

Edgar Filing: FOUNDATION CAPITAL II LP - Form SC 13D/A

FOUNDATION CAPITAL II LP
Form SC 13D/A
February 17, 2004

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D/A
(Rule 13d-101)

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. 1) *

Netflix, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

64110L106

(CUSIP Number)

Theodore R. Meyer
70 Willow Road, Suite 200
Menlo Park, CA 94024
650/614-0500

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

November 4, 2003

(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 ss.240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. []

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See ss.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).

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(Continued on following pages)

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1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
Foundation Capital II, L.P. 94-3294074

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware, United States of America

7 SOLE VOTING POWER
0 shares

8 SHARED VOTING POWER
0 shares

9 SOLE DISPOSITIVE POWER
0 shares

10 SHARED DISPOSITIVE POWER
0 shares

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
0 shares

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0%

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14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Foundation Capital II Entrepreneurs Fund, L.L.C.

94-3301748

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

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, United States of America

7 SOLE VOTING POWER

0 shares

NUMBER OF SHARES

8 SHARED VOTING POWER

BENEFICIALLY OWNED BY

0 shares

EACH REPORTING PERSON

9 SOLE DISPOSITIVE POWER

PERSON WITH

0 shares

10 SHARED DISPOSITIVE POWER

0 shares

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0 shares

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

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

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0%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Foundation Capital II Principals Fund, L.L.C.

94-3296579

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

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, United States of America

7 SOLE VOTING POWER

0 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

0 shares

9 SOLE DISPOSITIVE POWER

0 shares

10 SHARED DISPOSITIVE POWER

0 shares

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0 shares

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

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

0%

14 TYPE OF REPORTING PERSON*

PN

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1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Foundation Capital Management Co. II, L.L.C. 94-3294072

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

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, United States of America

	7	SOLE VOTING POWER	
		0 shares	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		0 shares	
	9	SOLE DISPOSITIVE POWER	
		0 shares	
	10	SHARED DISPOSITIVE POWER	
		0 shares	

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0 shares

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0%

14 TYPE OF REPORTING PERSON*
PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Foundation Capital Leadership Fund, L.P. 94-3370925

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, United States of America

7 SOLE VOTING POWER

0 shares

NUMBER OF SHARES

8 SHARED VOTING POWER

BENEFICIALLY OWNED BY EACH

0 shares

REPORTING PERSON WITH

9 SOLE DISPOSITIVE POWER

0 shares

10 SHARED DISPOSITIVE POWER

0 shares

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

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0 shares

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

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

0%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Foundation Capital Leadership Principals Fund, L.L.C. 94-3377483

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

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, United States of America

7 SOLE VOTING POWER

0 shares

NUMBER OF SHARES

8 SHARED VOTING POWER

BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

0 shares

9 SOLE DISPOSITIVE POWER

0 shares

10 SHARED DISPOSITIVE POWER

0 shares

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11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0 shares

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

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

0%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

FC Leadership Management Co., L.L.C.

91-2076858

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

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, United States of America

7 SOLE VOTING POWER

0 shares

NUMBER OF
SHARES

8 SHARED VOTING POWER

BENEFICIALLY OWNED BY

0 shares

EACH

9 SOLE DISPOSITIVE POWER

REPORTING PERSON

0 shares

WITH

10 SHARED DISPOSITIVE POWER

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0 shares

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0 shares

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

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

0%

14 TYPE OF REPORTING PERSON*

PN

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Item 1 Security and Issuer

This Amendment No. 1 to Schedule 13D is being filed on behalf of the undersigned to amend the Schedule 13D originally filed on February 14, 2002 (the "Schedule 13D"). Unless otherwise indicated, all capitalized terms used herein but not defined shall have the same meaning as set forth in the Schedule 13D.

- (a) Name of the Issuer: Netflix, Inc. (the "Issuer")
- (b) Title of Security:
Common Stock, par value \$0.001 per share (the "Common Stock")
- (c) The Issuer's principal executive office: 970 University Avenue
Los Gatos, CA 95032

Item 2 Identity and Background

- (a) Name:
Foundation Capital II, L.P. ("FC2")
Foundation Capital II Entrepreneurs Fund, L.L.C. ("FC2E")
Foundation Capital II Principals Fund, L.L.C. ("FC2P")
Foundation Capital Management Co. II, L.L.C. ("FC2M")
Foundation Capital Leadership Fund, L.P. ("FCL")
Foundation Capital Leadership Principals Fund, L.L.C. ("FCLP")
FC Leadership Management Co., L.L.C. ("FCLM")

- (b) Residence or business address:

c/o Foundation Capital
70 Willow Road, Suite 200
Menlo Park, CA 94025

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(c) Principal Business/Principal Occupation:

The principal business of FC2, FC2E and FC2P is acting as venture capital investment vehicles. FC2M serves as the sole general partner of FC2 and the sole manager of FC2E and FC2P. The principal business of FCL and FCLP is acting as venture capital investment vehicles. FCLM serves as the sole general partner of FCL and the sole manager of FCLP.

(d) Convictions in criminal proceedings in the last 5 years:

None.

(e) Judgments for violations of Securities Laws in the last 5 years:

None.

(f) Citizenship:

Entities:	FC2	-	Delaware
	FC2E	-	Delaware
	FC2P	-	Delaware

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	FC2M	-	Delaware
	FCL	-	Delaware
	FCLP	-	Delaware
	FCLM	-	Delaware

Item 3 Source and Amount of Funds or Other Consideration

Not applicable.

