

TANDY LEATHER FACTORY INC  
Form SC 13D  
March 23, 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. )1

Tandy Leather Factory, Inc.

(Name of Issuer)

Common Stock, \$0.0024 par value per share  
(Title of Class of Securities)

87538X105

(CUSIP Number)

JAMES C. PAPPAS  
JCP INVESTMENT MANAGEMENT, LLC  
1177 West Loop South, Suite 1650  
Houston, TX 77027  
(713) 333-5540

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

March 13, 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.

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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).

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CUSIP NO. 87538X105

1 NAME OF REPORTING PERSON

JCP Investment Partnership, LP

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

TEXAS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		673,773
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		673,773
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

673,773

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

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

7.3%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 87538X105

1 NAME OF REPORTING PERSON

JCP Investment Partners, LP

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

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4 SOURCE OF FUNDS

AF

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CUSIP NO. 87538X105

1 NAME OF REPORTING PERSON

JCP Investment Holdings, LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 87538X105

1 NAME OF REPORTING PERSON

JCP Investment Management, 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 ITEM 2(d) OR 2(e)

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14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 87538X105

1 NAME OF REPORTING PERSON

James C. Pappas

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 ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		673,773
	8	SHARED VOTING POWER
		- 0 -
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7.3%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 87538X105

The following constitutes the Schedule 13D filed by the undersigned (the "Schedule 13D").

Item 1. Security and Issuer.

This statement relates to the Common Stock, \$0.0024 par value per share (the "Shares"), of Tandy Leather Factory, Inc., a Delaware corporation (the "Issuer"). The address of the principal executive offices of the Issuer is 1900 Southeast Loop 820, Fort Worth, Texas 76140.

Item 2. Identity and Background.

(a) This statement is filed by:

- (i) JCP Investment Partnership, LP, a Texas limited partnership ("JCP Partnership");
- (ii) JCP Investment Partners, LP, a Texas limited partnership ("JCP Partners"), which serves as the general partner of JCP Partnership;
- (iii) JCP Investment Holdings, LLC, a Texas limited liability company ("JCP Holdings"), which serves as the general partner of JCP Partners;
- (iv) JCP Investment Management, LLC, a Texas limited liability company ("JCP Management"), which serves as the investment manager of JCP Partnership; and
- (v) James C. Pappas, who serves as the managing member of JCP Management and sole member of JCP Holdings.

Each of the foregoing is referred to as a "Reporting Person" and collectively as the "Reporting Persons." Each of the Reporting Persons is party to that certain Joint Filing Agreement, as further described in Item 6. Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D.

(b) The address of the principal office of each of JCP Partnership, JCP Partners, JCP Holdings, JCP Management and Mr. Pappas is 1177 West Loop South, Suite 1650, Houston, Texas 77027.

(c) The principal business of JCP Partnership is investing in securities. The principal business of JCP Partners is serving as the general partner of JCP Partnership. The principal business of JCP Holdings is serving as the general partner of JCP Partners. The principal business of JCP Management is serving as the investment manager of JCP Partnership. The principal occupation of Mr. Pappas is serving as the managing member of JCP Management and sole member of JCP Holdings. Mr. Pappas is also a director of the Issuer.

(d) No Reporting Person has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) No Reporting Person has, during the last five years, been 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.

(f) Mr. Pappas is a citizen of the United States of America.





CUSIP NO. 87538X105

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

The Shares purchased by JCP Partnership 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. The aggregate purchase price of the 673,773 Shares owned directly by JCP Partnership is approximately \$4,981,707, including brokerage commissions.

Mr. Pappas directly owns 1,801 unvested restricted shares, each representing a contingent right to receive one Share. Such restricted shares were awarded to Mr. Pappas in his capacity as a director of the Issuer.

Item 4. Purpose of Transaction.

Mr. Pappas is a director of the Issuer. Except in Mr. Pappas' capacity as a director of the Issuer, no Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein. The Reporting Persons reserve the right to increase or decrease their position in the Issuer through, among other things, the purchase or sale of securities of the Issuer on the open market or in private transactions or otherwise, on such terms and at such times as the Reporting Persons may deem advisable. The Reporting Persons reserve the right to change their intention with respect to any and all matters referred to in this Item 4.

Item 5. Interest in Securities of the Issuer.

The aggregate percentage of Shares reported owned by each person named herein is based upon 9,266,496 Shares outstanding as of November 11, 2016, which is the total number of Shares outstanding as reported in the Issuer's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 14, 2016.

A. JCP Partnership

(a) As of the close of business on March 23, 2017, JCP Partnership beneficially owned 673,773 Shares.

