

ARTISTDIRECT INC
Form SC 13G/A
February 12, 2009

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 1)*

ARTISTdirect, Inc.

(Name of Issuer)

Common Stock, \$.01 par value per share

(Title of Class of Securities)

04315D400

(CUSIP Number)

December 31, 2008

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

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 disclosures provided in a prior cover page.

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 ("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).

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

JMB Capital Partners Master Fund, L.P.

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

(a)

(b)

Joint Filer

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

5 SOLE VOTING POWER

**NUMBER OF
SHARES**

0
6 SHARED VOTING POWER

BENEFICIALLY

**OWNED BY
EACH**

7,826,304
7 SOLE DISPOSITIVE POWER

REPORTING

**PERSON
WITH**

0
8 SHARED DISPOSITIVE POWER

7,826,304

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

7,826,304

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

[]

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

13.96%

12 TYPE OF REPORTING PERSON*

PN

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Smithwood Advisers, L.P.

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

(a)

(b)

Joint Filer

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

California

5 SOLE VOTING POWER

**NUMBER OF
SHARES**

0
6 SHARED VOTING POWER

BENEFICIALLY

**OWNED BY
EACH**

7,826,304
7 SOLE DISPOSITIVE POWER

REPORTING

**PERSON
WITH**

0
8 SHARED DISPOSITIVE POWER

7,826,304

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

7,826,304

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

[]

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

13.96%

12 TYPE OF REPORTING PERSON*

PN

CUSIP No. 04315D400

13G

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1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Smithwood General Partner, LLC

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

(a) (b)

Joint Filer

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

California

5 SOLE VOTING POWER

**NUMBER OF
SHARES**6 **0**
SHARED VOTING POWER**BENEFICIALLY****OWNED BY
EACH**7 **7,826,304**
SOLE DISPOSITIVE POWER**REPORTING****PERSON
WITH**8 **0**
SHARED DISPOSITIVE POWER**7,826,304**

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

7,826,304

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

[]

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

13.96%

12 TYPE OF REPORTING PERSON*

OO

CUSIP No. 04315D400

13G

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1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Smithwood Partners, LLC

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

(a) (b)

Joint Filer

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

California

5 SOLE VOTING POWER

**NUMBER OF
SHARES**6 **0**
SHARED VOTING POWER**BENEFICIALLY****OWNED BY
EACH**7 **7,826,304**
SOLE DISPOSITIVE POWER**REPORTING****PERSON
WITH**8 **0**
SHARED DISPOSITIVE POWER**7,826,304**

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

7,826,304

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

[]

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

13.96%

12 TYPE OF REPORTING PERSON*

OO

CUSIP No. 04315D400

13G

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1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Jonathan Brooks

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

(a) (b)

Joint Filer

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

5 SOLE VOTING POWER

NUMBER OF
SHARES0
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY
EACH7,826,304
7 SOLE DISPOSITIVE POWER

REPORTING

PERSON
WITH0
8 SHARED DISPOSITIVE POWER

7,826,304

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

7,826,304

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

[]

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

13.96%

12 TYPE OF REPORTING PERSON*

IN

Item 1.

(a)

Name of Issuer

ARTISTdirect, Inc.

(b)

Address of Issuer's Principal Executive Offices

1601 Cloverfield Boulevard, Suite 400 South

Santa Monica, CA 90404

Item 2.

(a)

Name of Person Filing

JMB Capital Partners Master Fund L.P. (the Fund)

Smithwood Advisers, L.P. (Advisers)

Smithwood General Partner, LLC (Smithwood GP)

Smithwood Partners, LLC (Partners)

Jonathan Brooks (Brooks)

(collectively hereinafter referred to as the **Reporting Persons**)

Mr. Brooks is the Managing Member of Partners, which is the General Partner of the Fund.

Mr. Brooks is also the controlling owner and Managing Member of Smithwood GP, which is the General Partner of Advisers, the Fund's investment adviser.

The Fund directly owns the shares of Common Stock, \$.01 par value per share, to which this Schedule 13G relates (the **Shares). Each of Advisers, Smithwood GP, Partners and Brooks by virtue of their relationships to the Fund may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Securities Exchange Act of 1934) the Shares directly owned by the Fund, but each disclaims beneficial ownership of such Shares except to the extent of their pecuniary interest therein.**

(b)

Address of Principal Business Office or, if none, Residence

c/o Smithwood Advisers, L.P.

