TWEETER HOME ENTERTAINMENT GROUP INC
Form SC 13D/A
August 17, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 1)*

Tweeter Home Entertainment Group, Inc.

(Name of Issuer)

Common Stock, $.01 par value

(Title of Class of Securities)

901167106

(CUSIP Number)

Mark J. Wattles

Wattles Capital Management, LLC

7945 W. Sahara #205

Las Vegas, Nevada 89117

(303) 801-4003

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

August 16, 2005

(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. o

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.

* 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. 901167106

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

2. Check the Appropriate Box if a Member of a Group (See Instructions)
(a) o
(b) ý

3. SEC Use Only

4. Source of Funds (See Instructions)
AF

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) o

6. Citizenship or Place of Organization
U.S.

Number of Shares Beneficially Owned by Each Reporting Person With	7.	Sole Voting Power 2,807,809
	8.	Shared Voting Power
	9.	Sole Dispositive Power 2,807,809
	10.	Shared Dispositive Power

11. Aggregate Amount Beneficially Owned by Each Reporting Person
2,807,809

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) o

13. Percent of Class Represented by Amount in Row (11)
11.4%

14. Type of Reporting Person (See Instructions)
IN

1.	Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only) Wattles Capital Management, LLC		
2.	Check the Appropriate Box if a Member of a Group (See Instructions) (a) (b)		o ý
3.	SEC Use Only		
4.	Source of Funds (See Instructions) WC, OO		
5.	Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)		o
6.	Citizenship or Place of Organization Delaware		
Number of Shares Beneficially Owned by Each Reporting Person With	7.	Sole Voting Power 2,807,809	
	8.	Shared Voting Power	
	9.	Sole Dispositive Power 2,807,809	
	10.	Shared Dispositive Power	
11.	Aggregate Amount Beneficially Owned by Each Reporting Person 2,807,809		
12.	Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)		o
13.	Percent of Class Represented by Amount in Row (11) 11.4%		
14.	Type of Reporting Person (See Instructions) OO		

This Amendment (Amendment No. 1) is being jointly filed by Mark J. Wattles and Wattles Capital Management (WCM) pursuant to Rule 13d-1(k) of the Securities and Exchange Commission pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the Exchange Act). Mr. Wattles and WCM are together referred to as the Reporting Persons.

This Amendment No. 1 amends the Schedule 13D originally filed with the Commission on August 8, 2005 (the Original Schedule 13D). The Original Schedule 13D, as amended by Amendment No. 1, is referred to as the Schedule 13D.

All terms used, but not defined, in this Amendment No. 1 are defined in the Schedule 13D. The summary descriptions (if any) contained herein of certain agreements and documents are qualified in their entirety by reference to the complete text of such agreements and documents filed as Exhibits hereto or incorporated herein by reference.

Item 4 of the Original Schedule 13D is amended and restated in its entirety as follows:

Item 4. Purpose of Transaction

The Reporting Persons acquired the Shares for investment purposes. The Reporting Persons intend to continually evaluate and review the Issuer s business affairs, financial position and future prospects, as well as conditions in the securities markets and general economic and industry conditions. Based on such evaluation and review and other factors, the Reporting Persons will continue to consider various alternative courses of action and will in the future take such actions with respect to their investment in the Issuer as they deem appropriate in light of the circumstances existing from time to time. Such actions may involve the purchase of additional securities of the Issuer or, alternatively, may involve the sale of all or a portion of the securities of the Issuer held by the Reporting Persons, in each case in the open market or in privately negotiated transactions. Such actions may also include communicating with management, the board of directors and shareholders of the Issuer; seeking to acquire control of the Issuer through a merger, proxy solicitation, tender offer, significant equity investment, exchange offer or otherwise; or such other actions as the Reporting Persons may deem appropriate.

By letter dated August 16, 2005, Reporting Persons proposed to the board of directors of the Issuer that the Issuer consider raising additional capital through the sale of equity or other securities, and Reporting Persons expressed an interest in providing, under the appropriate circumstances, such additional capital.

Except as described herein, the Reporting Persons have no present plans or proposals that relate to or would result in any of the actions described in Item 4(a) through (j) of Schedule 13D. The Reporting Persons reserve the right to acquire or dispose of securities of the Issuer or to formulate other purposes, plans or proposals regarding the Issuer or its securities to the extent deemed advisable in light of general investment considerations, market conditions and other factors.

Item 5 of the Original Schedule 13D is amended and restated in its entirety as follows:

Item 5. Interest in Securities of the Issuer

(a)-(b) As of August 16, 2005, WCM owned 2,807,809 shares of Common Stock. According to the Issuer s Quarterly Report on Form 10-Q for the quarter ended June 30, 2005, there were 24,642,179 shares of Common Stock issued and outstanding as of August 5, 2005. Based on the foregoing, WCM may be deemed to have sole voting and dispositive power over, and therefore beneficial ownership of, approximately 11.4% of such issued and outstanding Common Stock. Because Mr. Wattles owns all of the membership interests of WCM, he may be deemed to have indirect beneficial ownership of the Common Stock owned by WCM.

(c) As of June 9, 2005, WCM owned 741,281 shares of Common Stock. The following transactions were effected by WCM during the sixty days preceding August 8, 2005:

Date	Number of Shares	Price Per Share($)
June 10, 2005	47,400	3.4527
June 13, 2005	200	3.4000
June 14, 2005	25,000	3.7000
June 16, 2005	10,000	3.6526
July 11, 2005	67,408	2.5310
July 12, 2005	50,000	2.5998
July 13, 2005	75,000	2.5960
July 14, 2005	50,000	2.5994
July 15, 2005	47,981	2.6469
July 19, 2005	40,000	2.9812
July 20, 2005	20,000	2.9747
July 21, 2005	25,730	2.9490
July 28, 2005	81,275	3.0946
July 29, 2005	17,962	3.1848
August 1, 2005	118,374	3.3344
August 2, 2005	100,000	3.5213
August 3, 2005	259,640	3.4753
August 4, 2005	482,420	3.4871
August 5, 2005	68,018	3.4978
August 8, 2005	50,000	3.4995

The following transactions have were effected by WCM during the period from August 8, 2005 (the date of the Original Schedule 13D) to August 16, 2005:

Date	Number of Shares	Price Per Share ($)
August 15, 2005	50,000	4.1486
August 16, 2005	380,120	4.2765

All such transactions were purchases of Common Stock effected in the open market.

(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 7 of the Original Schedule 13D is amended and restated in its entirety as follows:

Item 7. Material to Be Filed as Exhibits

Exhibit 1	Joint Filing Agreement, dated as of August 8, 2005, by and between Wattles Capital Management, LLC and Mark J. Wattles, incorporated by reference to Exhibit 1 to Reporting Persons' Schedule 13D, dated July 28, 2005, and filed with the Securities and Exchange Commission on August 8, 2005.
Exhibit 2	Letter dated August 16, 2005, to Board of Directors of Tweeter Home Entertainment, Inc. from Mark J. Wattles and Wattles Capital Management, LLC.

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.

August 16, 2005

WATTLES CAPITAL MANAGEMENT, LLC

By: /s/ Mark J. Wattles
Name: Mark J. Wattles
Title: President

/s/ Mark J. Wattles
Mark J. Wattles

Index of Exhibits

Exhibit 2	Letter dated August 16, 2005, to Board of Directors of Tweeter Home Entertainment, Inc. from Mark J. Wattles and Wattles Capital Management, LLC.