Purchase Agreement"), providing for (i) the issuance and sale to the Mistral Purchasers of 170,000 shares of a new series of preferred stock, the Series B-1 Convertible Preferred Stock, \$0.001 par value per share, of the Company (the "Series B-1 Preferred") at a price of \$115 per share (the "Mistral Transaction") and (ii) the issuance and sale to Serruya of 134,348 shares of a new series of preferred stock, the Series B-2 Convertible Preferred Stock, \$0.001 par value per share, of the Company (the "Series B-2 Preferred" and, together with the Series B-1 Preferred, the "Preferred Stock") at a price of \$115 per share (together with the Mistral Transaction, the "Transactions"). The Transactions were consummated on June 16, 2009 (the "Closing").

Shares of Preferred Stock are convertible at the election of the holders, at any time, into shares of common stock, \$0.001 par value per share, of the Company (the "Common Stock") at a rate equal to \$115 per share of Preferred Stock divided by the initial conversion price of \$1.15 per share, which rate is subject to customary anti-dilution adjustments for stock splits, dividends and the like. The holders of the shares of Preferred Stock have the right to vote on any matters submitted to a vote of the stockholders of the Company and are entitled to cast that number of votes equal to the aggregate number of shares of Common Stock issuable upon the conversion of such holders' shares of Preferred Stock at the then-applicable conversion price.

At the Closing, the Mistral Purchasers purchased an aggregate of 170,000 shares of Series B-1 Preferred for an aggregate purchase price of \$19,550,000. As of the date hereof, such shares of Series B-1 Preferred are convertible into 17,000,000 shares of Common Stock. Under the terms of the Purchase Agreement, the Mistral Manager was entitled to receive a transaction fee of \$500,000 and the Mistral Purchasers were entitled to a \$300,000 reimbursement for fees and expenses incurred by them in connection with the consummation of the Mistral Transaction. Such transaction fee and expense reimbursements were deducted from the aggregate purchase price payable by the Mistral Purchases at the Closing in exchange for their shares of Series B-1 Preferred.

All of the funds required to acquire the shares of Series B-1 Preferred at the Closing were obtained from capital contributions from the partners or members of each of the Mistral Purchasers.

The foregoing summary does not purport to be complete and is qualified in its entirety by reference to (a) the full text of the Purchase Agreement, a copy of which is listed hereto as Exhibit 2 and incorporated herein by reference and (b) the full text of the Certificate of Designation, Preferences and Rights of the Preferred Stock (the "Certificate of Designation"), a copy of which is listed hereto as Exhibit 3 and incorporated herein by reference.

Item 4. Purpose of Transaction.

The information set forth in Item 3 hereof is hereby incorporated by reference into this Item 4.

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The Mistral Purchasers consummated the Mistral Transaction and acquired their shares of Series B-1 Preferred for investment purposes. Depending upon market conditions and other factors that it may deem material, each of the Mistral Purchasers (as well as ME GP and Mr. Heyer) may purchase additional shares of Common Stock and/or related securities or may dispose of all or a portion of its shares of Series B-1 Preferred (or the shares of Common Stock underlying such
