

SECURITIES AND EXCHANGE COMMISSION

FORM SC 13D/A

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities [amend]

Filing Date: **1999-09-10**
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SUBJECT COMPANY

SYLVAN INC

CIK: **861291** | IRS No.: **251603408** | State of Incorporation: **NV** | Fiscal Year End: **0103**
Type: **SC 13D/A** | Act: **34** | File No.: **005-41138** | Film No.: **99709465**
SIC: **0100** Agricultural production-crops

Mailing Address

*333 MAIN STREET
P.O. BOX 249
SAXONBURG PA 16056-0249*

Business Address

*333 MAIN STREET
P.O. BOX 249
SAXONBURG PA 16056-0249
724-352-75*

FILED BY

WYNNEFIELD PARTNERS SMALL CAP VALUE LP

CIK: **899083** | IRS No.: **133688497** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **SC 13D/A**

Mailing Address

*ONE PENN PLAZA
SUITE 4720
NEW YORK NY 10119*

Business Address

*ONE PENN PLAZA
SUITE 4720
NEW YORK NY 10119
2127600814*

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-1)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE
13D-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13D-2(a)
(Amendment No. 2)

SYLVAN INC.
(Name of Issuer)

Common Stock, Par Value \$0.001 Per Share
(Title of Class of Securities)

871371100
(CUSIP Number)

Wynnefield Capital, Inc.
One Penn Plaza - Suite 4720
New York, New York 10119
Attention: Mr. Nelson Obus
(212) 760-0134

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

Copy to:
Louis J. Bevilacqua, Esq.
Cadwalader, Wickersham & Taft
100 Maiden Lane
New York, New York 10038
(212) 504-6057

September 7, 1999
(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 Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following
box:

13D

CUSIP No 871371100

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1. NAME OF REPORTING PERSONS: Wynnefield Partners Small Cap Value, L.P.
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 13-3688497

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) [x]
(b) [_]

3. SEC USE ONLY

4. SOURCE OF FUNDS
WC (SEE ITEM 3)

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS
(2) (d) OR (e) [_]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

7. SOLE VOTING POWER

NUMBER OF 354,797

SHARES

BENEFICIALLY 8. SHARED VOTING POWER

OWNED BY

EACH 9. SOLE DISPOSITIVE POWER

REPORTING 354,797

PERSON

WITH 10. SHARED DISPOSITIVE POWER

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

354,797 shares

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

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

5.76%

14. TYPE OF REPORTING PERSON*

1. NAME OF REPORTING PERSONS: Wynnefield Small Cap Value, L.P. I
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON: 13-3953291

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS
WC (SEE ITEM 3)

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

6. CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

7. SOLE VOTING POWER

NUMBER OF 472,203

SHARES

BENEFICIALLY

8. SHARED VOTING POWER ---

OWNED BY

EACH

9. SOLE DISPOSITIVE POWER

REPORTING

472,203

PERSON

WITH

10. SHARED DISPOSITIVE POWER

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

472,203 shares

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

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

7.67%

14. TYPE OF REPORTING PERSON*

PN

13D

CUSIP No 871371100

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1. NAME OF REPORTING PERSONS: Wynnefield Small Cap Value Offshore Fund, Ltd.
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON: Not Applicable

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) [x]

(b) []

3. SEC USE ONLY

4. SOURCE OF FUNDS
WC (SEE ITEM 3)

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS
(2) (d) OR (e) []

6. Cayman Islands

7. SOLE VOTING POWER

NUMBER OF 165,500

SHARES

BENEFICIALLY

8. SHARED VOTING POWER

OWNED BY

EACH 9. SOLE DISPOSITIVE POWER

REPORTING 165,500

PERSON -----

WITH 10. SHARED DISPOSITIVE POWER

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

165,500 shares

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

[]

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

2.69%

14. TYPE OF REPORTING PERSON*

CO

This Amendment No. 2 relates to the Schedule 13D originally filed on behalf of Wynnefield Partners Small Cap Value, L.P. (the "Partnership"), Wynnefield Small Cap Value, L.P. I (the "Partnership-I") and Wynnefield Small Cap Value Offshore Fund, Ltd. (the "Fund"), with the Securities and Exchange Commission ("SEC") on May 7, 1999 (as amended on August 9, 1999, the "Schedule 13D"), with respect to the common stock (the "Shares") of Sylvan Inc. (the "Issuer"). The Partnership, the Partnership-I and the Fund are sometimes referred to collectively as the "Wynnefield Group." Except as modified hereby, there has been no change in the information previously reported in the Schedule 13D.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

The Wynnefield Group entities purchased their Shares for the consideration shown in the following table:

Name	Number of Shares	Total Consideration Paid
----	-----	-----
Partnership	354,797	\$3,839,205

Partnership-I	472,203	\$5,403,870
Fund	165,500	\$1,899,413

Such Shares were paid for from the working capital of each entity in the Wynnefield Group, each of which maintains an investment fund, consisting of capital contributions from their respective partners and investors and capital appreciation derived therefrom for the principal purpose of buying and selling securities (including financial and money market instruments) and interests in domestic and foreign securities, including, without limitation, convertible securities, stock index features contracts, options, puts and calls on stock and warrants.

