

EDUCATIONAL DEVELOPMENT CORP

Form SC 13D

April 12, 2017

CUSIP No. 281479105

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934**

**(Amendment No. )\***

**Educational Development Corporation**

(Name of Issuer)

**Common Stock, \$0.20 par value**

(Title of Class of Securities)

**281479105**

(CUSIP Number)

**RED OAK PARTNERS, LLC**

Attn: David Sandberg

1969 SW 17<sup>th</sup> St.

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Boca Raton, FL 33486

(212) 614-8952

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

**April 3, 2017**

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(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.

\*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).

CUSIP No. 281479105

1 NAME OF REPORTING PERSONS

Red Oak Partners, LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Florida

NUMBER OF	7	SOLE VOTING POWER
	8	SHARED VOTING POWER
SHARES		291,827
BENEFICIALLY	9	SOLE DISPOSITIVE POWER
OWNED BY	10	SHARED DISPOSITIVE POWER
		291,827
EACH		

REPORTING

PERSON

WITH:

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

291,827

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

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

7.15%<sup>1</sup>

14 TYPE OF REPORTING PERSON (See Instructions)

OO

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1 Based on 4,082,283 shares of common stock outstanding at January 11, 2017, as reported by the Issuer on its Form 10-Q for the quarter ended November 30, 2016, filed with the United States Securities and Exchange Commission on January 23, 2017.

CUSIP No. 281479105

1 NAME OF REPORTING PERSON

The Red Oak Fund, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF	7	SOLE VOTING POWER
	8	SHARED VOTING POWER
SHARES		80,532
BENEFICIALLY	9	SOLE DISPOSITIVE POWER
OWNED BY	10	SHARED DISPOSITIVE POWER
		80,532
EACH		

REPORTING

PERSON

WITH:

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

80,532

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

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

1.97%<sup>1</sup>

14 TYPE OF REPORTING PERSON (See Instructions)

PN

1 NAME OF REPORTING PERSON

The Red Oak Long Fund, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF	7	SOLE VOTING POWER
SHARES	8	SHARED VOTING POWER
		34,117
BENEFICIALLY	9	SOLE DISPOSITIVE POWER
OWNED BY	10	SHARED DISPOSITIVE POWER
EACH		34,117

REPORTING

PERSON

WITH:

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

34,117

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

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

0.84%<sup>1</sup>

14 TYPE OF REPORTING PERSON (See Instructions)

PN

CUSIP No. 281479105

1 NAME OF REPORTING PERSON

Pinnacle Capital Partners, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Florida

NUMBER OF	7	SOLE VOTING POWER
SHARES	8	SHARED VOTING POWER
		54,744
BENEFICIALLY	9	SOLE DISPOSITIVE POWER
OWNED BY	10	SHARED DISPOSITIVE POWER
EACH		54,744

REPORTING

PERSON

WITH:

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

54,744

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

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

1.34%<sup>1</sup>



14 TYPE OF REPORTING PERSON (See Instructions)

OO

1 NAME OF REPORTING PERSON

Pinnacle Opportunities Fund, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF

7

SOLE VOTING POWER

8

SHARED VOTING POWER

SHARES

54,744

BENEFICIALLY

9

SOLE DISPOSITIVE POWER

OWNED BY

10

SHARED DISPOSITIVE POWER

EACH

54,744

REPORTING

PERSON

WITH:

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

54,744

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

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

1.34%<sup>1</sup>

14 TYPE OF REPORTING PERSON (See Instructions)

PN

1 NAME OF REPORTING PERSON

The Red Oak Institutional Founders Long Fund, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF

7

SOLE VOTING POWER

SHARES

8

SHARED VOTING POWER

BENEFICIALLY		122,434
	9	SOLE DISPOSITIVE POWER
OWNED BY	10	SHARED DISPOSITIVE POWER
EACH		122,434

REPORTING

PERSON

WITH:

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

122,434

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

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

3.00%<sup>1</sup>

14 TYPE OF REPORTING PERSON (See Instructions)

PN

CUSIP No. 281479105

1 NAME OF REPORTING PERSONS

David Sandberg

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF	7	SOLE VOTING POWER
	8	SHARED VOTING POWER
SHARES		291,827
BENEFICIALLY	9	SOLE DISPOSITIVE POWER
OWNED BY	10	SHARED DISPOSITIVE POWER
		291,827
EACH		

REPORTING

PERSON

WITH:

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

291,827

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

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

7.15%<sup>1</sup>

14 TYPE OF REPORTING PERSON (See Instructions)

IN

**Item 1. Security and Issuer.**

This statement on Schedule 13D (this Statement) relates to the common stock (Common Stock), of Educational Development Corporation (the Issuer), with its principal executive offices located at 5402 South 122nd East Avenue, Tulsa, Oklahoma 74146.

