

MERCER INTERNATIONAL INC.  
Form SC 13G/A  
February 14, 2014

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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC 20549**

**SCHEDULE 13G/A**

**Under the Securities Exchange Act of 1934**

**(Amendment No. 3)\***

**Mercer International Inc.**

(Name of Issuer)

**Common Stock**

(Title of Class of Securities)

**588056101**

(CUSIP Number)

December 31, 2013

(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)

o 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).



CUSIP No. 588056101

**SCHEDULE 13G/A**

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1 NAME OF REPORTING PERSONS  
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
 Gates Capital Management, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See  
 Instructions)  
 (a)  x  
 (b)  o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 Delaware Corporation

	5	SOLE VOTING POWER
NUMBER OF		0
SHARES		
BENEFICIALLY	6	SHARED VOTING POWER
OWNED BY		8,430,989 shares of Common Stock
EACH		
REPORTING	7	SOLE DISPOSITIVE POWER
PERSON		0
WITH		
	8	SHARED DISPOSITIVE POWER
		8,430,989 shares of Common Stock

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
 8,430,989 shares of Common Stock

10 CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (See Instructions)

o

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)  
 Approximately 15.1% as of the date of this filing (based on 55,853,704 shares of Common Stock issued and  
 outstanding as of October 31, 2013)

12 TYPE OF REPORTING PERSON (See Instructions)

CO, HC



CUSIP No. 588056101

**SCHEDULE 13G/A**

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1 NAME OF REPORTING PERSONS  
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
 Gates Capital Partners, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See  
 Instructions)  
 (a)  x  
 (b)  o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 Delaware Limited Partnership

	5	SOLE VOTING POWER
NUMBER OF		0
SHARES		
BENEFICIALLY	6	SHARED VOTING POWER
OWNED BY		8,430,989 shares of Common Stock
EACH		
REPORTING	7	SOLE DISPOSITIVE POWER
PERSON		0
WITH		
	8	SHARED DISPOSITIVE POWER
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12 TYPE OF REPORTING PERSON (See Instructions)

PN, HC



CUSIP No. 588056101

**SCHEDULE 13G/A**

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1 NAME OF REPORTING PERSONS  
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
 ECF Value Fund, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See  
 Instructions)  
 (a)  x  
 (b)  o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 Delaware Limited Partnership

	5	SOLE VOTING POWER
NUMBER OF		0
SHARES		
BENEFICIALLY	6	SHARED VOTING POWER
OWNED BY		8,430,989 shares of Common Stock
EACH		
REPORTING	7	SOLE DISPOSITIVE POWER
PERSON		0
WITH		
	8	SHARED DISPOSITIVE POWER
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12 TYPE OF REPORTING PERSON (See Instructions)

PN





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1 NAME OF REPORTING PERSONS  
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
 ECF Value Fund II, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See  
 Instructions)  
 (a)  x  
 (b)  o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 Delaware Limited Partnership

	5	SOLE VOTING POWER
NUMBER OF		0
SHARES		
BENEFICIALLY	6	SHARED VOTING POWER
OWNED BY		8,430,989 shares of Common Stock
EACH		
REPORTING	7	SOLE DISPOSITIVE POWER
PERSON		0
WITH		SHARED DISPOSITIVE POWER
	8	8,430,989 shares of Common Stock

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12 TYPE OF REPORTING PERSON (See Instructions)

PN



CUSIP No. 588056101

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1 NAME OF REPORTING PERSONS  
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
 ECF Value Fund International Master L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See  
 Instructions)  
 (a)  x  
 (b)  o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 British Virgin Islands Limited Partnership

	5	SOLE VOTING POWER
NUMBER OF		0
SHARES		
BENEFICIALLY	6	SHARED VOTING POWER
OWNED BY		8,430,989 shares of Common Stock
EACH		
REPORTING	7	SOLE DISPOSITIVE POWER
PERSON		0
WITH		SHARED DISPOSITIVE POWER
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 Approximately 15.1% as of the date of this filing (based on 55,853,704 shares of Common Stock issued and  
 outstanding as of October 31, 2013)

12 TYPE OF REPORTING PERSON (See Instructions)

PN



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1 NAME OF REPORTING PERSONS  
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
 Jeffrey L. Gates

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See  
 Instructions)  
 (a)  x  
 (b)  o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 United States Citizen

	5	SOLE VOTING POWER
NUMBER OF		0
SHARES		
BENEFICIALLY	6	SHARED VOTING POWER
OWNED BY		8,430,989 shares of Common Stock
EACH		
REPORTING	7	SOLE DISPOSITIVE POWER
PERSON		0
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	8	SHARED DISPOSITIVE POWER
		8,430,989 shares of Common Stock

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 Approximately 15.1% as of the date of this filing (based on 55,853,704 shares of Common Stock issued and  
 outstanding as of October 31, 2013)

12 TYPE OF REPORTING PERSON (See Instructions)

IN, HC



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**Item 1. (a) Name of Issuer**

Mercer International Inc.

**(b) Address of Issuer's Principal Executive Offices**

Suite 1120, 700 West Pender Street, Vancouver, British Columbia, Canada, V6C 1G8

**Item 2.**

**(a) Name of Person Filing**

**(b) Address of Principal Business Office, or, if none, Residence**

**(c) Citizenship**

Gates Capital Management, Inc.

1177 Ave. of the Americas, 32nd Floor

New York, New York 10036

Delaware Corporation

Gates Capital Partners, L.P.

c/o Gates Capital Management, Inc.

1177 Ave. of the Americas, 32nd Floor

New York, New York 10036

Delaware Limited Partnership

ECF Value Fund, L.P.

c/o Gates Capital Management, Inc.

1177 Ave. of the Americas, 32nd Floor

New York, New York 10036

Delaware Limited Partnership

ECF Value Fund II, L.P.

c/o Gates Capital Management, Inc.

1177 Ave. of the Americas, 32nd Floor

New York, New York 10036

Delaware Limited Partnership

ECF Value Fund International Master L.P.

c/o Harneys Westwood & Riegels

Craigmuir Chambers

P.O. Box 71

Road Town, Tortola

British Virgin Islands

British Virgin Islands Limited Partnership

Jeffrey L. Gates

c/o Gates Capital Management, Inc.

1177 Ave. of the Americas, 32nd Floor

New York, New York 10036

United States Citizen

**(d) Title of Class of Securities**

Common Stock

**(e) CUSIP No.:**

588056101



CUSIP No. 588056101

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**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:**

- (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);

CUSIP No. 588056101

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**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.

**Gates Capital Management, Inc.**

**Gates Capital Partners, L.P.**

**ECF Value Fund, L.P.**

**ECF Value Fund II, L.P.**

**ECF Value Fund International Master L.P.**

**Jeffrey L. Gates**

(a) Amount beneficially owned: 8,430,989 shares of Common Stock

(b) Percent of class: Approximately 15.1% as of the date of this filing (based on 55,853,704 shares of Common Stock issued and outstanding as of October 31, 2013)

(c) Number of shares as to which the person has:

(i) Sole power to vote or to direct the vote: 0

(ii) Shared power to vote or to direct the vote: 8,430,989 shares of Common Stock

(iii) Sole power to dispose or to direct the disposition of: 0

(iv) Shared power to dispose or to direct the disposition of: 8,430,989 shares of Common Stock

**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**

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**