

OCWEN FINANCIAL CORP
Form SC 13D
February 15, 2008

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No.)*

Ocwen Financial Corporation

(Name of Issuer)

Common Stock, \$0.01 par value

(Title of Class of Securities)

675746309

(CUSIP Number)

	Greenwood Investments, Inc.		Costa Brava Partnership III L.P.
	420 Boylston Street, 5th Floor		420 Boylston Street, 5th Floor
	Boston, MA 02116		Boston, MA 02116
	(617) 236-4240		(617) 595-4400
with copies to:			
	John D. Hancock, Esq.		Jeffrey R. Katz, Esq.
	Foley Hoag LLP		Ropes & Gray LLP
	155 Seaport Boulevard		One International Place
	Boston, MA 02210		Boston, MA 02110
	(617) 832-1000		(617) 951-7000

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

February 13, 2008

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(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 Rule 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).

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CUSIP No. 675746309

- | | | |
|-----|--|---------------------------------------|
| 1. | Names of Reporting Persons
Steven Tannenbaum | |
| 2. | Check the Appropriate Box if a Member of a Group (See Instructions) | |
| | (a) | <input checked="" type="checkbox"/> x |
| | (b) | <input type="checkbox"/> o |
| 3. | SEC Use Only | |
| 4. | Source of Funds (See Instructions)
WC, PF | |
| 5. | Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) | <input type="checkbox"/> o |
| 6. | Citizenship or Place of Organization
United States | |
| | 7. | Sole Voting Power
1,566,300 |
| | 8. | Shared Voting Power
-0- |
| | 9. | Sole Dispositive Power
1,566,300 |
| | 10. | Shared Dispositive Power
-0- |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person
1,566,300 | |
| 12. | Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) | <input checked="" type="checkbox"/> x |
| 13. | Percent of Class Represented by Amount in Row (11)
2.5% | |
| 14. | Type of Reporting Person (See Instructions)
IN, HC | |

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CUSIP No. 675746309

1. Names of Reporting Persons
Greenwood Investments, Inc.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)
 - (a) ☒ x
 - (b) ☐ o
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 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
1,407,300 |
| | 8. | Shared Voting Power
-0- |
| | 9. | Sole Dispositive Power
1,407,300 |
| | 10. | Shared Dispositive Power
-0- |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,407,300
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ☒ x
 13. Percent of Class Represented by Amount in Row (11)
2.3%
 14. Type of Reporting Person (See Instructions)
CO, IA

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CUSIP No. 675746309

- | | | |
|-----|--|---------------------------------------|
| 1. | Names of Reporting Persons
Greenwood Investors Limited Partnership | |
| 2. | Check the Appropriate Box if a Member of a Group (See Instructions) | |
| | (a) | <input checked="" type="checkbox"/> x |
| | (b) | <input type="checkbox"/> o |
| 3. | SEC Use Only | |
| 4. | Source of Funds (See Instructions)
WC | |
| 5. | Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) | <input type="checkbox"/> o |
| 6. | Citizenship or Place of Organization
Massachusetts | |
| | 7. | Sole Voting Power
650,600 |
| | 8. | Shared Voting Power
-0- |
| | 9. | Sole Dispositive Power
650,600 |
| | 10. | Shared Dispositive Power
-0- |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person
650,600 | |
| 12. | Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) | <input checked="" type="checkbox"/> x |
| 13. | Percent of Class Represented by Amount in Row (11)
1.0% | |
| 14. | Type of Reporting Person (See Instructions)
PN | |

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CUSIP No. 675746309

- | | | |
|-----|--|---------------------------------------|
| 1. | Names of Reporting Persons
Greenwood Capital Limited Partnership | |
| 2. | Check the Appropriate Box if a Member of a Group (See Instructions) | |
| | (a) | <input checked="" type="checkbox"/> x |
| | (b) | <input type="checkbox"/> o |
| 3. | SEC Use Only | |
| 4. | Source of Funds (See Instructions)
WC | |
| 5. | Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) | <input type="checkbox"/> o |
| 6. | Citizenship or Place of Organization
Massachusetts | |
| | 7. | Sole Voting Power
746,700 |
| | 8. | Shared Voting Power
-0- |
| | 9. | Sole Dispositive Power
746,700 |
| | 10. | Shared Dispositive Power
-0- |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person
746,700 | |
| 12. | Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) | <input checked="" type="checkbox"/> x |
| 13. | Percent of Class Represented by Amount in Row (11)
1.2% | |
| 14. | Type of Reporting Person (See Instructions)
PN | |