**Item 2. Identity and Background.**

(a)-(c) and (f) The names of the persons filing this Statement (the Reporting Persons) are:

The Red Oak Fund, LP, a Delaware limited partnership (Red Oak Fund);

The Red Oak Long Fund, LP, a Delaware limited partnership (Red Oak Long Fund);

The Red Oak Institutional Founders Long Fund, LP, a Delaware limited partnership (Red Oak Founders Fund);

Pinnacle Opportunities Fund, LP, a Delaware limited partnership (Pinnacle Fund);

Red Oak Partners, LLC, a Florida limited liability company (Red Oak Partners);

Pinnacle Capital Partners, LLC, a Florida limited liability company (Pinnacle Partners); and

David Sandberg, a United States citizen.

This Statement is being filed by David Sandberg, the controlling member of Red Oak Partners, which manages each of Red Oak Fund, Red Oak Long Fund, Red Oak Founders Fund and Pinnacle Fund (each a Fund and, collectively, the Funds). The Funds are private investment vehicles formed for the purpose of investing and trading in a wide variety of securities and financial instruments. The Funds directly own the shares as reported in this Statement. Each of the filers hereto disclaims beneficial ownership with respect to any shares other than shares owned directly by such filer.

The principal office or business address of the Funds, Red Oak Partners, Pinnacle Partners and David Sandberg is 1969 SW 17<sup>th</sup> St., Boca Raton, FL 33486.

(d)-(e)

During the last five years, none of the Reporting Persons have been (a) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (b) 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.**

The source of cash for securities purchased by the Funds was working capital and totaled \$2,844,546.

**Item 4. Purpose of Transaction.**

The Reporting Persons will review their investments in the Common Stock from time to time, and, subject to applicable law and regulation and depending upon certain factors, including, without limitation, the financial performance of the Issuer, the availability and price of the Common Stock or other securities related to the Issuer, and other general market and investment conditions, the Reporting Persons may determine to:

- acquire additional Common Stock through open market purchases or otherwise;
- sell Common Stock through the open market or otherwise; or
- otherwise engage or participate in a transaction with the purpose or effect of changing or influencing the control of the Issuer.

Such transactions may take place at any time and without prior notice. There can be no assurance, however, that any Reporting Person will take any such actions.

**Item 5. Interest in Securities of the Issuer.**

(a)

The aggregate percentage of the Issuer's outstanding shares of Common Stock reported owned by each Reporting Person is based on 4,082,283 shares of common stock outstanding at January 11, 2017, as reported by the Issuer on its Form 10-Q for the quarter ended November 30, 2016, filed with the United States Securities and Exchange Commission on January 23, 2017. Each Reporting Person disclaims beneficial ownership with respect to any shares of Common Stock other than the shares owned directly and of record by such Reporting Person.

Red Oak Partners beneficially owns 291,827 shares of Common Stock, representing 7.15% of all the outstanding shares of Common Stock. The Funds are each controlled by Red Oak Partners. Therefore, Red Oak Partners may be

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deemed to beneficially own (i) the 80,532 shares of Common Stock held by the Red Oak Fund, (ii) the 54,744 shares of Common Stock held by Pinnacle Fund, (iii) the 122,434 shares of Common Stock held by Red Oak Founders Fund, and (iv) the 34,117 shares of Common Stock held by the Red Oak Long Fund.

Mr. Sandberg beneficially owns 291,827 shares of Common Stock, representing 7.15% of all the outstanding shares of Common Stock. Mr. Sandberg, as the managing member of Red Oak Partners may be deemed to beneficially own the 291,827 shares of Common Stock beneficially owned by Red Oak Partners through the Funds.