1999 Avenue of the Stars, Suite 2040

Los Angeles, CA 90067

(c)

Citizenship

The Fund is a limited partnership formed and existing under the laws of the Cayman Islands.

Advisers is a limited partnership formed and existing under the laws of the State of California.

Smithwood GP is a limited liability company formed and existing under the laws of the State of California.

Partners is a limited liability company formed and existing under the laws of the State of California.

Brooks is a citizen of the United States.

(d)

Title of Class of Securities

Common Stock, \$.01 par value per share

(e)

CUSIP Number

04315D400

Item 3.

If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

Not applicable.

- (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o);
- (b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c);
- (c) Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c);
- (d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8);
- (e) An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
- (f) An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
- (g) A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
- (h) A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j) A non-U.S. institution, in accordance with §240.13d-1(b)(1)(ii)(J);

(k) Group, in accordance with §240.13d-1(b)(1)(ii)(K).

If filing as a non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J), please specify the type of institution:

_____.

Item 4.

Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a)

Amount beneficially owned:

As of the date of this filing: The Reporting Persons beneficially own 7,826,304 shares of the Common Stock of the Issuer.

(b)

Percent of class: (taking into consideration that 56,077,158 shares of the Common Stock are issued and outstanding as based on 10,344,666 shares outstanding as reported in the Company's Form 10-Q for the quarter ended September 30, 2008 filed with the Securities and Exchange Commission on November 13, 2008 and the 45,732,492 shares of common stock issued on January 30, 2009 in connection with the transactions described in Item 1.01 of the Issuer's Form 8-K dated January 30, 2009 filed with the Securities and Exchange Commission on February 4, 2009)

13.96%

(c)

Number of shares as to which the Reporting Person have:

(i)

Sole power to vote or to direct the vote **0**

(ii)

Shared power to vote or to direct the vote **The Reporting Persons share the power to vote or direct the vote of the 7,826,304 shares of Common Stock beneficially owned by each of them.**

(iii)

Sole power to dispose or to direct the disposition of **0**

(iv)

Shared power to dispose or to direct the disposition of **The Reporting Persons share the power to dispose or to direct the disposition of the 7,826,304 shares of Common Stock beneficially owned by each of them.**

Item 5.

Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [].

Item 6.

Ownership of More than Five Percent on Behalf of Another Person.

Other than as set forth herein, no other person has the right to receive or the power to direct the receipt of, dividends from, or proceeds from the sale of, in excess of 5% of the total outstanding shares of the Common Stock.

Item 7.

Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company.

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

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.

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 11, 2009

JMB Capital Partners Master Fund, L.P.

By: Smithwood Partners, LLC,
its General Partner

By: /s/Jonathan Brooks
Jonathan Brooks, Managing Member

Smithwood Partners, LLC

By: /s/Jonathan Brooks
Jonathan Brooks, Managing Member

Smithwood Advisers, L.P.

By: Smithwood General Partner, LLC,
its General Partner

By: /s/Jonathan Brooks
Jonathan Brooks, Managing Member

Smithwood General Partner, LLC

By: /s/Jonathan Brooks
Jonathan Brooks, Managing Member

/s/Jonathan Brooks
Jonathan Brooks, Individually

Exhibit No. 1

JOINT FILING AGREEMENT

The undersigned hereby consent to the joint filing by any of them of a Statement on Schedule 13G and any amendments thereto, whether heretofore or hereafter filed, relating to the securities of ARTISTdirect, Inc. and hereby affirms that this Schedule 13G is being filed on behalf of each of the undersigned.

Dated: February 11, 2009

JMB Capital Partners Master Fund, L.P.

By: Smithwood Partners, LLC,
its General Partner

By: /s/Jonathan Brooks
Jonathan Brooks, Managing Member

Smithwood Partners, LLC

By: /s/Jonathan Brooks
Jonathan Brooks, Managing Member

Smithwood Advisers, L.P.

By: Smithwood General Partner, LLC,
its General Partner

By: /s/Jonathan Brooks
Jonathan Brooks, Managing Member

Smithwood General Partner, LLC

By: /s/Jonathan Brooks
Jonathan Brooks, Managing Member

/s/Jonathan Brooks
Jonathan Brooks, Individually