

PERMA FIX ENVIRONMENTAL SERVICES INC  
Form SC 13G  
March 09, 2007

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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. )\*

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

-----  
(Name of Issuer)

COMMON STOCK

-----  
(Title of Class of Securities)

714157104

-----  
(CUSIP Number)

MARCH 2, 2007

-----  
(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 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. 714157104  
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1 Names of Reporting Persons  
I.R.S. Identification Nos. of above persons (entities only)

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SANDLER CAPITAL MANAGEMENT

2 Check the Appropriate Box If a Member of a Group  
a.   
b.

3 SEC Use Only

4 Citizenship or Place of Organization

NEW YORK

5 Sole Voting Power  
Number of Shares -0-

6 Shared Voting Power  
Beneficially Owned By 2,816,676

7 Sole Dispositive Power  
Each Reporting Person With -0-

8 Shared Dispositive Power  
2,816,676

9 Aggregate Amount Beneficially Owned by Each Reporting Person  
2,816,676 shares of Common Stock

10 Check Box If the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11 Percent of Class Represented By Amount in Row (9)  
5.41%

12 Type of Reporting Person (See Instructions)

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1 Names of Reporting Persons  
I.R.S. Identification Nos. of above persons (entities only)

SANDLER ASSOCIATES

2 Check the Appropriate Box If a Member of a Group  
a.   
b.

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3 SEC Use Only

4 Citizenship or Place of Organization

NEW YORK

Number of Shares	5	Sole Voting Power
		1,373,476
Beneficially Owned By	6	Shared Voting Power
		-0-
Each Reporting Person With	7	Sole Dispositive Power
		1,373,476
	8	Shared Dispositive Power
		-0-

9 Aggregate Amount Beneficially Owned by Each Reporting Person

1,373,476 shares of Common Stock

10 Check Box If the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11 Percent of Class Represented By Amount in Row (9)

2.64%

12 Type of Reporting Person (See Instructions)

PN

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1 Names of Reporting Persons  
I.R.S. Identification Nos. of above persons (entities only)

SANDLER ASSOCIATES II, L.P.

2 Check the Appropriate Box If a Member of a Group

a.   
b.

3 SEC Use Only

4 Citizenship or Place of Organization

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NEW YORK

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Number of	5	Sole Voting Power
Shares		71,000
Beneficially	6	Shared Voting Power
Owned By		-0-
Each	7	Sole Dispositive Power
Reporting		71,000
Person With	8	Shared Dispositive Power
		-0-

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9 Aggregate Amount Beneficially Owned by Each Reporting Person  
71,000 shares of Common Stock

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10 Check Box If the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

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11 Percent of Class Represented By Amount in Row (9)  
0.14%

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12 Type of Reporting Person (See Instructions)  
PN

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1 Names of Reporting Persons  
I.R.S. Identification Nos. of above persons (entities only)  
SANDLER OFFSHORE FUND, INC.

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2 Check the Appropriate Box If a Member of a Group  
a.   
b.

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3 SEC Use Only

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4 Citizenship or Place of Organization  
BRITISH VIRGIN ISLANDS

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Number of	5	Sole Voting Power
		424,900

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Shares	-----	
	6	Shared Voting Power
Beneficially		-0-
Owned By	-----	
	7	Sole Dispositive Power
Each		424,900
Reporting	-----	
Person With	8	Shared Dispositive Power
		-0-
-----		
9	Aggregate Amount Beneficially Owned by Each Reporting Person	
	424,900 shares of Common Stock	
-----		
10	Check Box If the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)	
		<input type="checkbox"/>
-----		
11	Percent of Class Represented By Amount in Row (9)	
	0.82%	
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12	Type of Reporting Person (See Instructions)	
	CO	
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1	Names of Reporting Persons	
	I.R.S. Identification Nos. of above persons (entities only)	
	SANDLER PLUS MASTER FUND, LTD.	
-----		
2	Check the Appropriate Box If a Member of a Group	
		a. <input type="checkbox"/>
		b. <input type="checkbox"/>
-----		
3	SEC Use Only	
-----		
4	Citizenship or Place of Organization	
	CAYMAN ISLANDS	
-----		
	5	Sole Voting Power
Number of		645,500
Shares	-----	
	6	Shared Voting Power
Beneficially		-0-
Owned By	-----	
	7	Sole Dispositive Power

