

DATA I/O CORP
Form SC 13D/A
September 29, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT

TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO

§ 240.13d-2(a)

(Amendment No. 3)¹

DATA I/O CORPORATION

(Name of Issuer)

Class A Common Stock, no par value

(Title of Class of Securities)

237690102

(CUSIP Number)

Mr. David L. Kanen

Kanen Wealth Management, LLC

5850 Coral Ridge Drive, Suite 309

Coral Springs, FL 33076

(631) 863-3100

ANDREW M. FREEDMAN, ESQ.

OLSHAN FROME WOLOSKY LLP

1325 Avenue of the Americas

New York, New York 10019

(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

September 27, 2017

(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 “.”

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* § 240.13d-7 for other parties to whom copies are to be sent.

1 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. 237690102

1 NAME OF REPORTING PERSON

KANEN WEALTH MANAGEMENT, LLC

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

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

FLORIDA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7 SOLE VOTING POWER

- 0 -

8 SHARED VOTING POWER

1,608,282

9 SOLE DISPOSITIVE POWER

- 0 -

10 SHARED DISPOSITIVE POWER

1,608,282

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

1,608,282

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

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

19.67%

14 TYPE OF REPORTING
PERSON

IA

CUSIP NO. 237690102

1 NAME OF REPORTING PERSON

DAVID KANEN

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

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

| | | |
|---|----|--------------------------|
| NUMBER OF | 7 | SOLE VOTING POWER |
| SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | | 314,612 |
| | 8 | SHARED VOTING POWER |
| | | 1,608,282 |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 314,612 |
| | 10 | SHARED DISPOSITIVE POWER |
| | | 1,608,282 |

11

AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON

1,922,894

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

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

23.53%

14 TYPE OF REPORTING
PERSON

IN

CUSIP NO. 237690102

The following constitutes Amendment No. 3 to the Schedule 13D filed by the undersigned ("Amendment No. 3"). This Amendment No. 3 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The Shares purchased by Kanen Wealth Management, LLC and Mr. Kanen were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases, except as otherwise noted, as set forth in Schedule A, which is incorporated by reference herein. The aggregate purchase price of the 1,608,282 Shares beneficially owned by Kanen Wealth Management, LLC is approximately \$4,499,865.56, including brokerage commissions. The aggregate purchase price of the 314,612 Shares beneficially owned by Mr. Kanen is approximately \$703,157.70, including brokerage commissions.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated to read as follows:

The aggregate percentage of Shares reported owned by each person named herein is based upon 8,172,491 Shares outstanding, as of July 27, 2017, which is the total number of Shares outstanding as reported in the Issuer's Annual Report on Form 10-Q filed with the Securities and Exchange Commission on August 11, 2017.

A. Kanen Wealth Management, LLC

(a) As of the close of business on September 29, 2017, Kanen Wealth Management, LLC beneficially owned 1,608,282 Shares.

Percentage: 19.67%

- (b)
1. Sole power to vote or direct vote: 0
 2. Shared power to vote or direct vote: 1,608,282
 3. Sole power to dispose or direct the disposition: 0
 4. Shared power to dispose or direct the disposition: 1,608,282

(c) The transactions in the Shares by Kanen Wealth Management, LLC during the past sixty days are set forth in Schedule A and are incorporated herein by reference.

B. David Kanen

As of the close of business on September 29, 2017, Mr. Kanen directly beneficially owned 314,612 Shares. Mr. (a) Kanen, as the managing member of Kanen Wealth Management, LLC, may be deemed the beneficial owner of the 1,608,282 Shares owned by Kanen Wealth Management, LLC.

Percentage: 23.53%

CUSIP NO. 237690102

- (b)
1. Sole power to vote or direct vote: 314,612
 2. Shared power to vote or direct vote: 1,608,282
 3. Sole power to dispose or direct the disposition: 314,612
 4. Shared power to dispose or direct the disposition: 1,608,282

- (c) The transactions in the Shares by Mr. Kanen and Kanen Wealth Management, LLC during the past sixty days are set forth in Schedule A and are incorporated herein by reference.

Kanen Wealth Management, LLC, in its role as investment manager to several customer accounts (collectively, the "Accounts") to which it furnishes investment advice, and Mr. Kanen, as the managing member of Kanen Wealth Management, LLC, may each be deemed to beneficially own shares of the Issuer's Common Stock held in the Accounts.

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CUSIP NO. 237690102

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: September 29, 2017

KANEN WEALTH MANAGEMENT, LLC

By: /s/ David Kanen

Name: David Kanen

Title: Managing Member, Kanen Wealth Management LLC

/s/ David Kanen

DAVID KANEN

CUSIP NO. 237690102

SCHEDULE A

Transactions in the Shares of the Issuer During the Past Sixty Days

| <u>Nature of the Transaction</u> | <u>Amount of Shares</u> <u>Purchased/(Sold)</u> | <u>Price (\$)</u> | <u>Date of</u> <u>Purchase/Sale</u> |
|----------------------------------|--|-------------------|--|
|----------------------------------|--|-------------------|--|

KANEN WEALTH MANAGEMENT, IIC

Sale of Common Stock (18,844) 10.0852¹ 09/27/2017

DAvid Kanen

Sale of Common Stock (7,000)² N/A 09/22/2017

Sale of Common Stock (2,000) 10.0852¹ 09/27/2017

¹ This is the weighted average price for the transactions.

² This transaction represents a gift to a non-profit account.