

PENTON MEDIA INC
Form 3
November 14, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

| | | | | | |
|---|---------|----------|--------------------------------------|--|--|
| 1. Name and Address of Reporting Person * | | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â Prism Business Media Holdings, LLC | | | (Month/Day/Year) | PENTON MEDIA INC [PTON] | |
| (Last) | (First) | (Middle) | 11/01/2006 | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| 1301 AVENUE OF THE AMERICAS 44TH FLOOR | | | | (Check all applicable) | |
| (Street) | | | | <input type="checkbox"/> Director | <input checked="" type="checkbox"/> 10% Owner |
| NEW YORK,Â NYÂ 10019 | | | | <input type="checkbox"/> Officer | <input type="checkbox"/> Other |
| (City) | (State) | (Zip) | | (give title below) | (specify below) |
| | | | | 6. Individual or Joint/Group Filing(Check Applicable Line) | |
| | | | | <input type="checkbox"/> Form filed by One Reporting Person | |
| | | | | <input checked="" type="checkbox"/> Form filed by More than One Reporting Person | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|------------------------------------|---|---|--|
| None | 0 <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u> <u>(8)</u> <u>(9)</u> | I | See Footnote <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u> <u>(8)</u> <u>(9)</u> |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying | 4. Conversion or Exercise | 5. Ownership Form of | 6. Nature of Indirect Beneficial |
|---------------------------------|---|--|---------------------------|----------------------|----------------------------------|
|---------------------------------|---|--|---------------------------|----------------------|----------------------------------|

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| (Instr. 4) | Date Exercisable | Expiration Date | Derivative Security (Instr. 4) Title | Amount or Number of Shares | Price of Derivative Security | Derivative Security: Direct (D) or Indirect (I) (Instr. 5) | Ownership (Instr. 5) |
|------------|---|---|---|--|---|--|---|
| None | Â <u>(1)(2)(3)(4)(5)(6)(7)(8)(9)</u> | Â <u>(1)(2)(3)(4)(5)(6)(7)(8)(9)</u> | None | 0 <u>(1) (2)</u> <u>(3) (4) (5)</u> <u>(6) (7) (8)</u> <u>(9)</u> | \$ 0 <u>(1) (2)</u> <u>(3) (4) (5)</u> <u>(6) (7) (8)</u> <u>(9)</u> | I | See Footnote <u>(1)</u> <u>(2) (3) (4) (5)</u> <u>(6) (7) (8) (9)</u> |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Prism Business Media Holdings, LLC 1301 AVENUE OF THE AMERICAS 44TH FLOOR NEW YORK, NY 10019 | Â | Â X | Â | Â |
| U.S. EQUITY PARTNERS II, LP 1301 AVENUE OF THE AMERICAS 44TH FLOOR NEW YORK, NY | Â | Â X | Â | Â |
| U.S. EQUITY PARTNERS II (Offshore), LP 1301 AVENUE OF THE AMERICAS 44TH FLOOR NEW YORK, NY 10019 | Â | Â X | Â | Â |
| U.S. EQUITY PARTNERS II (U.S. Parallel), LP 1301 AVENUE OF THE AMERICAS 44TH FLOOR NEW YORK, NY 10019 | Â | Â X | Â | Â |
| USEP II Co-Investment Partners, LLC 1301 AVENUE OF THE AMERICAS 44TH FLOOR NEW YORK, NY 10019 | Â | Â X | Â | Â |

Signatures

| | |
|--|--------------------|
| /s/ PRISM BUSINESS MEDIA HOLDINGS, LLC By: Jesse Du Bey -Vice President **Signature of Reporting Person | 11/13/2006 Date |
| /s/ U.S. EQUITY PARTNERS II, LP By: George Majoros - Vice President and Treasurer of Wasserstein Investments, LLC, the general partner of Wasserstein Partners, LP, its general partner **Signature of Reporting Person | 11/13/2006 Date |
| /s/ U.S. EQUITY PARTNERS II (OFFSHORE), LP By: George Majoros - Vice President of Wasserstein Partners (Offshore), Ltd., Its general partner **Signature of Reporting Person | 11/13/2006 Date |
| /s/ U.S. EQUITY PARTNERS II (U.S. PARALLEL), LP By: George Majoros - Vice President and Treasurer of Wasserstein Investments, LLC, the general partner of Wasserstein Partners, LP, its general partner **Signature of Reporting Person | 11/13/2006 Date |

/s/ USEP II CO-INVESTMENT PARTNERS, LLC By: George Majoros - Vice President and Treasurer of Wasserstein Investments, LLC, the general partner of Wasserstein & Co., LP, a managing member

