P COM INC Form SC 13G February 06, 2004

UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549

SCHEDULE 13G (RULE 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULES 13d-1(b) (c), AND (d) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(b)

(AMENDMENT NO.) * P-COM, Inc. ______ ______ (Name of Issuer) Common Stock, par value \$0.0001 per share (Title of Class of Securities) 693262206 _____ (CUSIP Number) October 1, 2003 (Date of Event Which Requires Filing of this Statement) [] Rule 13d-1(b) [X] Rule 13d-1(c) [] Rule 13d-1(d) *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 the

The information required in 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 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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NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

disclosures provided in a prior cover page.

	SDS Capit	tal Group SP(C, Ltd.(1)	
2	CHECK THI	E APPROPRIATI	E BOX IF A MEMBER OF A GROUP*	(a) [X]
3	SEC USE (ONLY		
4	CITIZENSI Cayman Is		OF ORGANIZATION	
BENE	MBER OF SHARES EFICIALLY WNED BY	5	SOLE VOTING POWER 19,420,000(2)	
REI	EACH PORTING PERSON	6	SHARED VOTING POWER 0	
	WITH	7	SOLE DISPOSITIVE POWER 19,420,000(2)	
		8	SHARED DISPOSITIVE POWER	
9	AGGREGATE		FICIALLY OWNED BY EACH REPORTING PERS	SON
10	CHECK BOX	IF THE AGGRI	EGATE AMOUNT IN ROW (9) EXCLUDES CER	 ΓAIN SHARES*
11	PERCENT OF	F CLASS REPRI	ESENTED BY AMOUNT IN ROW 9	
12	TYPE OF RI	EPORTING PER	SON*	
		*SEE INSTRU	UCTIONS BEFORE FILLING OUT	

⁽¹⁾ On October 1, 2003, SDS Merchant Fund, L.P., a Delaware limited partnership, assigned and transferred all of the shares of common stock of the issuer beneficially owned by SDS Merchant Fund, L.P. to SDS Capital Group SPC, Ltd.

⁽²⁾ Represents the number of shares of common stock of the issuer issuable upon the conversion of preferred stock and upon the exercise of warrants held by SDS Capital Group SPC, Ltd.

JSIP No.	693262206		13G 	Page	3	of	9	Pages
1		.S. IDEN	ERSON FIFICATION NO. OF ABOVE	PERSON				
	SDS Manageme	ent, LLC						
2	CHECK THE AI	PPROPRIA	TE BOX IF A MEMBER OF A	GROUP*				[X]
3	SEC USE ONL	Y					(D)	
4	CITIZENSHIP	OR PLACE	E OF ORGANIZATION					
	Delaware							
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		5	SOLE VOTING POWER 0					
		6	SHARED VOTING POWER					
			19,420,000					
'	N T 111	7	SOLE DISPOSITIVE POWE	ER				
			0					
		8	SHARED DISPOSITIVE PO	OWER				
			19,420,000					
9	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON							
	19,420,000							
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*							
	[]							
11	PERCENT OF C	LASS REPI	RESENTED BY AMOUNT IN RO	DW 9				
	8.4%							
12	TYPE OF REPOR							
	CO							

*SEE INSTRUCTIONS BEFORE FILLING OUT

USIP	 No.	693262206		13G	Page 4 o:	f 9 Pages			
1		S.S. OR		PERSON HITIFICATION NO. OF ABOV	7E PERSON				
		Mr. Stev	en Derby						
2		CHECK TH	E APPROPRI <i>I</i>	ATE BOX IF A MEMBER OF	A GROUP*	(a) [X]			
3		SEC USE	ONLY			(b) []			
4		CITIZENS	HIP OR PLAC	E OF ORGANIZATION					
		United S	tates						
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH		5	SOLE VOTING POWER 0						
		6	SHARED VOTING POWER	₹					
	REPORTING PERSON WITH			19,420,000					
			7	SOLE DISPOSITIVE PO)WER				
		_		0					
		-	8	SHARED DISPOSITIVE	POWER				
				19,420,000					
9		AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON							
		19,420,000							
10		CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*							
		[]							
11		PERCENT O	F CLASS REF	RESENTED BY AMOUNT IN	ROW 9				
		8.4%							
12			EPORTING PE	ERSON*					
		IN							

*SEE INSTRUCTIONS BEFORE FILLING OUT

CUSIP No. 693262206 13G Page 5 of 9 Pages ______ ITEM 1(a). NAME OF ISSUER: P-COM, Inc. ITEM 1(b). ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES: 3175 S. Winchester Boulevard Campbell, California 95008 NAME OF PERSON FILING.