Red Oak Fund may be deemed to beneficially own 80,532 shares of Common Stock, representing 1.97% of all the outstanding shares of Common Stock. Pinnacle Fund may be deemed to beneficially own 54,744 shares of Common Stock, representing 1.34% of all the outstanding shares of Common Stock. Red Oak Founders Fund may be deemed to beneficially own 122,434 shares of Common Stock, representing 3.00% of all the outstanding shares of Common Stock. Red Oak Long Fund may be deemed to beneficially own 34,117 shares of Common Stock, representing 0.84% of all the outstanding shares of Common Stock.

(b)

Each of Red Oak Partners and Mr. Sandberg may be deemed to have shared voting and dispositive power with respect to (i) the 80,532 shares of Common Stock held by the Red Oak Fund, (ii) the 54,744 shares of Common Stock held by Pinnacle Fund, (iii) the 122,434 shares of Common Stock held by Red Oak Founders Fund, and (iv) the 34,117 shares of Common Stock held by the Red Oak Long Fund. No Fund shares with any other Fund voting or dispositive power with respect to the shares such Fund beneficially owns.

(c)

Transactions by the Reporting Persons effected in Common Stock that have taken place in the last sixty days are as follows:

<u>Date</u>	<u>Fund Name</u>	<u>Action</u>	<u>Quantity</u>	<u>Average Price</u>
4/3/2017	The Red Oak Long Fund LP	BUY	1,238	7.025
4/3/2017	The Red Oak Institutional Founders Long Fund LP	BUY	24,293	7.025
4/5/2017	The Red Oak Institutional Founders Long Fund LP	BUY	29,669	7.200
4/5/2017	The Red Oak Fund, LP	BUY	15,621	7.200
4/5/2017	The Red Oak Long Fund LP	BUY	8,268	7.200
4/5/2017	Pinnacle Opportunities Fund, LP - Red Oak	BUY	6,413	7.200
4/10/2017	The Red Oak Institutional Founders Long Fund LP	BUY	1,113	7.550
4/10/2017	The Red Oak Fund, LP	BUY	733	7.550
4/10/2017	Pinnacle Opportunities Fund, LP - Red Oak	BUY	498	7.550
4/10/2017	The Red Oak Long Fund LP	BUY	310	7.550
4/12/2017	The Red Oak Institutional Founders Long Fund LP	BUY	357	7.529



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4/12/2017	The Red Oak Fund, LP	BUY	235	7.529
4/12/2017	Pinnacle Opportunities Fund, LP - Red Oak	BUY	159	7.529
4/12/2017	The Red Oak Long Fund LP	BUY	99	7.529

(d)  
Not applicable.

(e)  
Not applicable.

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

The relationships between Mr. Sandberg, Red Oak Partners and the Funds are described above under Item 2.

**Item 7. Material to be Filed as Exhibits.**

Not applicable.

**SIGNATURE**

After reasonable inquiry and to best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: April 12, 2017

By:  
/s/ David Sandberg

Name:  
David Sandberg

**RED OAK PARTNERS, LLC**

By:  
/s/ David Sandberg

Name:  
David Sandberg

Title:  
Managing Member

**THE RED OAK FUND, L.P.**

By:  
RED OAK PARTNERS, LLC,  
its general partner

By:  
/s/ David Sandberg

Name:  
David Sandberg

Title:  
Managing Member

**THE RED OAK INSTITUTIONAL FOUNDERS LONG FUND, L.P.**

By:  
RED OAK PARTNERS, LLC,

its general partner

By:  
/s/ David Sandberg

Name:  
David Sandberg

Title:  
Managing Member

**THE RED OAK LONG FUND, L.P.**

By:  
RED OAK PARTNERS, LLC,

its general partner

By:  
/s/ David Sandberg

Name:  
David Sandberg

Title:  
Managing Member

**PINNACLE CAPITAL PARTNERS, LLC**

By:  
RED OAK PARTNERS, LLC,

its investment advisor

By:  
/s/ David Sandberg

Name:  
David Sandberg

Title:  
Managing Member

**PINNACLE OPPORTUNITIES FUND, LP**

By:  
PINNACLE CAPITAL PARTNERS, LLC,

its general partner

By:  
/s/ David Sandberg

Name:  
David Sandberg

Title:  
Managing Member

## Footnotes

1