

DOVER MOTORSPORTS INC
Form SC 13D/A
April 07, 2010

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. 20

Dover Motorsports, Inc.
(Name of Issuer)

Common Stock, Par Value \$0.10 per share
(Title of Class of Securities)

260174107
(CUSIP Number)

Mario Cibelli, c/o Cibelli Capital Management, L.L.C.
110 East 42nd Street, Suite 1100, New York, NY 10017
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

April 7, 2010
(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 Rule 13d-1(e), 13d-1(f) or 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 Rule 13d-7 for other parties to whom copies are to be sent.

(1) 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 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. 260174107

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

Mario Cibelli

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

(a)☐

(b)☒

3. SEC USE ONLY

4. SOURCE OF FUNDS*

AF, WC, PN

5. CHECK BOX IF DISCLOSURE OF LEGAL
PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) OR 2(e)

☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

3,184,590

8. SHARED VOTING POWER

0

9. SOLE DISPOSITIVE POWER

3,184,590

10. SHARES DISPOSITIVE POWER

0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED
BY EACH REPORTING PERSON

3,184,590

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

☐

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

17.49%

14. TYPE OF REPORTING PERSON*

IN

CUSIP No. 260174107

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

Cibelli Capital Management, L.L.C.

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
ITEMS 2(d) OR 2(e)

☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware; United States of America

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

2,995,509

9. SOLE DISPOSITIVE POWER

0

10. SHARES DISPOSITIVE POWER

2,995,509

11. AGGREGATE AMOUNT BENEFICIALLY OWNED
BY EACH REPORTING PERSON
- 2,995,509
12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* ☐
13. PERCENT OF CLASS REPRESENTED BY
AMOUNT IN ROW (11)
- 16.45%
14. TYPE OF REPORTING PERSON*
- CO
-

CUSIP No. 260174107

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

Marathon Partners, L.P.

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
ITEMS 2(d) OR 2(e)

☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

New York; United States of America

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

2,995,509

9. SOLE DISPOSITIVE POWER

0

10. SHARES DISPOSITIVE POWER

2,995,509

11. AGGREGATE AMOUNT BENEFICIALLY OWNED
BY EACH REPORTING PERSON
- 2,995,509
12. CHECK BOX IF THE AGGREGATE AMOUNT IN
ROW (11) EXCLUDES CERTAIN SHARES* ☐
13. PERCENT OF CLASS REPRESENTED BY AMOUNT
IN ROW (11)
- 16.45%
14. TYPE OF REPORTING PERSON*
- PN
-

CUSIP No. 260174107

Item 1. Security and Issuer.

The name of the issuer is Dover Motorsports, Inc., a Delaware corporation (the "Issuer"). The address of the Issuer's offices is 1131 North DuPont Highway, Dover, Delaware, 19901. This Schedule 13D relates to the Issuer's Common Stock, \$0.10 par value (the "Shares").

Item 2. Identity and Background.

(a-c, f) This Schedule 13D is being filed by Mario Cibelli, a United States citizen, Marathon Partners, L.P., a New York limited partnership ("MP") and Cibelli Capital Management, L.L.C., a Delaware limited liability company that is an investment management firm which serves as the general partner of MP ("CCM"), each of whose principal business address is located at c/o Cibelli Capital Management, L.L.C., 110 East 42nd Street, New York, NY 10017. Mr. Cibelli is the managing member of "CCM". Mr. Cibelli is also the managing member of Cibelli Research & Management, L.L.C. ("CRM"), a Delaware limited liability company that is an investment management firm which serves as the general partner of Marathon Focus Fund, L.P., a New York limited partnership ("MFF"). Mr. Cibelli also serves as portfolio manager to a number of separate managed accounts.

(d) None of the Reporting Persons has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons has, during the last 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 the date hereof, Mr. Cibelli may be deemed to beneficially own 3,184,590 Shares, and MP and CCM may be deemed to beneficially own 2,995,509 Shares. The Shares are held by MP, MFF, and the separate managed accounts for which Mr. Cibelli serves as portfolio manager through his position in CCM and/or CRM (together, the "Clients"). The funds for the purchase of the Shares by the Clients came from the Clients' respective funds. Mr. Cibelli is also the beneficial owner of the Shares held in his personal accounts and in the accounts of his family members as follows: Mario Cibelli C/F S. Cibelli UTMA: 1,600 Shares; Mario Cibelli C/F G. Cibelli UTMA: 1,000 Shares; Mario Cibelli C/F L. Cibelli UTMA: 1,000 Shares; Mario Cibelli C/F C. Cibelli UTMA: 700 Shares; Mario Cibelli Simple IRA: 2,000; The total cost for the Shares held by Mr. Cibelli is \$40,851.76.

No borrowed funds were used to purchase the Shares, other than any borrowed funds used for working capital purposes in the ordinary course of business.

Item 4. Purpose of Transaction.

On April 7, 2010, the Reporting Persons sent a letter to the Issuer's General Counsel, attached hereto as Exhibit 99.2.

The Reporting Persons intend to review their investments in the Issuer on a continuing basis and may engage in further discussions with management, the Board, other stockholders of the Issuer and other relevant parties concerning the business, operations, management, strategy and future plans of the Issuer.

