

ASCENDIA BRANDS, INC.
Form 3
July 10, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 *			2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â Prentice Capital Management, LP			(Month/Day/Year)	ASCENDIA BRANDS, INC. [ASB]	
(Last)	(First)	(Middle)	06/30/2006		
623 FIFTH AVENUE, 32ND FLOOR			4. Relationship of Reporting Person(s) to Issuer		
(Street)			(Check all applicable)		
NEW YORK, NY 10022			<input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below)		
(City)	(State)	(Zip)	5. If Amendment, Date Original Filed(Month/Day/Year)		
			6. Individual or Joint/Group Filing(Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person		

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock ("Common Stock") ⁽¹⁾	3,322,482	I ⁽²⁾ ⁽³⁾	See Footnotes ⁽²⁾ ⁽³⁾

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

SEC 1473 (7-02)

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative	5. Ownership Form of Derivative Security:	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Common Stock issuable upon exercise of Series A Warrant ⁽¹⁾	Â ⁽⁴⁾⁽⁵⁾	07/11/2011	Common Stock	3,053,358	\$ 2.1	I	See Footnotes ⁽²⁾ ⁽³⁾
Common Stock issuable upon exercise of Series B Warrant ⁽¹⁾	Â ⁽⁵⁾⁽⁶⁾	Â ⁽⁶⁾	Common Stock	3,000,000	\$ 1.15	I	See Footnotes ⁽²⁾ ⁽³⁾
Common Stock issuable upon conversion of notes ⁽¹⁾ ⁽⁴⁾	Â ⁽⁴⁾⁽⁵⁾	Â ⁽⁷⁾	Common Stock	52,000,000	\$ 1.75	I	See Footnotes ⁽²⁾ ⁽³⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Prentice Capital Management, LP 623 FIFTH AVENUE, 32ND FLOOR NEW YORK, NY 10022	Â	Â X	Â	Â
Zimmerman Michael 623 FIFTH AVENUE, 32ND FLOOR NEW YORK, NY 10022	Â	Â X	Â	Â

Signatures

/s/ Michael Weiss 07/10/2006

⁽¹⁾Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 5(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 Reporting Persons will be acquiring the reported securities pursuant to a Stock Purchase Agreement, dated as of June 30, 2006, with Steven Bettinger and Jodi Bettinger, and a Second Amended and Restated Securities Purchase Agreement, dated as of June 30, 2006, with the Issuer. The closing of the transactions contemplated by these agreements are subject to customary closing conditions. It is anticipated that the closing of the transactions contemplated by these agreements will occur on July 12, 2006 or shortly thereafter.

(2) Prentice Capital Management, LP (the "Investment Manager") serves as investment manager to a number of investment funds (including Prentice Capital Partners, LP, Prentice Capital Partners QP, LP, Prentice Capital Offshore, Ltd., Prentice Special Opportunities, LP, Prentice Special Opportunities Offshore, Ltd. and Prentice Special Opportunities Master, L.P.) and manages investments for certain entities in managed accounts (such funds and accounts, the "Investment Entities"). Michael Zimmerman ("Mr. Zimmerman") is responsible for the supervision and conduct of all investment activities of the Investment Manager, including, without limitation, for all investment decisions with respect to the assets of the Investment Entities.

(3) The Reporting Persons will hold the reported securities indirectly through the Investment Entities. Each of the Investment Manager and Mr. Zimmerman disclaims any beneficial ownership of the reported securities to the extent such beneficial ownership exceeds such person's pecuniary interest.

(4)

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The Series A Warrant and the notes will be exercisable or convertible at any time following their issuance. The Series A Warrant will expire 60 months after the date of its issuance. The notes reported in this Form 3 consist of \$91,000,000 million in principal amount of secured convertible ten year notes, which bear interest at 9.00% per annum, which interest shall be paid in cash or may be capitalized at the Company's option subject to the terms of the notes. The notes are convertible, at the holder's option, initially into 52,000,000 shares of Common Stock at a conversion price of \$1.75 per share.

- (5) THE REPORTING PERSONS AND THEIR AFFILIATES ARE PROHIBITED FROM CONVERTING OR EXERCISING THE SECURITIES LISTED IN TABLE II, IF AFTER SUCH EXERCISE OR CONVERSION THEY, AS A GROUP, WOULD BENEFICIALLY OWN MORE THAN 9.99% OF THE OUTSTANDING COMMON STOCK; PROVIDED THAT THE REPORTING PERSONS MAY INCREASE OR DECREASE SUCH PERCENTAGE TO ANY OTHER PERCENTAGE UPON NOTICE TO THE ISSUER; PROVIDED, FURTHER, THAT ANY SUCH INCREASE WILL NOT BE EFFECTIVE UNTIL THE SIXTY-FIRST (61ST) DAY AFTER SUCH NOTICE IS DELIVERED TO THE ISSUER.

- (6) The Series B Warrant will be exercisable on any day on or after the earlier of (x) the date of the consummation of an Acquisition (as defined in the Notes) or (y) October 31, 2006, into up to 3,000,000 Shares. The exact number of Shares and the exercise price of the Shares (which ranges from \$1.15 to \$1.95) underlying the Series B Warrant shall be determined in accordance with the terms of the Series B Warrant. The exact number of Shares that the Series B Warrant is exercisable into is dependent on the principal amount of notes outstanding at the time the Series B Warrant is initially exercisable.
- (7) The conversion option on the notes has no expiration date.

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.