

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

BOOKS A MILLION INC

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SIC: [5940](#) Miscellaneous shopping goods stores

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BIRMINGHAM AL 35211*

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

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 28, 2012

BOOKS-A-MILLION, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State of Incorporation)

0-20664
(Commission
File Number)

63-0798460
(IRS Employer
Identification Number)

402 Industrial Lane
Birmingham, Alabama 35211
(Address of principal executive offices, including zip code)

(205) 942-3737
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events.

On April 28, 2012, Books-A-Million, Inc. (the “Company”) received a letter from Clyde B. Anderson, its Executive Chairman, proposing a potential transaction in which the Anderson family would acquire the Company through a merger of the Company with an acquisition vehicle to be formed by the Anderson family. The letter and related press release issued by Mr. Anderson are attached to this report as Exhibits 99.1 and 99.2, respectively, and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Proposal Letter, dated April 28, 2012, to the Board of Directors of the Issuer
99.2	Press Release dated April 30, 2012

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BOOKS-A-MILLION, INC.

By: /s/ Terrance G. Finley
Terrance G. Finley
Chief Executive Officer and President

Dated: April 30, 2012

April 28, 2012

Board of Directors
Books-A-Million, Inc.
402 Industrial Lane
Birmingham, AL 35211

Dear Members of the Board:

I am pleased to submit on behalf of the Anderson family through Anderson Bamm Holdings, LLC this non-binding proposal to acquire all of the outstanding shares of the common stock of Books-A-Million, Inc. (the "Company") at a cash purchase price of \$3.05 per share (the "Proposal"), representing a premium of approximately 20% over the closing price on April 27, 2012 and 13% over the average closing price of the Company's common stock for the past 90 trading days. Members of the Anderson family currently directly or indirectly control shares of stock representing approximately 53% of the common stock of the Company. We believe that this Proposal presents a unique and highly attractive opportunity for the public shareholders of the Company.

We anticipate that the acquisition would be in the form of a merger of the Company with a newly formed acquisition vehicle that the Anderson family would control. We would expect the Company's management to remain in place following the merger along with the rest of the Company's valued employees. The transaction would be financed through borrowings available under the Company's existing credit line. This Proposal is conditioned on availability of sufficient funds under that credit line.

In response to the Proposal, we expect that you will establish a special committee of independent directors (the "Special Committee") with its own nationally recognized legal and financial advisors to review the Proposal on behalf of the Company's public shareholders. Unless the Special Committee recommends the transaction to the full Board of Directors, we do not intend to move forward with the transaction. Given our extensive knowledge of the Company and familiarity with its history, we believe that once the Special Committee and its advisors make such a recommendation we will be able to quickly negotiate and finalize a merger agreement. To this end, our willingness to proceed with the Proposal is conditioned on the Special Committee's expeditious engagement with us regarding it and any subsequent negotiations. We would fully expect that the transactions under such a merger agreement would be conditioned upon the approval of the transaction by a majority of the shares of stock of the Company that are not directly or indirectly controlled by members of the Anderson family. Our Proposal assumes that the Company and the Special Committee do not spend more than \$2 million in financial and legal advisory fees in connection with the transaction. Although we understand that it will be within the Special Committee's discretion to determine the resources it will require to perform its duties, please be aware that our Proposal will be adjusted correspondingly if more than that amount is required.

We are aware, of course, of ongoing changes to the overall market for book retailing as well as the unsuccessful process conducted in the past year with the help of the Company's financial advisors to explore alternatives to maximize shareholder value, including the Anderson family interests, through a sale or merger of the Company. You should be aware that at this time we are interested only in acquiring the outstanding shares of the Company that we do not already own. We are not at this time interested in giving any renewed consideration to a sale of our shares in the Company to a third party or any merger or other strategic transaction involving any third party and do not intend to vote in our capacity as shareholders in favor of any such transaction. Nevertheless, I assure you that if the Special Committee, after consulting with its advisors, does not recommend this Proposal or the public shareholders of the Company do not approve the transaction after receiving the recommendation of the Special Committee, my relationship and that of Anderson Bamm Holdings, LLC with the Company would not be adversely affected.