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Each	645,500	
Reporting	-----	
Person With	8	Shared Dispositive Power
	-0-	
-----		
9	Aggregate Amount Beneficially Owned by Each Reporting Person	
	645,500 shares of Common Stock	
-----		
10	Check Box If the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)	
		<input type="checkbox"/>
-----		
11	Percent of Class Represented By Amount in Row (9)	
	1.24%	
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12	Type of Reporting Person (See Instructions)	
	CO	
-----		
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1	Names of Reporting Persons I.R.S. Identification Nos. of above persons (entities only)	
	ANDREW SANDLER	
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2	Check the Appropriate Box If a Member of a Group	
	a.	<input type="checkbox"/>
	b.	<input type="checkbox"/>
-----		
3	SEC Use Only	
-----		
4	Citizenship or Place of Organization	
	UNITED STATES	
-----		
	5	Sole Voting Power
Number of	-0-	
Shares	-----	
Beneficially	6	Shared Voting Power
Owned By	2,816,676	
Each	7	Sole Dispositive Power
Reporting	-0-	
Person With	8	Shared Dispositive Power
	2,816,676	

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9 Aggregate Amount Beneficially Owned by Each Reporting Person

2,816,676 shares of Common Stock

10 Check Box If the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11 Percent of Class Represented By Amount in Row (9)

5.41%

12 Type of Reporting Person (See Instructions)

IN

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ITEM 1.

(a) NAME OF ISSUER: PERMA-FIX ENVIRONMENTAL SERVICES, INC.

(b) ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES:  
8302 Dunwoody Place, Suite 250  
Atlanta, GA 30350

ITEM 2.

1. (a) NAME OF PERSON FILING: Sandler Capital Management

(b) ADDRESS OF PRINCIPAL BUSINESS OFFICE, OR, IF NONE, RESIDENCE:  
711 Fifth Avenue New York, New York 10022

(c) CITIZENSHIP OR PLACE OF ORGANIZATION:  
Sandler Capital Management is a registered investment adviser and general partnership organized under the laws of the State of New York.

(d) TITLE OF CLASS OF SECURITIES: Common Stock, \$0.001 par value

(e) CUSIP NUMBER: 714157104

2. (a) NAME OF PERSON FILING: Sandler Associates ("Sandler Associates")

(b) ADDRESS OF PRINCIPAL BUSINESS OFFICE, OR, IF NONE, RESIDENCE:  
711 Fifth Avenue New York, New York 10022

(c) CITIZENSHIP OR PLACE OF ORGANIZATION:  
Sandler Associates is a limited partnership organized under the laws of the State of New York.

(d) TITLE OF CLASS OF SECURITIES: Common Stock, \$0.001 par value

(e) CUSIP NUMBER: 714157104

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3. (a) NAME OF PERSON FILING: Sandler Associates II, L.P.  
("Sandler Associates II")
- (b) ADDRESS OF PRINCIPAL BUSINESS OFFICE, OR, IF NONE, RESIDENCE:  
711 Fifth Avenue New York, New York 10022
- (c) CITIZENSHIP OR PLACE OF ORGANIZATION:  
Sandler Associates II is a limited partnership organized under the laws of the State of New York.
- (d) TITLE OF CLASS OF SECURITIES: Common Stock, \$0.001 par value
- (e) CUSIP NUMBER: 714157104
4. (a) NAME OF PERSON FILING: Sandler Offshore Fund, Inc.  
("Sandler Offshore")
- (b) ADDRESS OF PRINCIPAL BUSINESS OFFICE, OR, IF NONE, RESIDENCE:  
711 Fifth Avenue New York, New York 10022
- (c) CITIZENSHIP OR PLACE OF ORGANIZATION:  
Sandler Offshore is a corporation organized under the laws of the British Virgin Islands.
- (d) TITLE OF CLASS OF SECURITIES: Common Stock, \$0.001 par value
- (e) CUSIP NUMBER: 714157104
5. (a) NAME OF PERSON FILING: Sandler Plus Master Fund, Ltd.  
("Sandler Plus")
- (b) ADDRESS OF PRINCIPAL BUSINESS OFFICE, OR, IF NONE, RESIDENCE:  
711 Fifth Avenue New York, New York 10022
- (c) CITIZENSHIP OR PLACE OF ORGANIZATION:  
Sandler Plus is a corporation organized under the laws of the Cayman Islands.
- (d) TITLE OF CLASS OF SECURITIES: Common Stock, \$0.001 par value
- (e) CUSIP NUMBER: 714157104