Depending on various factors including, without limitation, the Issuer's financial position and strategic direction, the outcome of any discussions referenced above, actions taken by the Board, price levels of the Shares, other investment opportunities available to the Reporting Persons, conditions in the securities market and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investments in the Issuer as they deem appropriate including, without limitation, purchasing additional Shares or selling some or all of the Shares held by the Reporting Persons and/or otherwise changing their intention with respect to any and all matters referred to in Item 4 of Schedule 13D.

Except as expressly set forth above, the Reporting Persons have no present plans, proposals, commitments, arrangements or understandings with respect to any of the matters set forth in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

As of the date hereof, Mr. Cibelli may be deemed to be the beneficial owner of 3,184,590 Shares, constituting 17.49% of the Shares of the Issuer, and MP and CCM may be deemed to be the beneficial owner of 2,995,509 Shares, constituting 16.45% of the Shares of the Issuer, in each case based upon the 18,207,108 Common Shares outstanding as of March 23, 2010, according to the Issuer's Schedule 14A Proxy Statement filed March 30, 2010.

Mr. Cibelli has the sole power to vote or direct the vote and to dispose or direct the disposition of 3,184,590 Shares and the shared power to vote or direct the vote and dispose or direct the disposition of 0 Shares to which this filing relates. MP and CCM each have the sole power to vote or direct the vote and dispose or direct the disposition of 0 Shares and the shared power to vote or direct the vote and dispose or direct the disposition of 2,995,509 Shares to which this filing relates.

The trading dates, number of shares purchased and sold and price per share for all transactions in the Shares during the past 60 days by Mr. Cibelli through his position in CCM, and CRM on behalf of the Clients are set forth in Exhibit 99.1 hereto and were all effected in broker transactions.

The 3,184,590 Shares were acquired for investment purposes. Mr. Cibelli and/or Mr. Cibelli on behalf of the Clients and MP and CCM may acquire additional Shares, dispose of all or some of these Shares from time to time, in each case in open markets or private transactions, block sales or purchases or otherwise, or may continue to hold the Shares.

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

The Reporting Persons do not have any contract, arrangement, understanding or relationship with any person with respect to the Shares.

Item 7. Material to be Filed as Exhibits.

A description of the transactions in the Shares that were effected by the Reporting Persons during the 60 days prior to April 7, 2010 is filed herewith as Exhibit 99.1.

A copy of the April 7, 2010 letter to the Issuer's General Counsel is filed herewith as Exhibit 99.2.

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.

April 7, 2010
(Date)

/s/ Mario Cibelli*
Mario Cibelli

MARATHON PARTNERS, L.P.
By its General Partner
Cibelli Capital Management, L.L.C.

/s/ Mario Cibelli*
By: Mario Cibelli
Title: Managing Member

CIBELLI CAPITAL MANAGEMENT,
L.L.C.

/s/ Mario Cibelli*
Title: Managing Member

* The Reporting Persons disclaim beneficial ownership except to the extent of their pecuniary interest therein.

Attention. Intentional misstatements or omissions of fact constitute federal criminal violations (see 18 U.S.C. 1001).

Transactions in the Shares

TRANSACTIONS EFFECTED DURING THE PAST SIXTY DAYS OR
SINCE THE MOST RECENT FILING ON SCHEDULE 13D

No Transactions since last Schedule 13D filing on March 1, 2010.

Via Facsimile & First Class Mail

April 7, 2010

Mr. Klaus M. Belohoubek
Senior Vice President – General Counsel
Dover Motorsports, Inc.
3505 Silverside Road
Plaza Centre Building, Suite 203
Wilmington, DE 19810

RE: Statement of the board of directors and management
in opposition to Marathon's stockholder proposal

Dear Klaus:

In my letter to you dated March 8, 2010, I encouraged you to make appropriate revisions to the opposition statement of the board of directors and management related to our stockholder proposal. We appreciate the fact that the company amended the statement to clarify that members of the board of directors control the company, rather than the board itself. However, we continue to be concerned that two items in the opposition statement as well as one additional issue in the proxy statement may confuse the company's stockholders.

The first is the statement that our proposal would require a separate affirmative vote of seventy-five (75%) of the Class A Common Stock. Although we are aware of a reference to such a condition in the company's bylaws, we could not find anything in the certificate of incorporation or in any other document that could effectively modify the rights of stockholders. We therefore encourage you to modify this statement with an explanation and reference to the relevant document.

The second is the reference to pre-public shareholder interests in 1996 as a basis for the recommendation of a vote against the proposal. We suggest that you either explain how those shareholder interests relate to the interests of all of today's shareholders, or eliminate the reference to past interests as an explanation for the board's opposition to our proposal. The company's management and board should be addressing the interests of all the company's current shareholders, and should understand its responsibility to do so.

In addition, the proxy statement clearly states on page 2 that Mr. Tippie will vote in favor of the two board members who stand for re-election (Proposal Number One). In the next section regarding the shareholder proposal (Proposal Number Two), though, the proxy includes only a general statement suggesting that the controlling vote may be negative: "Members of our board of directors own or control in excess of a majority of the voting power of our Class A Common Stock. This means that without their vote, this proposal cannot be adopted." Whether Mr. Tippie intends to vote for or against this proposal should be presented with the same clarity as in his vote for the directors. Shareholders should not be confused about whether their vote will matter.

We look forward to attending the 2010 Annual Meeting of Stockholders in Dover, Delaware on April 28, 2010.

Sincerely,

Mario D. Cibelli
Managing Member