11/13/2006

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Prism Business Media Holdings, Inc., a Delaware corporation ("Prism") is a direct wholly-owned subsidiary of Prism Business Media Holdings, LLC, a Delaware limited liability company ("PBMLLC"). U.S. Equity Partners II, LP, U.S. Equity Partners II (Offshore), LP, U.S. Equity Partners II (U.S. Parallel), LP and USEP II Co-Investment Partners, LLC are controlling members of PBMLLC. Wasserstein Partners (Offshore), Ltd. is the general partner of U.S. Equity Partners II (Offshore), LP. Wasserstein Partners, LP is (i) the general partner of U.S. Equity Partners II, LP and U.S. Equity Partners II (U.S. Parallel), LP and (ii) the sole shareholder of Wasserstein Partners (Offshore), Ltd. Wasserstein Partners, LP and Wasserstein & Co., LP are managing members of USEP II Co-Investment Partners, LLC. (Continued in Footnote 2)

Wasserstein Investments, LLC is the general partner of Wasserstein Partners, LP and Wasserstein & Co., LP. Wasserstein Holdings, LLC is the sole member of Wasserstein Investments, LLC. Mr. Wasserstein is a member of Wasserstein Holdings, LLC and may be deemed to control Wasserstein Holdings, LLC. (Continued in Footnote 3)

On November 1, 2006, the Company entered into an Agreement and Plan of Merger (the "Prism Merger Agreement") with Prism and Prism Acquisition Co., a Delaware corporation and wholly-owned direct subsidiary of Prism ("Merger Sub"). Pursuant to the Prism Merger Agreement, (i) Merger Sub will merge with and into the Company (the "Prism Merger"), and (ii) the separate existence of Merger Sub will cease and the Company will continue its corporate existence under Delaware law as the surviving corporation and will become a wholly-owned subsidiary of Prism. The Prism Merger Agreement provides for a sale of the Company for aggregate merger consideration of \$194,200,000, to be allocated among the Company's stockholders in accordance with the terms of the Prism Merger Agreement. (Continued in Footnote 4)

As a condition to the willingness of Prism and Merger Sub to enter into the Prism Merger Agreement, Prism and Merger Sub required each of ABRY Mezzanine Partners, L.P., ABACUS Fund Partners, LP, ABACUS Fund, Ltd., Sandler Capital Partners V Germany, L.P., Sandler Capital Partners V FTE, L.P., and Sandler Capital Partners V, L.P. (each individually, a "Series C Preferred Stockholder," and collectively, the "Series C Preferred Stockholders") to enter into a voting agreement (the "Voting Agreement"). (Continued in Footnote 5)

Pursuant to the Voting Agreement, the Series C Preferred Stockholders agreed to vote (or cause to be voted) all shares of the Company capital stock held by them and any shares of the Company capital stock that may be acquired after the date of the Voting Agreement in favor of the Prism Merger and the adoption of the Prism Merger Agreement and against any proposal made in opposition to, or in competition with, the consummation of the Prism Merger. (Continued in Footnote 6)

As part of the Voting Agreement, the Series C Preferred Stockholders entered into an irrevocable proxy appointing Prism and certain of its officers or designees as the sole and exclusive attorneys and proxies of each Series C Preferred Stockholder to vote and exercise all voting and related rights with respect to all of the shares of the Company capital stock that now are or hereafter may be beneficially owned by the Series C Preferred Stockholders in a manner consistent with the preceding paragraphs. (Continued in Footnote 7)

Pursuant to the Voting Agreement, the Series C Preferred Stockholders are prohibited from transferring any shares of the Company capital stock. (Continued in Footnote 8)

The Voting Agreement, including the irrevocable proxies granted therein, will expire upon the earliest to occur of (i) the effective time of the Prism Merger, (ii) the date on which the Prism Merger Agreement is terminated pursuant to its terms, (iii) April 30, 2007 and (iv) written notice of termination of the Voting Agreement by Prism to the Series C Preferred Stockholders. (Continued in Footnote 9)

The Series C Preferred Stockholders own the Series C Preferred Stock, and warrants (the "Warrants") to purchase shares of the Company's Common Stock. Assuming full conversion of the Series C Preferred Stock and Warrants, the Series C Preferred Stockholders may collectively be deemed to beneficially own a total of 11,333,707 shares of the Company's Common Stock. By virtue of the Voting Agreement, each of the Reporting Persons may be deemed to share dispositive power and voting power of the Common Stock held by the Series C Preferred Stockholders. Each of the Reporting Persons disclaims beneficial ownership in such securities.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.