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6. (a) NAME OF PERSON FILING: Andrew Sandler
- (b) ADDRESS OF PRINCIPAL BUSINESS OFFICE, OR, IF NONE, RESIDENCE:  
711 Fifth Avenue New York, New York 10022
- (c) CITIZENSHIP OR PLACE OF ORGANIZATION: United States

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- (d) TITLE OF CLASS OF SECURITIES: Common Stock, \$0.001 par value
- (e) CUSIP NUMBER: 714157104

ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO RULE 13D-1(B), OR 13D-2(B) OR (C), CHECK WHETHER THE PERSON FILING IS A:

Not applicable.

ITEM 4. OWNERSHIP.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

1. Sandler Capital Management:

- (a) Amount beneficially owned: 2,816,676(1)(2) shares of Common Stock, \$.001 cents par value, of PERMA-FIX ENVIRONMENTAL SERVICES, INC. Reporting Person is the investment adviser to Sandler Associates, Sandler Associates II, Sandler Offshore, Sandler Plus and various managed accounts.
- (b) Percent of class: 5.41%
- (c) Number of shares as to which the person has:
  - (i) Sole power to vote or to direct the vote: 0 shares
  - (ii) Shared power to vote or to direct the vote: 2,816,676(1)(2) shares
  - (iii) Sole power to dispose or to direct the disposition of: 0 shares
  - (iv) Shared power to dispose or to direct the disposition of: 2,816,676(1)(2) shares

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2. Sandler Associates:

- (a) Amount beneficially owned: 1,373,476 shares of Common Stock, \$.001 par value, of PERMA-FIX ENVIRONMENTAL SERVICES, INC.
- (b) Percent of class: 2.64%
- (c) Number of shares as to which the person has:
  - (i) Sole power to vote or to direct the vote: 1,373,476 shares
  - (ii) Shared power to vote or to direct the vote: 0 shares
  - (iii) Sole power to dispose or to direct the disposition of: 1,373,476 shares

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- (iv) Shared power to dispose or to direct the disposition of: 0 shares
- 3. Sandler Associates II, L.P.:
  - (a) Amount beneficially owned: 71,100 shares of Common Stock, \$.001 par value, of PERMA-FIX ENVIRONMENTAL SERVICES, INC.
  - (b) Percent of class: 0.14%
  - (c) Number of shares as to which the person has:
    - (i) Sole power to vote or to direct the vote: 71,100 shares
    - (ii) Shared power to vote or to direct the vote: 0 shares
    - (iii) Sole power to dispose or to direct the disposition of: 71,100 shares
    - (iv) Shared power to dispose or to direct the disposition of: 0 shares
- 4. Sandler Offshore Fund, Inc.
  - (a) Amount beneficially owned: 424,900 shares of Common Stock, \$.001 par value, of PERMA-FIX ENVIRONMENTAL SERVICES, INC.
  - (b) Percent of class: 0.82%

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- (c) Number of shares as to which the person has:
  - (i) Sole power to vote or to direct the vote: 424,900 shares
  - (ii) Shared power to vote or to direct the vote: 0 shares
  - (iii) Sole power to dispose or to direct the disposition of: 424,900 shares
  - (iv) Shared power to dispose or to direct the disposition of: 0 shares
- 5. Sandler Plus Master Fund, Ltd.
  - (a) Amount beneficially owned: 645,500 shares of Common Stock, \$.001 par value, of PERMA-FIX ENVIRONMENTAL SERVICES, INC.
  - (b) Percent of class: 1.24%
  - (c) Number of shares as to which the person has:
    - (i) Sole power to vote or to direct the vote: 645,500 shares