ADDRESS OF PRINCIPAL BUSINESS OFFICE OR, IF NONE, RESIDENCE.

CITIZENSHIP ITEM 2(a). ITEM 2(b). ITEM 2(c). CITIZENSHIP. SDS Capital Group SPC, Ltd. (the "Reporting Person") RK Consulting (Cayman) Ltd. P.O. Box 174865 Cayman Corporate Center 27 Hospital Road Georgetown, Grand Cayman Cayman Islands Cayman Islands corporation SDS Management, LLC (the "Investment Manager") 53 Forest Avenue, 2nd Floor Old Greenwich, CT 06870 Delaware limited liability company Mr. Steven Derby ("Mr. Derby") Sole Managing Member of the Investment Manager 53 Forest Avenue, 2nd Floor Old Greenwich, CT 06870 United States citizen TITLE OF CLASS OF SECURITIES: ITEM 2(d). Common Stock, par value \$0.0001 per share ITEM 2(e). CUSIP NUMBER: 693262206 ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO RULES 13d-1(b), OR 13d-2(b) OR (c) CHECK WHETHER THE PERSON FILING IS A: Not Applicable

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ITEM 4. OWNERSHIP.

The following is information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1 as of February 5, 2004:

- 1. The Reporting Person.
- (a) Amount beneficially owned: 19,420,000 shares of common stock.
- (b) Percent of Class: 8.4%
- (c) Number of shares as to which such person has:
 - (i) sole power to vote or direct the vote: 19,420,000
 - (ii) shared power to vote or direct the vote: 0
 - (iii) sole power to dispose or direct the disposition of: 19,420,000
 - (iv) shared power to dispose or direct the disposition of: $\boldsymbol{0}$
- 2. The Investment Manager same as Mr. Derby, see below.
- 3. Mr. Derby.
- (a) Amount beneficially owned: 19,420,000 shares of common stock.
- (b) Percent of Class: 8.4%
- (c) Number of shares as to which such person has:
 - (i) sole power to vote or direct the vote: 0
 - (ii) shared power to vote or direct the vote: 19,420,000
 - (iii) sole power to dispose or direct the disposition of: $\mathbf{0}$
 - (iv) shared power to dispose or direct the disposition of: 19,420,000

On October 1, 2003, SDS Merchant Fund, L.P., a Delaware limited partnership, assigned and transferred all of the shares of common stock of the issuer beneficially owned by SDS Merchant Fund, L.P. to the Reporting Person.

The 19,420,000 shares of common stock of the issuer are issuable upon the conversion of preferred stock and the exercise of warrants held by the Reporting Person.

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ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

Not Applicable

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Not Applicable

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY OR CONTROL PERSON.

Not Applicable

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP.

Not Applicable

ITEM 9. NOTICE OF DISSOLUTION OF GROUP.

Not Applicable

ITEM 10. CERTIFICATION.

Certification pursuant to Rule 13d-1(c):

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURE

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 6, 2004

SDS CAPITAL GROUP SPC, LTD.
By: SDS Management, LLC
its Investment Manager

By: /s/ Steven Derby

Name: Steven Derby
Title: Managing Member

SDS MANAGEMENT, LLC

By: /s/ Steven Derby

Name: Steven Derby Title: Managing Member

/s/ Steven Derby

Steven Derby

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EXHIBIT A JOINT FILING AGREEMENT

This Agreement is filed as an exhibit to this Schedule 13G being filed by SDS Capital Group SPC, Ltd., SDS Management, LLC and Mr. Steven Derby in compliance with Rule 13d-1(k) of the Securities and Exchange Commission, which requires an agreement in writing indicating that this Schedule 13G to which this Agreement is attached is filed on behalf of the below-named companies, that they are each responsible for the timely filing of the Schedule 13G and any amendments thereto and for the completeness and accuracy of the information concerning such persons contained therein.

This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

Dated: February 6, 2004

SDS CAPITAL GROUP SPC, LTD.
By: SDS Management, LLC
its Investment Manager

By: /s/ Steven Derby

Name: Steven Derby Title: Managing Member

SDS MANAGEMENT, LLC

By: /s/ Steven Derby

Name: Steven Derby

Title: Managing Member

/s/ Steven Derby

Steven Derby