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CUSIP No. 675746309

- | | | |
|-----|--|---------------------------------------|
| 1. | Names of Reporting Persons
Madaket Limited Partnership | |
| 2. | Check the Appropriate Box if a Member of a Group (See Instructions) | |
| | (a) | <input checked="" type="checkbox"/> x |
| | (b) | <input type="checkbox"/> o |
| 3. | SEC Use Only | |
| 4. | Source of Funds (See Instructions)
WC | |
| 5. | Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) | <input type="checkbox"/> o |
| 6. | Citizenship or Place of Organization
Massachusetts | |
| | 7. | Sole Voting Power
10,000 |
| | 8. | Shared Voting Power
-0- |
| | 9. | Sole Dispositive Power
10,000 |
| | 10. | Shared Dispositive Power
-0- |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person
10,000 | |
| 12. | Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) | <input checked="" type="checkbox"/> x |
| 13. | Percent of Class Represented by Amount in Row (11)
.02% | |
| 14. | Type of Reporting Person (See Instructions)
PN | |

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CUSIP No. 675746309

- | | | |
|-----|--|---------------------------------------|
| 1. | Names of Reporting Persons | |
| | Seth W. Hamot | |
| 2. | Check the Appropriate Box if a Member of a Group (See Instructions) | |
| | (a) | <input checked="" type="checkbox"/> x |
| | (b) | <input type="checkbox"/> o |
| 3. | SEC Use Only | |
| 4. | Source of Funds (See Instructions) | |
| | WC, PF | |
| 5. | Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) | <input type="checkbox"/> o |
| 6. | Citizenship or Place of Organization | |
| | United States | |
| | 7. | Sole Voting Power |
| | | 1,872,000 |
| | 8. | Shared Voting Power |
| | | -0- |
| | 9. | Sole Dispositive Power |
| | | 1,888,500 |
| | 10. | Shared Dispositive Power |
| | | -0- |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person | |
| | 1,888,500 | |
| 12. | Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) | <input checked="" type="checkbox"/> x |
| 13. | Percent of Class Represented by Amount in Row (11) | |
| | 3.0% | |
| 14. | Type of Reporting Person (See Instructions) | |
| | IN, HC | |

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CUSIP No. 675746309

1. Names of Reporting Persons
Costa Brava Partnership III L.P.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	x
(b)	o
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 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
- | | |
|-----|-------------------------------------|
| 7. | Sole Voting Power
1,872,000 |
| 8. | Shared Voting Power
-0- |
| 9. | Sole Dispositive Power
1,888,500 |
| 10. | Shared Dispositive Power
-0- |
- Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,888,500
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) x
 13. Percent of Class Represented by Amount in Row (11)
3.0%
 14. Type of Reporting Person (See Instructions)
PN

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CUSIP No. 675746309

1. Names of Reporting Persons
Roark, Rearden & Hamot, LLC
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	x
(b)	o
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 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
- | | |
|-----|-------------------------------------|
| 7. | Sole Voting Power
1,872,000 |
| 8. | Shared Voting Power
-0- |
| 9. | Sole Dispositive Power
1,888,500 |
| 10. | Shared Dispositive Power
-0- |
- Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,888,500
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) x
 13. Percent of Class Represented by Amount in Row (11)
3.0%
 14. Type of Reporting Person (See Instructions)
OO Other

Item 1. Security and Issuer

This statement relates to the shares of common stock, par value \$0.01 per share (the Common Stock), of Ocwen Financial Corporation (the Issuer), which has its principal executive offices at 1661 Worthington Road, Suite 100, West Palm Beach, Florida 33409.