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- (ii) Shared power to vote or to direct the vote: 0 shares
  - (iii) Sole power to dispose or to direct the disposition of: 645,500 shares
  - (iv) Shared power to dispose or to direct the disposition of: 0 shares
6. Andrew Sandler:
- (a) Amount beneficially owned: 2,816,676((1))((2)) shares of Common Stock, \$.001 par value, of PERMA-FIX ENVIRONMENTAL SERVICES, INC. Reporting Person is the portfolio manager of Sandler Associates, Sandler Associates II, Sandler Offshore and various separately managed accounts.
  - (b) Percent of class: 5.41%

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- (c) Number of shares as to which the person has:
  - (i) Sole power to vote or to direct the vote: 0 shares
  - (ii) Shared power to vote or to direct the vote: 2,816,676(1)(2) shares
  - (iii) Sole power to dispose or to direct the disposition of: 0 shares
  - (iv) Shared power to dispose or to direct the disposition of: 2,816,676(1)(2) shares

- 
- (1) Includes 1,373,476, 71,100, 424,900 and 645,500 shares of Common Stock beneficially owned by Sandler Associates, Sandler Associates II, Sandler Offshore and Sandler Plus, respectively, and 301,700 shares of Common Stock beneficially owned by separately managed accounts.
  - (2) The reporting person disclaims beneficial ownership of these securities except to the extent of his/her/its equity interest therein.

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

Not applicable.

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

See Item 4.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY OR CONTROL PERSON.

Not applicable.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP.

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See Exhibit A for Joint Filing Agreement.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP.

Not applicable.

ITEM 10. CERTIFICATIONS.

By signing below each party certifies that, to the best of his, her or its 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 dare not held in connection with or as a participant in any transaction having that purpose or effect.

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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: March 7, 2007

SANDLER CAPITAL MANAGEMENT

By: ALCR Corp., a general partner

By: /s/ Moira Mitchell  
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Name: Moira Mitchell

Title: President

Date: March 7, 2007

SANDLER ASSOCIATES

By: /s/ Andrew Sandler  
-----

Name: Andrew Sandler

Title: General Partner

Date: March 7, 2007

SANDLER ASSOCIATES II, L.P.

By: /s/ Andrew Sandler  
-----

Name: Andrew Sandler

Title: General Partner

Date: March 7, 2007

SANDLER OFFSHORE FUND, INC.

By: /s/ Steven Warshavsky

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-----  
Name: Steven Warshavsky  
Title: Director

Date: March 7, 2007

SANDLER PLUS MASTER FUND LTD.

By: /s/ Steven Warshavsky  
-----

Name: Steven Warshavsky  
Title: Director

Date: March 7, 2007

By: /s/ Andrew Sandler  
-----

Name: Andrew Sandler

-----  
CUSIP No. 714157104  
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Exhibit A

JOINT FILING AGREEMENT

In accordance with Rule 13d-1(f) under the Securities Exchange Act of 1934, as amended, the undersigned hereby agree to the joint filing on behalf of each of them of a statement on Schedule 13G (including amendments thereto) with respect to the Common Stock of PERMA-FIX ENVIRONMENTAL SERVICES, INC. and that this Agreement be included as an Exhibit to such statement.

IN WITNESS WHEREOF, the undersigned hereby execute this Agreement effective as of the dates set forth next to the undersigned's name.

Date: March 7, 2007

SANDLER CAPITAL MANAGEMENT

By: ALCR Corp., a general partner

By: /s/ Moira Mitchell  
-----

Name: Moira Mitchell  
Title: President

Date: March 7, 2007

SANDLER ASSOCIATES

By: /s/ Andrew Sandler  
-----

Name: Andrew Sandler  
Title: General Partner

Date: March 7, 2007

SANDLER ASSOCIATES II, L.P.

By: /s/ Andrew Sandler  
-----

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Name: Andrew Sandler  
Title: General Partner

Date: March 7, 2007

SANDLER OFFSHORE FUND, INC.

By: /s/ Steven Warshavsky  
-----

Name: Steven Warshavsky  
Title: Director

Date: March 7, 2007

SANDLER PLUS MASTER FUND LTD.

By: /s/ Steven Warshavsky  
-----

Name: Steven Warshavsky  
Title: Director

Date: March 7, 2007

By: /s/ Andrew Sandler  
-----

Name: Andrew Sandler