ITEM 4. PURPOSE OF TRANSACTION.

The entities comprising the Wynnefield Group intend to urge the Issuer's management and its Board of Directors to consider all strategic options for surfacing shareholders' value. Mr. Nelson Obus is also considering seeking election to the Issuer's Board of Directors.

Except as set forth above, none of the entities in the Wynnefield Group has any present plans or intentions to effect transactions that would result in or relate to any of the actions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) As of the close of business on the date hereof, the entities comprising the Wynnefield Group beneficially owned a total of 992,500 Shares, the separate ownership of which is set forth in Item 3 of this Statement. The Shares owned by the Wynnefield Group represent approximately 16.12% of the outstanding Shares of the Issuer, based on the 6,156,136 Shares reported by the Issuer as outstanding on July 23, 1999. Pursuant to Rule 13d-4 of the General Rules and Regulations under the Securities and Exchange Act of 1934, as amended (the

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"Exchange Act"), Mr. Nelson Obus and Mr. Joshua Landes disclaim beneficial ownership of any Shares owned by the entities comprising the Wynnefield Group and disclaim membership in the Wynnefield Group with respect to the Shares for purposes of Sections 13(d) and 13(g) of the Exchange Act and for any other purpose under any other provision of the Exchange Act and the rules and regulations promulgated thereunder.

(b) Mr. Obus and Mr. Landes, by virtue of their status as managing members of Wynnefield Capital Management, LLC, a New York limited liability company ("WCW"), the general partner of the Partnership and Partnership-I, and

as officers of the Fund's investment manager, have the power to vote or to direct the vote and the power to dispose and to direct the disposition of the Shares owned by each of the entities comprising the Wynnefield Group and may be deemed to have indirect beneficial ownership of the Shares owned by each of the entities comprising the Wynnefield Group.

Since the Wynnefield Group's most recent filing on Schedule 13D with respect to the Issuer, the entities comprising the Wynnefield Group purchased the following Shares of Issuer in the NASDAQ Stock Market:

Entity -----	Date ----	No. of Shares -----	Price Per Share (\$) -----
Partnership	8/05/99	3,100	10.7500
Partnership	8/10/99	1,400	10.6250
Partnership	8/11/99	3,600	10.8750
Partnership	8/13/99	1,800	10.8750
Partnership	8/13/99	3,600	10.8750
Partnership	8/19/99	1,800	11.7500
Partnership	8/24/99	2,500	12.0625
Partnership	8/27/99	124,000	10.6285
Partnership	9/07/99	28,500	10.2253
Partnership I	8/05/99	4,000	10.7500
Partnership I	8/10/99	1,900	10.6250
Partnership I	8/11/99	4,700	10.8750
Partnership I	8/13/99	2,300	10.8750
Partnership I	8/13/99	4,700	10.8750
Partnership I	8/19/99	2,300	11.7500
Partnership I	8/24/99	3,300	12.0625
Partnership I	8/27/99	2,500	10.5000
Partnership I	8/27/99	164,000	10.6285
Partnership I	9/07/99	37,800	10.2197
Fund	8/05/99	1,400	10.7500
Fund	8/10/99	700	10.6250
Fund	8/11/99	1,700	10.8750
Fund	8/13/99	900	10.8750
Fund	8/13/99	1,700	10.8750
Fund	8/19/99	900	11.7500
Fund	8/24/99	1,200	12.0625
Fund	8/27/99	72,000	10.6284
Fund	9/07/99	13,700	10.1322

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(d) Each of the entities comprising the Wynnefield Group as an owner

of the Shares reported in this Statement has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Shares owned by such entity as reported in this Statement.

(e) Not applicable.

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SIGNATURES

After reasonable inquiry and to the best of their knowledge and belief, the undersigned certify that the information set forth in this Statement is true, complete and correct.

Dated: September 10, 1999

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P.
WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I

By: /s/ Nelson Obus

By: /s/ Nelson Obus

Nelson Obus
Managing Member

WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.

By: /s/ Nelson Obus

Nelson Obus
President