Item 2. Identity and Background

This joint statement on Schedule 13D is being filed by (1) Steven Tannenbaum, a United States citizen, (2) Greenwood Investments, Inc. (Greenwood), a Delaware corporation, (3) Greenwood Investors Limited Partnership (Investors), a Massachusetts limited partnership, (4) Greenwood Capital Limited Partnership (Capital), a Massachusetts limited partnership, (5) Madaket Limited Partnership (Madaket), a Massachusetts limited partnership, (6) Seth W. Hamot, a United States citizen, (7) Costa Brava Partnership III L.P. (Costa Brava), a Delaware limited partnership, and (8) Roark, Rearden and Hamot, LLC (RRH), a Delaware limited liability company. Each of the parties listed in the immediately preceding sentence is referred to herein individually as a Filer or a Reporting Person and collectively as the Filers or the Reporting Persons.

Mr. Tannenbaum is the President of Greenwood, which is the sole general partner of each of Capital, Investors and Madaket. The principal business of Capital and Investors is to make investments in, buy, sell, hold, pledge and assign securities. The principal business of Madaket is real estate development. The principal business of Greenwood is to act as general partner of Capital, Investors and Madaket. The principal business and office address of Mr. Tannenbaum, Greenwood, Capital and Investors is 420 Boylston Street, 5th Floor, Boston, MA 02116. The principal business and office address of Madaket is 125 Country Club Road, Newton, MA 02459.

Wayne J. Wyrzes, a Director of Greenwood, is a United States citizen. Mr. Wyrzes is a private investor and his address is 11752 Maidstone Drive, Wellington, FL 33414.

Joshua W. Katzen, a Director of Greenwood, is a United States citizen. Mr. Katzen is a private investor and his address is 40 Nonantum Street, Newton, MA 02458.

Mr. Hamot is the Managing Member of RRH, which is the sole general partner of Costa Brava. The principal business of Costa Brava is to make investments in, buy, sell, hold, pledge and assign securities. The principal business of RRH is to act as general partner of Costa Brava. The principal business and office address of Mr. Hamot, RRH and Costa Brava is 420 Boylston Street, Boston, MA 02116.

None of the Filers and Messrs. Wyrzes and Katzen has, during the past five years, been convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors). None of the Filers and Messrs. Wyrzes and Katzen has, during the past five years, been a party to a civil proceeding of a judicial or administrative body of

competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3.

Source and Amount of Funds or Other Consideration

As of February 14, 2008, the Reporting Persons are deemed to beneficially own an aggregate of 3,454,800 shares of Common Stock, as detailed in Item 5. All of the funds used to purchase the shares of Common Stock described in this Schedule 13D came from working capital or personal investment funds. No funds were borrowed by any of the Reporting Persons in order to complete the Common Stock purchases described in this report. The aggregate dollar amount for the Common Stock purchases within the past sixty days is \$2,068,720.

Item 4.

Purpose of Transaction

The shares of Common Stock being reported on this Schedule 13D were acquired by the Reporting Persons for investment purposes.

On January 15, 2008, the Issuer issued a press release announcing that its Board of Directors had received a proposal from a group of investors led by William C. Erbey, Chairman and Chief Executive Officer of the Issuer, Oaktree Capital Management, L.P. and Angelo, Gordon & Co., L.P. to acquire all of the outstanding shares of the Company for \$7.00 per share in cash.

On February 13, 2008, Mr. Tannenbaum, in his capacity as President of Greenwood, and Mr. Hamot, in his capacity as Managing Member of RRH, sent a letter to the Special Committee of the Board of Directors of the Issuer stating their view that the proposal to take the Issuer private at a purchase price of \$7.00 per share is unfair to non-participating shareholders. A copy of the letter is attached as Exhibit C hereto and is incorporated herein by reference.

The Reporting Persons intend to vote against the current proposal.

The Reporting Persons reserve the right to take further action to oppose the current proposal, including, without limitation, solicitation of proxies against the proposal. In addition, the Reporting Persons are considering pursuing any and all of the actions enumerated below.

The Reporting Persons may take such actions with respect to their investment in the Issuer as they deem appropriate, including without limitation: (i) having open communications with the Issuer's management in order to monitor their efforts to protect the investment of all shareholders, (ii) purchasing additional shares of Common Stock in the open market or otherwise, (iii) seeking a change of control of the Issuer through various means, including without limitation, an extraordinary corporate transaction, such as a merger, reorganization, recapitalization or tender offer, (iv) seeking to elect a slate of directors to the

Issuer's board of directors and (v) presenting proposals for stockholders' consideration at an annual or special meeting of the Issuer's shareholders.

