

AETHER HOLDINGS INC

Form SC 13G

April 05, 2006

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

SCHEDULE 13G

**Under the Securities Exchange Act of 1934
(Amendment No.)***

Aether Holdings, Inc.
(Name of Issuer)

Common Stock, par value \$.01 per share
(Title of Class of Securities)

00809C106
(CUSIP Number)

April 3, 2006
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

* 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 the disclosures provided in a prior cover page.

The information required in 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).

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.

CUSIP No. 00809C106

NAMES OF REPORTING PERSONS:

1

Eric Semler

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a)

(b)

SEC USE ONLY:

3

CITIZENSHIP OR PLACE OF ORGANIZATION:

4

United States

SOLE VOTING POWER:

5

NUMBER OF 2,872,400

SHARED VOTING POWER:

SHARES BENEFICIALLY OWNED BY 6

0

SOLE DISPOSITIVE POWER:

EACH REPORTING PERSON 7

2,872,400

SHARED DISPOSITIVE POWER:

WITH: 8

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

9

2,872,400

10 CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):

o

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9):

6.5%**

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):

IN

** SEE ITEM 4(b)

CUSIP No. 00809C106

NAMES OF REPORTING PERSONS:

1

TCS Capital GP, LLC

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a)

(b)

SEC USE ONLY:

3

CITIZENSHIP OR PLACE OF ORGANIZATION:

4

Delaware

SOLE VOTING POWER:

5

NUMBER OF 2,631,400

SHARED VOTING POWER:

SHARES BENEFICIALLY OWNED BY 6

0

SOLE DISPOSITIVE POWER:

EACH REPORTING PERSON 7

2,631,400

SHARED DISPOSITIVE POWER:

WITH: 8

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

9

2,631,400

10 CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS):

o

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9):

6.0%**

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):

OO

** SEE ITEM 4(b)

SCHEDULE 13G

This Schedule 13G (the "Schedule 13G"), relating to shares of common stock, par value \$0.01 per share (the "Common Stock"), of Aether Holdings, Inc., a Delaware corporation (the "Issuer"), is being filed with the Securities and Exchange Commission (the "Commission") on April 5, 2006. This Schedule 13G is being filed on behalf of TCS Capital GP, LLC, a Delaware limited liability company ("TCS GP"), and Eric Semler the principal of TCS GP and TCS Select GP, LLC ("TCS Select GP").

This Schedule 13G relates to (A) shares of Common Stock of the Issuer purchased by Eric Semler and TCS GP for the accounts of (i) TCS Capital, L.P., a Delaware limited partnership ("TCS Capital"), (ii) TCS Capital II, L.P., a Delaware limited partnership ("TCS Capital II"), and (iii) TCS Capital Investments, L.P. a Cayman Islands exempted limited partnership ("TCS Offshore"); and (B) shares of Common Stock of the Issuer purchased by Eric Semler and TCS Select GP for the account of TCS Select, L.P. a Delaware limited partnership ("TCS Select"). TCS Capital holds 144,400 shares of the Common Stock, TCS Capital II holds 844,700 shares of the Common Stock, TCS Offshore holds 1,642,300 shares of the Common Stock, and TCS Select holds 241,000 shares of the Common Stock. TCS GP acts as general partner to each of TCS Capital, TCS Capital II and TCS Offshore; TCS Select GP acts as general partner to TCS Select; and Mr. Semler, as manager of TCS GP and TCS Select GP, controls the investment decisions of TCS GP and TCS Select GP.

Item 1(a) Name of Issuer.

Aether Holdings, Inc.

Item 1(b) Address of Issuer's Principal Executive Offices.

621 E. Pratt St.
Suite 601
Baltimore, MD 21202

Item 2(a) Name of Person Filing.

TCS Capital GP, LLC and Eric Semler

Item 2(b) Address of Principal Business Office, or, if none, Residence.

888 Seventh Avenue, Suite 1504, New York, NY 10019

Item 2(c) Citizenship or Place of Organization.

TCS Capital GP, LLC is a limited liability company organized under the laws of the State of Delaware. Eric Semler is the principal of TCS Capital GP, LLC and is a United States citizen.

Item 2(d) Title of Class of Securities.

Common Stock, par value \$.01 per share (the Common Stock).

Item 2(e) CUSIP Number.

00809C106

Item 3 Reporting Person.

Inapplicable.

Item 4 Ownership.

(a) TCS Capital GP, LLC (as the general partner of TCS Capital Investments, L.P., TCS Capital II, L.P. and TCS Capital L.P.) is the beneficial owner of 2,631,400 shares of Common Stock, and Eric Semler (as the principal of TCS Capital GP, LLC and TCS Select GP, LLC) is the beneficial owner of 2,872,400 shares of Common Stock.

(b) TCS Capital GP, LLC is the beneficial owner of 6.0% of the outstanding shares of Common Stock and Eric Semler is the beneficial owner of 6.5% of the outstanding shares of Common Stock. These percentages are determined by dividing 2,631,400 and 2,872,400, respectively, by 44,018,946, the number of shares of Common Stock issued and outstanding as of March 10, 2006, as reported in the Issuer's annual report on Form 10-K filed March 15, 2006.

(c) As the general partner of TCS Capital Investments, L.P., TCS Capital II, L.P. and TCS Capital L.P., TCS Capital GP, LLC has the sole power to vote and dispose of the 2,631,400 shares of Common Stock beneficially owned by it. As the principal of TCS Capital GP, LLC and TCS Select GP, LLC, Eric Semler has the sole power to vote and dispose of the 2,872,400 shares of Common Stock beneficially owned by him.

Item 5 Ownership of Five Percent or Less of a Class.

Inapplicable.

Item 6 Ownership of More Than Five Percent on Behalf of Another Person.

Inapplicable.

Item 7 Identification and Classification of the Subsidiary which Acquired the Security Being Reported On by the Parent Holding Company.

Inapplicable.

Item 8 Identification and Classification of Members of the Group.

Inapplicable.

Item 9 Notice of Dissolution of Group.

Inapplicable.

Item 10 Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

Exhibits Exhibit 1

Joint Filing Agreement dated April 5, 2006, between TCS Capital GP, LLC and Eric Semler.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: April 5, 2006

TCS Capital GP, LLC

By: /s/ Eric Semler

Name: Eric Semler

Title: Managing Member

/s/ Eric Semler

Eric Semler

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