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In accordance with our legal obligations, we will be filing an amendment to our Schedule 13D, and will include a copy of this letter. I also believe it is appropriate for me to issue a press release regarding this Proposal before the markets open on Monday. A copy of the press release can be found attached.

We have retained Ropes & Gray LLP as our legal advisor and BDT & Company, LLC as our financial advisor in this matter.

I look forward to the opportunity to discuss the Proposal with the Special Committee and its advisors. Should you have any questions, please contact me.

Sincerely,

/s/ Clyde B. Anderson

Clyde B. Anderson

- END -

**ANDERSON FAMILY PROPOSES TRANSACTION TO
ACQUIRE 100% OF PUBLIC INTEREST IN BOOKS-A-MILLION, INC.**

BIRMINGHAM, Ala. (April 30, 2012) - Clyde B. Anderson announced on April 28, 2012, that the Anderson family has made a non-binding proposal to acquire all of the outstanding publicly-held shares of the common stock of Books-A-Million, Inc. (NASDAQ: BAMB) (the "Company"). Mr. Anderson is the Executive Chairman of the Company and Mr. Anderson and other members of the Anderson family currently directly or indirectly control shares of stock representing, in the aggregate, approximately 53 percent of the common stock of the Company.

According to the proposal, public shareholders would receive \$3.05 per share in cash, representing a premium of approximately 20 percent over the closing price on April 27, 2012, and 13 percent over the average closing price of the Company's common stock for the past 90 trading days. The proposal values the total equity of the Company at approximately \$48.8 million.

In the proposal letter, Mr. Anderson stated he anticipates the acquisition would be in the form of a merger of the Company with a newly formed acquisition vehicle that the Anderson family would control. Mr. Anderson also stated in the letter that the transaction would be financed through borrowings available under the Company's existing credit line, and that the proposal is conditioned on availability of sufficient funds under that credit line. The Anderson family expects the Company's management to remain in place following the merger along with the rest of the Company's valued employees.

In the letter, Mr. Anderson said: "We believe that this Proposal presents a unique and highly attractive opportunity for the public shareholders of the Company."

Mr. Anderson also noted in his letter that he expects that the Board of Directors of the Company will establish a special committee of independent directors with its own legal and financial advisors to review the proposal on behalf of the Company's public shareholders. Mr. Anderson indicated in his letter that he and the other interests of the Anderson family do not intend to move forward with the proposed transaction unless the special committee makes a favorable recommendation to the Board.

In the letter, Mr. Anderson also stated that the definitive transaction documents will provide that the transactions will be conditioned upon the approval of a majority of the shares of stock of the Company that are not directly or indirectly controlled by members of the Anderson family. Mr. Anderson also made clear that he and the other members of the Anderson family are interested only in acquiring the outstanding shares of the Company that they do not already own, and are not currently interested in considering a sale of their shares to a third party or any merger or other strategic transaction involving any third party and do not intend to vote in their capacity as shareholders in favor of any such transaction.

Mr. Anderson has engaged Ropes & Gray LLP as his legal advisor and BDT & Company, LLC as his financial advisor for the proposed transaction.

A copy of Mr. Anderson's letter to the Board is attached as an exhibit to Amendment No. 8 to the Anderson family's Schedule 13D, which is being filed with the Securities and Exchange Commission ("SEC") today, and once filed will be available at no charge on the SEC's website at www.sec.gov.

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Pending the execution of a definitive agreement, the Company's shareholders and others considering trading in its securities should recognize that the announcement of this proposal is only the beginning of the process of considering the proposal and that no definitive time frame has been determined and that there can be no assurance that any transaction, whether on the proposed terms or other terms, will be consummated. There can also be no assurance that Mr. Anderson will be able to obtain the financing commitments necessary to proceed with the proposal.

This press release is not a solicitation of a proxy, an offer to purchase nor a solicitation of an offer to sell shares of the Company, and it is not a substitute for any proxy statement or other filings that may be made with the Securities and Exchange Commission (the "SEC") should this proposed transaction go forward. If such documents are filed with the SEC, investors will be urged to thoroughly review and consider them because they will contain important information, including risk factors. Any such documents, once filed, will be available free of charge at the SEC's website (www.sec.gov) and from the Company.

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