The Reporting Persons may also participate in discussions with potential purchasers of their shares of Common Stock, sell some or all of their shares of Common Stock in the open market or through privately negotiated transactions, or change their intention with respect to any and all of the matters referred to above.

The Reporting Persons reserve the right to make alternative plans or proposals in the future or take any other steps to enhance the value of their investment. The Reporting Persons further reserve the right to increase, decrease or eliminate their investment in the Issuer or take any other action relative thereto.

Item 5. Interest in Securities of the Issuer

(a),(b)

As of February 14, 2008, the Reporting Persons as a group are deemed to be the beneficial owners of 3,454,800 shares of Common Stock (approximately 5.5% of the 62,527,360 shares of Common Stock outstanding as of November 5, 2007, as reported in the Issuer's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2007).

Reporting Person	Number of Shares with Sole Voting Power	Number of Shares with Sole Dispositive Power	Number of Shares with Shared Voting and Dispositive Power	Aggregate Number of Shares Beneficially Owned	% of Class Beneficially Owned
Steven Tannenbaum	1,566,300	1,566,300	-0-	1,566,300	2.5%
Greenwood Investments, Inc.	1,407,300	1,407,300	-0-	1,407,300	2.3%
Greenwood Investors Limited Partnership	650,600	650,600	-0-	650,600	1.0%
Greenwood Capital Limited Partnership	746,600	746,600	-0-	746,700	1.2%
Madaket Limited Partnership	10,000	10,000	-0-	10,000	.02%
Seth W. Hamot	1,872,000	1,888,500	-0-	1,888,500	3.0%
Costa Brava Partnership III L.P.	1,872,000	1,888,500	-0-	1,888,500	3.0%
Roark, Rearden & Hamot, LLC	1,872,000	1,888,500	-0-	1,888,500	3.0%
Wayne J. Wyrzes	126,760	126,760	-0-	126,760	0.2%
Joshua W. Katzen	-0-	-0-	-0-	-0-	-0-

The Reporting Persons expressly disclaim beneficial ownership of any shares of Common Stock not held by them.

(c) During the past sixty (60) days, the Reporting Persons have purchased the shares of Common Stock of the Issuer set forth on Exhibit B hereto. The transaction date, number of shares bought, price per share and type of transaction for each purchase during that period are set forth on Exhibit B hereto.

(d) Not applicable.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

The Reporting Persons may be deemed to have acted together pursuant to an informal oral arrangement for the purpose of objecting to the proposal to take the Issuer private at a purchase price of \$7.00 per share and thus may be deemed to have formed a group pursuant to Rule 13d-5(b)(1). Other than the above-mentioned informal oral arrangement to act together, the Reporting Persons have no contracts, arrangements, understandings or relationships (legal or otherwise) relating to any securities of the Issuer.

Item 7. Material to be Filed as Exhibits

Exhibit A Agreement Regarding the Joint Filing of Schedule 13D.

Exhibit B Information Concerning the Filers transactions in the Common Stock of the Issuer in the last sixty (60) days.

Exhibit C Letter to the Board of Directors of Ocwen Financial Corporation, dated February 13, 2008.

Signature

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

DATED: February 15, 2008

STEVEN TANNENBAUM

/s/ Steven Tannenbaum

GREENWOOD INVESTMENTS, INC.

By: /s/ Steven Tannenbaum
Steven Tannenbaum, President

GREENWOOD CAPITAL LIMITED
PARTNERSHIP

By: Greenwood Investments, Inc., General
Partner

By: /s/ Steven Tannenbaum
Steven Tannenbaum, President

GREENWOOD INVESTORS LIMITED
PARTNERSHIP

By: Greenwood Investments, Inc., General
Partner

By: /s/ Steven Tannenbaum
Steven Tannenbaum, President

MADAKET, Limited Partnership

By: Greenwood Investments, Inc., General
Partner

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By:

/s/ Steven Tannenbaum
Steven Tannenbaum, President

SETH W. HAMOT

/s/ Seth W. Hamot

COSTA BRAVA PARTNERSHIP III L.P.

By: Roark, Rearden & Hamot, LLC, its
General Partner

By: /s/ Seth W. Hamot
Seth W. Hamot, President