Item 4 Purpose of Transaction

FC2, FC2E, FC2P, FC2M, FCL, FCLP and FCLM acquired the Common Stock for investment purposes.

Subject to applicable legal requirements, Reporting Persons may purchase additional Common Stock from time to time in open market or in private transactions, depending on their evaluation of Issuer's business, prospects and financial condition, the market for the Common Stock, other developments concerning Issuer, the reaction of Issuer to Reporting Person's ownership of Common Stock, other opportunities available to Reporting Persons, and general economic, money market and stock market conditions. In addition, depending upon the factors referred to above, Reporting Persons may dispose of all or a portion of their Common Stock at any time.

Other than as described in this Item 4, Reporting Persons do not have any plan or proposal relating to, or that would result in, any event described in (a)-(j) of this Item 4.

As part of in-kind pro-rata distributions to their partners, the Reporting Persons listed below distributed the following shares to their limited and general partners, without consideration:

Date	FC2	FC2E	FC2P	FC2M	FCL	F
------	-----	------	------	------	-----	---

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April 25, 2003	0	0	0	0	700,000	39,
May 13, 2003	450,000	109,692	54,844	0	0	
October 16, 2003	402,397	0	0	80,000	420,750	
November 4, 2003	0	0	0	0	420,205	

On April 25, 2003 FCL net exercised a warrant to purchase Common Stock and as a result surrendered 590,201 shares of Common Stock underlying the warrant and received 505,200 Warrant Shares upon exercise. On April 25, 2003 FCLP net exercised a warrant to purchase Common Stock and as a result surrendered 40,000 shares of Common Stock underlying the warrant and received 34,236 Warrant Shares upon exercise. On October 16, 2003 FCL net exercised a warrant to purchase Common Stock and as a result surrendered 458,973 shares of Common Stock underlying the warrant and received 425,000 Warrant Shares upon exercise. On November 4, 2003 FCL net exercised a warrant to purchase Common Stock and as a result surrendered 450,797 shares of Common Stock underlying the warrant and received 424,450 Warrant Shares upon exercise.

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Item 5 Interest in Securities of the Issuer

Effective November 4, 2003, the Reporting Persons ceased to beneficially own 5% of the Common Stock and accordingly this Amendment is the Reporting Persons' final amendment to the Schedule 13D. The following information sets forth the beneficial ownership of the Common Stock of the Issuer by each of the Reporting Persons as of December 31, 2003:

Ownership/Power	FC2	FC2E	FC2P	FC2M	FCL	F
Beneficial Ownership	0	0	0	0	0	
Percentage of Class	0	0	0	0	0	
Sole Voting Power	0	0	0	0	0	
Shared Voting Power	0	0	0	0	0	
Sole Dispositive Power	0	0	0	0	0	
Shared Dispositive Power	0	0	0	0	0	

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

Not applicable.

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Item 7 Material to be filed as Exhibits

Exhibit A: Joint Filing Statement

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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.

Dated: February 13, 2004

Foundation Capital Management Co. II, L.L.C.

By: /s/ William B. Elmore

Member

Foundation Capital II, L.P.

By: Foundation Capital Management Co. II, L.L.C.
its General Partner

By: /s/ William B. Elmore

Member

Foundation Capital II Entrepreneurs Fund, L.L.C.

By: Foundation Capital Management Co. II, L.L.C.
its Manager

By: /s/ William B. Elmore

Member

Foundation Capital II Principals, L.L.C.

By: Foundation Capital Management Co. II, L.L.C.
its Manager

By: /s/ William B. Elmore

Member

FC Leadership Management Co., L.L.C.

By: /s/ William B. Elmore

Member

Foundation Capital Leadership Fund, L.P.

By: FC Leadership Management Co., L.L.C.
its General Partner

By: /s/ William B. Elmore

Member

Foundation Capital Leadership Principals Fund, L.L.C.

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By: FC Leadership Management Co., L.L.C.
its Manager

By: /s/ William B. Elmore

Member

CUSIP No. 64110L106

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Exhibit A

We, the undersigned, hereby express our agreement that the attached Amendment to Schedule 13D relating to the Common Stock of Netflix, Inc. is filed on behalf of each of us.

Dated: February 13, 2004

Foundation Capital Management Co. II, L.L.C.

By: /s/ William B. Elmore

Member

Foundation Capital II, L.P.

By: Foundation Capital Management Co. II, L.L.C.
its General Partner

By: /s/ William B. Elmore

Member

Foundation Capital II Entrepreneurs Fund, L.L.C.

By: Foundation Capital Management Co. II, L.L.C.
its Manager

By: /s/ William B. Elmore

Member

Foundation Capital II Principals Fund, L.L.C.

By: Foundation Capital Management Co. II, L.L.C.
its Manager

By: /s/ William B. Elmore

Member

FC Leadership Management Co., L.L.C.

By: /s/ William B. Elmore

Member

Foundation Capital Leadership Fund, L.P.

By: FC Leadership Management Co., L.L.C.

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its General Partner

By: /s/ William B. Elmore

Member

Foundation Capital Leadership Principals Fund, L.L.C.

By: FC Leadership Management Co., L.L.C.
its Manager

By: /s/ William B. Elmore

Member