Percentage: Approximately 7.3%

- (b)
1. Sole power to vote or direct vote: 673,773
  2. Shared power to vote or direct vote: 0
  3. Sole power to dispose or direct the disposition: 673,773
  4. Shared power to dispose or direct the disposition: 0

(c) The transactions in the Shares by JCP Partnership during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

B. JCP Partners

(a) JCP Partners, as the general partner of JCP Partnership, may be deemed the beneficial owner of the 673,773 Shares owned by JCP Partnership.

Percentage: Approximately 7.3%

- (b)
1. Sole power to vote or direct vote: 673,773

2. Shared power to vote or direct vote: 0
3. Sole power to dispose or direct the disposition: 673,773
4. Shared power to dispose or direct the disposition: 0

(c)JCP Partners has not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares on behalf of JCP Partnership during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

CUSIP NO. 87538X105

C. JCP Holdings

(a) JCP Holdings, as the general partner of JCP Partners, may be deemed the beneficial owner of the 673,773 Shares owned by JCP Partnership.

Percentage: Approximately 7.3%

- (b)
1. Sole power to vote or direct vote: 673,773
  2. Shared power to vote or direct vote: 0
  3. Sole power to dispose or direct the disposition: 673,773
  4. Shared power to dispose or direct the disposition: 0

(c) JCP Holdings has not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares on behalf of JCP Partnership during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

D. JCP Management

(a) JCP Management, as the investment manager of JCP Partnership, may be deemed the beneficial owner of the 673,773 Shares owned by JCP Partnership.

Percentage: Approximately 7.3%

- (b)
1. Sole power to vote or direct vote: 673,773
  2. Shared power to vote or direct vote: 0
  3. Sole power to dispose or direct the disposition: 673,773
  4. Shared power to dispose or direct the disposition: 0

(c) JCP Management has not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares on behalf of JCP Partnership during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

E. Mr. Pappas

(a) Mr. Pappas, as the managing member of JCP Management and sole member of JCP Holdings, may be deemed the beneficial owner of the 673,773 Shares owned by JCP Partnership.

Percentage: Approximately 7.3%

- (b)
1. Sole power to vote or direct vote: 673,773
  2. Shared power to vote or direct vote: 0
  3. Sole power to dispose or direct the disposition: 673,773
  4. Shared power to dispose or direct the disposition: 0

(c) The transactions in the Shares by Mr. Pappas and on behalf of JCP Partnership during the past 60 days are set forth in Schedule A and are incorporated herein by reference.



CUSIP NO. 87538X105

The Reporting Persons, as members of a “group” for the purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, may be deemed the beneficial owner of the Shares directly owned by the other Reporting Persons. Each Reporting Person disclaims beneficial ownership of such Shares except to the extent of his or its pecuniary interest therein.

- (d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.

(e) Not applicable.

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

On March 23, 2017, the Reporting Persons entered into a Joint Filing Agreement in which the Reporting Persons agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to securities of the Issuer, to the extent required by applicable law. A copy of this agreement is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Other than as described herein, there are no contracts, arrangements, understandings or relationships among the Reporting Persons, or between the Reporting Persons and any other person, with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

99.1 Joint Filing Agreement, dated March 23, 2017.

CUSIP NO. 87538X105

SIGNATURES

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

Dated: March 23, 2017

JCP Investment Partnership, LP

By: JCP Investment Management, LLC  
Investment Manager

By: /s/ James C. Pappas  
Name: James C. Pappas  
Title: Managing Member

JCP Investment Partners, LP

By: JCP Investment Holdings, LLC  
General Partner

By: /s/ James C. Pappas  
Name: James C. Pappas  
Title: Sole Member

JCP Investment Holdings, LLC

By: /s/ James C. Pappas  
Name: James C. Pappas  
Title: Sole Member

JCP Investment Management, LLC

By: /s/ James C. Pappas  
Name: James C. Pappas  
Title: Managing Member

/s/ James C. Pappas  
James C. Pappas

CUSIP NO. 87538X105

## SCHEDULE A

## Transactions in the Shares During the Past Sixty Days

Shares of Common Stock Purchased	Price Per Share(\$)	Date of Purchase
JCP INVESTMENT PARTNERSHIP, LP		
474,570	7.2500	03/13/2017
7,839	7.2994	03/15/2017
24,800	7.7922	03/20/2017
10,721	7.8000	03/21/2017
11,867	7.8948	03/22/2017
27,250	7.8719	03/23/2017
JAMES C. PAPPAS		
1,801*	0.0000	02/23/2017

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\* Represents shares of restricted stock awarded to Mr. Pappas in his capacity as a director of the Issuer, 25% of which vest on each of the next four anniversaries of the grant date.